

This document is not the original and can not be used as the original.

APPROVED

by the General Shareholders Meeting
of JSC "Weidmann Malyn Paper Mill"
Minutes # 15 dated April 15, 2010

STATUTE
of Public Joint Stock Company
«**WEIDMANN MALYN PAPER MILL**»
(new edition)

Identification number 00278735

Clause 1. General Provisions

1.1. In accordance with the Decree of the President of Ukraine "Corporatization of enterprises", as of 15.06.1993 and decision of State Material Resources Committee of Ukraine, as of June 27, 1994, #165 by means of transformation of state enterprise "Malyn Paper Mill", Joint Stock Company "Malyn Paper Mill" was founded, which name was changed into Public joint stock company "Weidmann Malyn Paper Mill" (hereinafter referred to as Company).

1.2. Company name:

1.2.1. Full Company name:

in Ukrainian:

Публічне акціонерне товариство «МАЛИНСЬКА ПАПЕРОВА ФАБРИКА-ВАЙДМАНН»

in English:

Public Joint Stock Company «**WEIDMANN MALYN PAPER MILL**»

in Russian:

Публичное акционерное общество «МАЛИНСКАЯ БУМАЖНАЯ ФАБРИКА-ВАЙДМАНН»

1.2.2. Short Company name:

in Ukrainian: ПАТ «**ВАЙДМАНН-МПФ**»

in English: PJSC «**WEIDMANN-MPM**»

in Russian: ПАО «**ВАЙДМАНН-МБФ**»

1.3. Company address:

66 Prykhodko Street, Malyn, Zhytomyr region, 11602, Ukraine.

Clause 2. Goals and objectives of the Company

2.1. Objectives (goals) of the Company activity are:

2.1.1. to satisfy the customer's needs for paper and board, products of industrial purposes, consumer goods, different services;

2.1.2. commercial promotion of different forms of foreign-economic activity and ties;

2.1.3. to earn profit from its activity;

2.1.4. realization of shareholders' interests at the expense of the profit with the account of socio-economic interests of company personnel.

2.2. To achieve these goals the Company shall carry out any kinds of business and economical activity, which is the subject of the Company activity provided by this Statute:

Production (manufacture)

- production of paper and board of different grades, including security paper grades, for needs of different branches of industry;
- any production activity in paper and board industry, including manufacturing and selling of equipment, assembly and running services;
- manufacturing of technological facilities for information retrieval from communication channels, other means of private information retrieval;
- production of forms of security papers, documents of strict record;
- production of composite material by means of metallization method, matting;
- production of consumer goods;
- production of equipment where electronic technologies are applied;
- production of different kinds of metal and non-metal fabrics, home appliances, farm machinery and transport facilities;
- glass products;
- carpenter products;
- research and development;
- production of raw materials, including building materials;
- production of industrial, agricultural and non-standard equipment, technical devices;
- manufacturing the means of production;
- consumer goods production;
- production of automated network facilities;
- production of new techniques for environmental protection;
- manufacture, assembly of supporting structures, assembly of building units,

- construction/repair work;
- photo, cinema-, audio and video products;

Trading (sales, supply)

- wholesale, retail trade of paper, board and their products;
- marketing of articles made of precious metals, jewels, organogenic jewels, semiprecious stones;
- trade of special technical devices for information retrieval from the connection channels, other means of private information retrieval;
- trade of cryptosystems and of other means of encryptic protection;
- trade of consumer goods;
- trade of oil, gas, petroleum derivatives, fuel, lubrication, petrochemistry products;
- trade of computer machinery, office equipment, audio and video equipment where electronic technologies are applied;
- trade of soft- and hardware;
- glass-ware trade;
- trade of transport facilities and their spare parts for cash and via cashless settlement;
- trade (import and export) of agricultural products, ware for production and technical purposes, consumer goods and other products both of domestic manufacture and received on commission basis, or purchased in other physical and juridical persons;
- gas supply on adjusted, non-adjusted tariffs;
- energy supply on adjusted, non-adjusted tariffs.

The term "trade" of this clause implies carrying out any civil legal acts (supply, purchase-selling, exchange, etc) both systematic and non-repeated, which provide transfer of property from the owner to the third person.

