

APPROVED
by the Board of Directors of
PIK Group

Minutes No.15
of February 04, 2008

**BYLAW on
Corporate Secretary and
Corporate Secretary Division
of PIK Group**

Moscow

1. GENERAL PROVISIONS.

1.1. The present Bylaw on Corporate Secretary and Corporate Secretary Division of PIK Group (hereinafter referred to as the "Bylaw") is based on the current legislation of the Russian Federation, the Charter of PIK Group (hereinafter referred to as the "Company") and the Corporate Governance Code recommended by order No. 421/r of 04.02.2002 of the Federal Commission on Securities Market, and defines the procedure for election of the Corporate Secretary of the Company, his functions and powers, as well as the procedure for establishment of the Corporate Secretary Division.

1.2. The Corporate Secretary of the Company is an authorised person who is responsible for ensuring compliance by bodies and executives of the Company with rules and procedures of corporate governance aimed at implementation of rights and interests of shareholders, as well as arrangement of interaction between the Company and its shareholders.

1.3. For the purpose of ensuring effective performance by the Corporate Secretary of his functions, the Corporate Secretary Division headed by the Company's Corporate Secretary is established in the Company.

1.4. The Corporate Secretary and the Corporate Secretary Division perform their activity in accordance with the norms of the current legislation, the Charter, the present Bylaw, other bylaws of the Company and resolutions of the General Meeting of Shareholders and the Board of Directors of the Company.

1.5. The Corporate Secretary shall have the right to combine his activity with performance of other functions in the Company only upon agreement of the Board of Directors of the Company.

2. PROCEDURE FOR ELECTION OF CORPORATE SECRETARY OF THE COMPANY.

2.1. The Corporate Secretary of the Company shall be appointed by a resolution of the Board of Directors by majority of votes of the members of the Board of Directors participating in the voting. The Corporate Secretary is a staff member of the Company.

2.2. Proposals regarding candidates for position of the Corporate Secretary of the Company may be put forward by the members of the Board of Directors and the President of the Company. The Board of Directors shall be submitted with the following information on each candidate:

- 1) surname, first name, patronymic;
- 2) year of birth;
- 3) education;
- 4) information on places of employment for the last 5 years;
- 5) information on quantity, category and type of shares of the Company owned by a candidate;
- 6) information on existence (absence) of affiliation with the Company;
- 7) information on relations with affiliates and main business partners of the Company.

A candidate may deliver any additional information at his/her own discretion.

2.3. A person can be appointed the Corporate Secretary, subject to meeting the following requirements:

- 1) higher education;
- 2) work experience in the area of corporate governance of not less than 3 years;
- 3) knowledge of the legislation of the Russian Federation in the area of corporate law;
- 4) personal characteristics (sociability, responsibility, ability to settle conflicts between participants of corporate relations);
- 5) absence of affiliation with the Company;
- 6) administrative skills;
- 7) analytical skills.

2.4. An employment agreement shall be concluded with a person appointed the Corporate Secretary. Conditions of the employment agreement shall be approved by the Board of Directors of

the Company. The agreement shall be signed by the President of the Company or any other authorized person on behalf of the Company.

2.5. The Board of Directors shall have the right to make a decision on dismissal of the Corporate Secretary of the Company and termination of the respective employment agreement solely pursuant to the procedure established in the Labor Code of the Russian Federation.

3. FUNCTIONS OF CORPORATE SECRETARY OF THE COMPANY.

3.1. Arrangement of preparation and ensuring holding of General Meetings of Shareholders in accordance with the requirements of the current legislation, the Charter and other bylaws of the Company:

1) receipt of proposals regarding inclusion of issues into an agenda of the Annual General Meeting of Shareholders, proposals regarding nomination of candidates for the bodies of the Company to be elected by the General Meeting of Shareholders, and requirements to hold an Extraordinary General Meeting of Shareholders delivered to the Company; registration of proposals or demands delivered and conducting a preliminary legal review; delivery of proposals or demands received to the Chairman of the Board of Directors not later than on a day following a date of their receipt, with enclosure of a legal opinion related to a proposal or a demand received;

