



Annex 10

**A MODEL BY-LAW FOR THE SUPERVISORY BOARD'S  
STRATEGIC PLANNING AND FINANCE COMMITTEE**

APPROVED

By decision of the Supervisory Board  
of the Open Joint Stock Company «\_\_\_\_\_»

Supervisory Board Minutes

No. \_\_\_\_\_  
of \_\_\_\_\_ 200\_

Signature of the Chairman of the Supervisory Board

\_\_\_\_\_  
dated this \_\_day of \_\_\_\_\_, 200\_  
[The Company's Seal]

**BY-LAW FOR THE SUPERVISORY BOARD'S STRATEGIC PLANNING  
AND FINANCE COMMITTEE**

of the Open Joint Stock Company  
«\_\_\_\_\_»

The city of \_\_\_\_\_  
\_\_\_\_\_, 200\_



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## Article 1. General Provisions

- 1.1. This By-law for the Strategic Planning and Finance Committee (hereinafter the By-law) of the Supervisory Board of the Open Joint Stock Company «\_\_\_\_\_» (hereinafter the Company) has been drafted in accordance with the laws of the Russian Federation (hereinafter the Law), the charter of the Company and other internal corporate documents, and relevant recommendations of the Federal Commission for the Securities Market's Code of Corporate Conduct (hereinafter the FCSM Code).
- 1.2. The By-law shall define the authority of the Supervisory Board's Strategic Planning and Finance Committee (hereinafter the Committee) and its members, and, further, shall define the rights and responsibilities of the Committee's members, election, composition, and dismissal of Committee members, meeting procedures, as well as the remuneration of Committee members.
- 1.3. The Committee has been established to assist the Supervisory Board in performing its oversight functions effectively and efficiently, and is specifically charged with defining the Company's strategic objectives, determining its financial and operational priorities, making recommendations regarding the Company's dividend policy, and evaluating the long-term productivity of the Company's operations.

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- 1.4. All proposals developed by the Committee are recommendations only and thus non-binding to the Supervisory Board.

### Article 2. Authority

- 2.1. The following issues shall fall within the authority of the Committee:
  - 2.1.1. As to the Company's strategy and objectives, to:
    - 2.1.1.1. Guide the Company's General Director [and the Executive Board] in setting the Company's mission, goals, and objectives;
    - 2.1.1.2. Guide the Company's General Director [and the Executive Board] in setting the Company's strategic plan and business objectives, conduct reviews of said strategic plan and business objectives, and make recommendations to the Supervisory Board as appropriate;
    - 2.1.1.3. Develop and conduct reviews of the Company's strategic planning processes and procedures in close cooperation with the Company's General Director [and the Executive Board], and develop a policy statement describing the Board's involvement in the strategic planning process;
    - 2.1.1.4. Ensure that the Company's strategic plans are transformed into concrete actions aimed at achieving the Company's objectives;
    - 2.1.1.5. Review the General Director's and the Executive Board's recommendations for the allocation of resources to verify their consistency with the Company's strategic plans and long-term business objectives; and
    - 2.1.1.6. Periodically review the Company's [and its subsidiaries'] strategic plan and business objectives to ensure alignment with the Company's mission, goals, and objectives.
  - 2.1.2. As to the Company's operational priorities, to:
    - 2.1.2.1. Review and make recommendations to the Supervisory Board as to certain strategic decisions regarding opera-

tional priorities, including expanding into new, or exiting from existing business markets or countries.

- 2.1.3. As to the Company's financial planning and dividend policy, to:
  - 2.1.3.1. Review and make recommendations to the Supervisory Board with respect to the Company's annual and long-term financial strategies and objectives, as well as any related performance goals and key performance indicators;
  - 2.1.3.2. Review significant financial matters of the Company and its subsidiaries, including matters relating to the Company's capitalization, its credit ratings, cash flows, borrowing activities, and investment of surplus funds, while working in close cooperation with the Company's management and, particularly, with the Supervisory Board's Audit Committee;
  - 2.1.3.3. Review and make recommendations to the Supervisory Board with respect to the Company's debt or securities offerings, the purchase or disposal of treasury shares, stock splits or share reclassifications, and any capital transactions or other project expenditures equal to or greater than RUR \_\_\_\_\_ million, and any other financial transactions, such as an investment in a subsidiary or other venture, or an asset disposal equal to or greater than RUR \_\_\_\_\_ million;
  - 2.1.3.4. Review and make recommendations to the Supervisory Board with respect to the Company's dividend policy and practices; and
  - 2.1.3.5. Periodically review actual capital expenditures and performance against previously approved budgeted amounts.
- 2.1.4. As to the evaluation of long-term productivity and operational efficiency, to:
  - 2.1.4.1. Review and make recommendations to the Supervisory Board as to certain strategic decisions regarding the expan-

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sion into or exit from new technologies, and any other opportunities to improve the scope and scale, cost effectiveness, and quality of products and services provided by the Company when the amount involved is equal to or greater than RUR \_\_\_\_\_ million.