Service provision and work performance

- organization and carrying out of research work, related to production of high quality paper and board, implementation of new techniques in production of paper and board;
- transporting services for passengers conveyance, goods transportation by means of air, river, sea, motor and rail transport;
- services related to protection of state and other property, citizens protection;
- radio communication services (using radio frequencies);
- telephone services;
- services related to maintenance, repair, and testing of electrical equipment;
- services provision for installation and repair of internal and external power network;
- design, installation, repair and preventive maintenance of means of intrusion and fire alarm;
- services related to information processing, as well as production, maintenance of systems and means which provide information security;
- services related to maintenance, repair of computer aids, office equipment, audio, video equipment, where electronic technologies are applied;
- metrological verification of devices;
- maintenance services and repair of different metal and non-metal products, household appliance and agricultural equipment, transport facilities;
- medical practice (medical services, including diagnostics and consultations, with application of technical and non-standard remedies);
- legal practice (consulting and interpretation of legal points, oral and written notes on legislation, compilation of applications, complaints, and other legal documents, interest intermediation of citizens, enterprises and organizations on their behalf in courts and other state authorities on civil, economic, criminal cases, and on administrative charges, etc);
- services related to hotel business, fulfillment of all connected services;
- different kinds of sport and sanative services;
- road-transport servicing;
- forwarding services for transporting foreign trade and transit cargo;
- granting service for receiving general secondary and vocational education, specialists training of different qualification;
- currency exchange services in accordance with the existing legislation;

This document is not the original and can not be used as the original.

- marketing and management services;
 - advertising and dealer services;
 - commercial services of all kinds for state and civil societies, companies, organizations, citizens and foreign partners;
 - engineering and construction services;
 - remittance;
 - carrying out disinfection, disinsection, disinfestation;
 - publishing and polygraphic activity;
 - elaboration of composite materials by means of metallization, matting;
 - residential and industrial construction;
 - design of computer aids, office equipment, audio and video equipment, where electronic engineering is applied;
 - courses organizing, seminar conducting, tutorials, training, professional development of all levels personnel, including training abroad;
 - application of modern technologies in production and servicing;
 - designing, construction, maintenance, repair, finishing, monumental and decorative, and other works in the field of construction of industrial buildings, housing, small holdings (including design and service lines laying);
 - certification of work places, technical certification of machinery, equipment, buildings, facilities;
 - construction and maintenance work of national net of data transfer and document communication;
 - design of special aids for information retrieval from communication channels, other means of private information retrieval;
 - design, fabrication, application, operation, certification testing, thematic exploration, examination, import, export of cryptosystems and means of data encryptic protection, encryptic protection services;
 - design, manufacturing, implementation, certification testing, import, export of hologram protection;
 - design, manufacturing, implementation, maintenance, efficiency assessment of systems and means of technical protection of data, technical protection services;
 - gas storing in volumes, which exceed the licensed level;
 - central water supply and water sewage;
 - design, manufacturing, storing, transporting, purchasing, forwarding, import, export, distribution, obliteration of drugs, psychotropic agent, particularly the purchase of sulphuric acid and its application in production of paper, board, and their products;
 - provision, processing of particular kinds of resource-valued waste material, gathering, provision of particular kinds of waste as secondary raw materials;
 - activity in the field related to dangerous waste processing;
 - design, assembly, technical maintenance of fire protection means and heating systems, assessment of fire safety of a unit;
 - fire safety testing of agents, materials, constructions, products, and equipment, as well as of fire engineering, firefighting equipment, firefighting products, and their conformity with the settled norms;
 - technical maintenance of tele-, radio- and wire broadcasting within the commercial operation;
 - organization of abroad, inland tourism, excursions;
 - physical training and sport activity;
 - organization and conducting of work, related to sanitation testing of hazardous environment for certification of work places and working conditions;
 - certification of work places and working conditions;
 - arbitrary activity (assets manager, sanation manager, liquidator);
 - mediation in abroad employment assistance;
 - trading in equity market;
 - design, construction of new and reconstruction of existing reclamation projects and separate objects of engineering infrastructure;
 - mediation in activity of customs broker and custom forwarder.
- 2.3. The Company has right to perform any other kinds of business activity without limitation of

the Clause 2.2 hereof, if such activity is not forbidden by the legislation of Ukraine and correspond to the goals, provided by this Statute.