2) in the event that an agenda of the General Meeting contains issues related to election to the bodies of the Company – preparation and delivery to candidates of inquiries with respect to agreement to be elected into the respective bodies;

3) based on resolutions of a competent body/person on holding of the General Meeting of Shareholders, preparation and delivery to a registrar of requests to provide a list of persons entitled to participate at the General Meeting of Shareholders;

4) in cases established by the law, delivery of a list of persons entitled to participate at the General Meeting and an extract from this list for review of persons entitled to participate at the General Meeting of Shareholders;

5) preparation of a draft notification of persons entitled to participate at the General Meeting of Shareholders on the upcoming General Meeting and arrangement of distribution of the respective notifications and ballots;

6) forming materials to be submitted for General Meetings of Shareholders including assessment of their compliance with resolutions of the Board of Directors;

7) providing an access to materials which are mandatory for provision to persons entitled to participate at the General Meeting of Shareholders, and copying and provision of copies of such materials on demand of persons entitled to participate at the General Meeting;

8) collecting and ensuring registration of filled-up voting ballots received by the Company and their delivery to the Counting Commission;

9) providing participants of the Meeting of Shareholders with information on issues related to the procedure for holding of the meeting, taking measures for resolution of conflicts related to the procedure for preparation and holding of the General Meeting of Shareholders;

10) providing persons included into a list of persons entitled to participate at the General Meeting of Shareholders with information on voting results;

11) based on resolutions of the General Meeting of Shareholders, preparation and delivery to a registrar of requests to provide a list of persons entitled to receive dividends;

12) arrangements of actions aimed at paying dividends to persons entitled to receive dividends.

3.2. Ensuring activity of the Board of Directors:

1) explanation to newly elected members of the Board of Directors of effective rules of activity of the Board of Directors and other bodies of the Company, the organizational structure of the Company, provision of information on executives of the Company and other information required for proper performance by the members of the Board of Directors of their duties;

- 2) working out draft work schedules of the Board of Directors and their submission to the Board of Directors;
- 3) working out draft agendas of the meetings of the Board of Directors, a form of their holding and their submission to the Chairman of the Board of Directors;
- 4) timely notification of the members of the Board of Directors and invitees on convocation of meetings of the Board of Directors;
- 5) preparation and submission of materials related to issues of an agenda of meetings of the Board of Directors to the members of the Board of Directors;
- 6) expert examination and, if necessary, bringing draft resolutions of the Board of Directors in line with the requirements of the current legislation and the Charter of the Company;
- 7) ensuring proper observation of the procedure for holding the meetings at the meetings of the Board of Directors in the form of joint attendance;
- 8) providing the meetings of the Board of Directors with all enactments, as well as reference and other materials required for adoption of resolutions by the Board of Directors;
- 9) keeping the minutes of the meetings of the Board of Directors, advising responsible parties of resolutions adopted by the Board of Directors;
- 10) notification of the members of the Board of Directors, who were absent at a meeting, on the results of the meeting of the Board of Directors;
- 11) collection of written opinions of the members of the Board of Directors on issues of an agenda of the meetings of the Board of Directors and their delivery to the Chairman of the Board of Directors;
- 12) familiarization of the members of the Board of Directors with written opinions of other members of the Board of Directors and providing the members of the Board of Directors with the opportunity to express their opinion on draft resolutions containing in such opinions in a convenient way;
- 13) ensuring the compliance with the procedure for adoption of resolutions on transactions, approval of which falls within the competence of the Board of Directors;
- 14) control over fulfilment of resolutions of the Board of Directors and informing the Board of Directors of the results of control;
- 15) making proposals to the Chairman of the Board of Directors regarding hearing at a meeting of the Board of Directors of a report or information of any executives of the Company on fulfilment of assignments given by the Board of Directors;
- 16) providing the members of the Board of Directors with documents and information on the activity of the Company requested by them, including the minutes of meetings of the Board of Directors;
- 17) informing the Chairman of the Board of Directors of all the facts preventing from observation of procedures, compliance with which falls within the duties of the Corporate Secretary of the Company.