- 2.1.5. As to the oversight of the Company's reorganization plans, to:
  - 2.1.5.1. Review and make recommendations to the Supervisory Board as to certain strategic decisions regarding the consolidation, merger, split-up, transformation, or spin-off/divestiture of the Company.

### Article 3. Rights and Responsibilities

- 3.1. The Committee shall have the following rights:
  - 3.1.1. Request documents, reports, explanations, and other relevant information from the officers, executives, and employees of the Company [including the Company's strategy advisors];
  - 3.1.2. Invite the Company's officers, executives, and employees, as well as the Company's strategy advisors, to its meetings as observers to question them, and seek explanations and clarifications;
  - 3.1.3. Utilize the services of outside consultants, experts, and advisers; and
  - 3.1.4. Perform any other duties as may be required by the Supervisory Board within the scope of authority of the Committee as set forth herein.
- 3.2. The Committee shall conduct an annual review and assessment of the adequacy of the By-law and thereafter make such recommendations to the Supervisory Board and its Corporate Governance Committee regarding any changes to the By-law deemed advisable by the Committee.
- 3.3. The Committee shall report to the Supervisory Board on a regular basis, but not less than once every six months. The Committee shall make such report to the Supervisory Board as soon as feasible after every meeting.

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- 3.4. Further, Committee members shall:
  - 3.4.1. Participate in the activities and work of the Committee, and attend all its meetings;
  - 3.4.2. Keep abreast of industry and market trends, advances in information technology, and other areas of strategic importance to the Company;
  - 3.4.3. Treat as confidential all information that becomes known to them in the course of performing their official duties;
  - 3.4.4. Inform the Supervisory Board of any changes in their independent status or any conflict of interest regarding decisions to be made by the Committee; and
  - 3.4.5. Annually review and evaluate the performance of the Committee and its members, including a review of the Committee's compliance with the By-law.

### **Article 4. Election, Composition and Dismissal**

- 4.1. The Committee shall consist of \_\_\_ members and shall be elected by a majority vote of all directors.
- 4.2. The term of office of the Committee shall coincide with the term of office for the Supervisory Board.
- 4.3. Only Supervisory Board members may be elected members of the Committee.
- 4.4. Members of the Committee must have the necessary knowledge and experience in matters concerning the Company's industry, trends, and finance.
- 4.5. The Supervisory Board shall, wherever possible, elect an independent director to chair the Committee. If this is not feasible for whatever reason, the Committee shall be chaired by a non-executive director and have at least one independent member.
- 4.6. The Supervisory Board may, at any time, dismiss any member of the Committee, or re-elect the entire Committee.

### **Article 5. Meeting Procedures**

- 5.1. The Committee shall be headed by a Chairman, who shall be elected by a simple majority vote of the Committee's members.

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- 5.2. The Corporate Secretary of the Company shall act as the Secretary of the Committee unless and until one of the Committee members is so elected.
- 5.3. Meetings shall be the principal form utilized for carrying out the work and activities of the Committee.
- 5.4. Meetings may be conducted whenever and as often as necessary to properly carry out the Committee's functions and duties in a timely manner. However, at a minimum, the committee should conduct not less than one meeting every six months. If a meeting of the Supervisory Board is to be conducted in which the Committee's authority is at issue, then a meeting of the Committee should be conducted no later than \_\_ days before such meeting of the Board.
- 5.5. Meetings may be called by the Chairman of the Committee, any member of the Committee, or by decision of the Supervisory Board.
- 5.6. Meetings may be conducted when members are physically in attendance, or by written consent of those members not physically able to attend and, further, may be conducted in the form of either video- or audio-conferences.
- 5.7. A quorum shall be deemed present at any meeting of the Committee if at least one-half of its members are present at such meeting.
- 5.8. The Secretary of the Committee shall be responsible for giving advance notice to all of the Committee members of the meeting and its agenda at least \_\_\_\_ (number) days prior to the meeting, and ensure the availability of all necessary information regarding all of the items included on the agenda. Additionally, the notice shall be given in any form deemed convenient and agreed upon by the Committee members, e.g. by telephone, fax, ordinary, or electronic mail.
- 5.9. The minutes of every Committee meeting shall be signed by all members present.
- 5.10. Upon the conclusion of discussions regarding any particular issue, the Committee shall draft a written opinion to be signed by all members of the Committee, and such written opinion shall be submitted to the Chairman of the Supervisory Board or the Corporate Secretary in time for inclusion on the agenda of the next Supervisory Board meeting. Any member of the Committee having a dissenting opinion should submit such opinion with the majority opinion of the Committee.

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5.11. The Committee shall make decisions by a majority vote of the members participating in the meeting.

### **Article 6. Remuneration**

6.1. The procedures for paying and the amount of any such remuneration shall be determined in accordance with the corresponding provisions of the By-laws on the Supervisory Board.