3.3. Ensuring activity of the committees of the Board of Directors:

- 1) preparation and settlement of organisational matters related to holding of the meetings of the committees of the Board of Directors in accordance with the requirements of the legislation and bylaws of the Company;
- 2) notification of the members of the committees of the Board of Directors and invitees on convocation of the meetings of the committees of the Board of Directors;
- 3) preparation and delivery of materials related to issues of an agenda of the meetings of the committees of the Board of Directors to the members of the committees of the Board of Directors;
- 4) keeping the minutes of the meetings of the committees of the Board of Directors, except for cases when a person who is not a staff member of the Corporate Secretary Division was appointed the secretary of a committee;
- 5) collection of written opinions of the members of the committees of the Board of Directors except for cases when a person who is not a staff member of the Corporate Secretary Division was appointed the secretary of a committee;

- 6) enclosing recommendations of the committees to materials related to issues of an agenda of the meetings of the Board of Directors;
- 7) collection of recommendations and the minutes of the meetings of the committees of the Board of Directors;
- 8) providing assistance to the members of the committees of the Board of Directors in course of performance of their powers.

3.4. Storage of documents and disclosure of information about the Company:

- 1) registration and storage of the minutes of General Meetings of Shareholders, meetings of the Board of Directors, the minutes and recommendations of the committees of the Board of Directors;
- 2) ensuring storage of:
 - voting ballots and powers of attorney (copies of powers of attorney) for participation at the General Meeting of Shareholders;
 - lists of affiliates;
 - lists of persons entitled to participate at the General Meeting of Shareholders, having the right to receive dividends, and other lists made by the Company for exercise by shareholders of their rights in conformity with the requirements of the Federal Law "On Joint Stock Companies".
- 3) providing shareholders with an access to the above mentioned documents pursuant to the procedure established by the Company;
- 4) arrangement of copying documents on demand of shareholders and verification of copies of the specified documents;
- 5) storage of information (materials) to be provided to shareholders for General Meetings of Shareholders and to the members of the Board of Directors for the meetings of the Board of Directors;
- 6) registration and storage of all the incoming correspondence addressed to the Board of Directors;
- 7) collection of information on involvement of the President, the members of the Board of Directors, the members of the Management Board and shareholders of the Company into interested party transactions;
- 8) ensuring disclosure by the Company of information to be disclosed in conformity with the requirements of the legislation on securities market.

3.5. Arrangement of interaction between the Company and its shareholders:

- 1) registration of incoming letters, applications and demands from shareholders;
- 2) preparation of responses to incoming letters, applications and demands from shareholders, addressed to the Company, on matters within his competence or redirecting them to a structural division of the Company, within the competence of which this matter falls;
- 3) control over timely and proper review of incoming letters, applications and demands from shareholders, addressed to the Company, on matters within the competence of other structural divisions of the Company;
- 4) rendering advisory opinions to shareholders on the matters of their rights;
- 5) in cases established by the legislation of the Russian Federation, arrangement of fulfilment of shareholders' requirements on buy-out by the Company of their shares;
- 6) timely revelation of imminent corporate conflicts and participation in their resolution. A corporate conflict means disagreements and conflicts arising among shareholders of the Company if it affects the interests of the Company, among shareholders and management of the Company, investors and the Company which cause or may cause the following consequences:
 - infringement of norms of the current legislation, the Charter or bylaws of the Company, rights of a shareholder or a group of shareholders;
 - lawsuits against the Company, its management bodies or contestation of decisions made by it;
 - preterm termination of authorities of acting management bodies of the Company.

3.6. Arrangement of corporate governance:

- 1) analysis and preparation of proposals regarding making amendments to the Charter and bylaws of the Company;
- 2) analysis of the results of activity of the Company in the area of corporate governance, valuation of achievement of corporate goals;
- 3) working out corporate policy of the Company and ensuring its implementation;
- 4) preparation of proposals regarding establishment of the committees of the Board of Directors of the Company and drafting Bylaws on the Committees;
- 5) drafting the Code of Corporate Conduct of the Company;
- 6) methodological support of the activity of the Company in the area of corporate governance;
- 7) performance of actions aimed at issue, keeping and revision of a corporate governance rating;
- 8) monitoring and initiation of actions aimed at bringing the corporate governance system of the Company into compliance with the requirements of investment institutes and state regulators of securities.

3.7. Other matters:

- 1) within his competence, exchange of business correspondence and making other business contacts with the members of the Board of Directors, the Management Board, other executives, heads of structural divisions of the Company, the members of the Audit Commission, an auditor of the Company, outside companies and entities and other persons and government authorities;
- 2) arrangement of making drafts of bylaws of the Company (including annual reports), approval of which falls within the competence of the General Meeting of Shareholders and the Board of Directors of the Company.

3.8. Functions specified in cl. 3.1.-3.7. of this Bylaw shall be performed by the Corporate Secretary by itself or through issue of respective instructions to staff members of the Corporate Secretary Division.

Functions of the secretary of the Board of Directors of the Company shall be performed by the Corporate Secretary personally. In case of absence of the Corporate Secretary, functions of the secretary of the Board of Directors shall be performed by another person appointed by the Board of Directors of the Company.

4. POWERS OF CORPORATE SECRETARY ON INTERACTION WITH STRUCTURAL DIVISIONS AND EXECUTIVES OF THE COMPANY.

4.1. The Corporate Secretary shall have the right to inquire information (materials) required for performance by the Corporate Secretary of his functions, and executives and heads of structural divisions of the Company shall deliver such information to him.

4.2. The Corporate Secretary shall have the right to inquire a report on course of fulfilment of resolutions of the General Meeting of Shareholders and the Board of Directors of the Company, and executives and heads of structural divisions of the Company shall deliver such report to him and, if necessary, explain the reasons for non-performance of resolutions.

4.3. The Corporate Secretary shall have the right to involve structural divisions of the Company in making draft documents, arrangement of which drafting falls within his competence pursuant to this Bylaw.

4.4. The Corporate Secretary shall have the right to require from executives and heads of structural divisions of the Company to terminate actions which infringe rights of shareholders, with immediate notification of the Board of Directors of the Company.

5. REMUNERATION OF CORPORATE SECRETARY.

5.1. For performance of his functions specified in cl. 3.1. - 3.7. of this Bylaw the Corporate Secretary shall be paid a salary in the amount fixed in the employment agreement.

6. CORPORATE SECRETARY DIVISION.

6.1. The Corporate Secretary Division is a structural division of the Company.

6.2. The Corporate Secretary shall effect the general management of the Corporate Secretary Division.

6.3. Staff members of the Corporate Secretary Division shall be appointed to or dismissed from their positions by an order of the President of the Company.

6.4. Staff members of the Corporate Secretary Division shall perform the work for ensuring performance by the Corporate Secretary of his functions and act in accordance with employment agreements and position descriptions made on the basis of the present Bylaw.

6.5. One of staff members of the Corporate Secretary Division may be appointed by the Management Board for performance of duties of the Secretary of the Management Board. Rights and obligations of the Secretary of the Management Board are governed by the Bylaw on the Management Board of the Company.

7. CONCLUDING PROVISIONS.

7.1. The present Bylaw shall be approved by a resolution of the Board of Directors of the Company.

7.2. Any modifications and addenda to the present Bylaw shall come into effect upon approval by the Board of Directors of the Company.

7.3. Should, in the result of change in the legislation of the Russian Federation or the Charter of the Company, some articles of the present Bylaw become contradictory with it, the Bylaw shall apply in its part, not contradictory with the current legislation and the Charter of the Company.