2.4. In cases, stipulated by the current legislation of Ukraine, the Company obtains license to practise particular business activity.

2.5. Works, which require special knowledge and admission to state secret, are to be conducted by trained persons, who are qualified for such works and have documents of established forms.

2.6. The Company independently plans its industrial and economic activity proceeding from demand for its products, works, and services. The basis of these plans shall be decisions of the Company Management board and the contracts with customers and suppliers.

Clause 3. Legal status of the Company

3.1. The Company is a legal entity according to the legislation of Ukraine. The Company acquires legal status on the day of its registration.

3.2. The Company shall perform its activity in accordance with the current legislation of Ukraine and this Statute.

3.3. The Company is an assignee of public factory – Malyn Paper Mill.

3.4. The Company has independent balance, current accounts, currency and other accounts at banking establishments, including foreign banks, label for products and services (trade mark), signets and stamps, which are to be approved by the Management Board, and other requisites.

3.5. The Company shall be economically independent, based on principles of self-government and self-repayment.

3.6. The Company is responsible for its liabilities by the property it possesses. The Company is not responsible for property accountability of the Shareholders. No sanctions which limit the rights of the Company and its Board can be applied in case of shareholder's illegal actions accomplishing. Shareholders are not responsible for the liabilities of the Company and do not take risk of loss relating to Company's activity within the limits of cost of the shares which they hold. No sanctions which limit the rights of shareholders can be applied in case of illegal actions accomplishing by the Company or another shareholder.

3.7. To achieve its goals (aims) and to conduct its activity the Company has rights:

- to conclude and to execute any legal acts (contracts, agreements), including external economic acts, such as purchase and sale, supply, donation, renting, exchange, loan, contact, mortgage, borrowing, crediting, servicing, cooperation, insurance, transporting, storing, estate admission, commission, consignment, hiring (renting, leasing), etc, with Ukrainian and foreign legal entities and citizens both from Ukraine and from abroad;
- to give loans at its own expense to Ukrainian and foreign legal entities on terms, stipulated by an agreement and current legislation;
- to obtain credits at banks and other creditors, including foreign, both in national and foreign currency;
- to carry out all the bill operations, provided by the legislation;
- to establish in Ukraine and/or abroad its subsidiary, representative, branch and other offices with the right of opening of current and other accounts. Such separate offices have no legal status and act on the basis of regulations, approved by the Company;
- to appear as claimant or defendant in courts, economic and arbitration courts of Ukraine and other countries;
- to be the founder and/or participant of association, corporation, consortium, and other association of enterprises for the purpose of coordination of production, scientific and other activities for solution of joint economic and social tasks;
- to found any trading establishments;
- to found and to maintain versatile public catering, restaurants, cafe, coffee houses, bistro, pubs;
- to found and to maintain its own drugstores;
- to found health-improving medical complexes (centers) and maintain them with the necessary equipment;
- to found and to maintain gasoline service stations, car parking, camping;
- to found networks of its own currency exchange offices in accordance with the established procedure and current legislation;

This document is not the original and can not be used as the original.

- to be the founder and participant of economic societies and other companies in Ukraine and/or abroad;
- to found joint enterprises with the assistance of foreign legal entities and citizens in Ukraine and abroad;
- to organize in accordance with the established procedure and to take part in auctions, tenders, competitions, expositions, fairs, scientific conferences;
- to participate in public organizations, charitable foundations, international nongovernmental organizations;
- to produce and to sell its products and services independently;
- to emit, sell, and purchase securities;
- to take part in financing of construction of production and social projects;
- to conduct rapid amortization of fixed assets according to the current legislation;
- to increase and to decrease the share capital;
- to carry out any kinds of foreign-economic activity, including export and import of products, raw materials, utilities, machinery and equipment, consumer goods, work, services, capital, etc;
- to promote charity and sponsorship activity;
- to conclude labor contacts with citizens of Ukraine, foreign citizens and stateless persons;
- to define forms, systems, volumes and options of labor remuneration independently in accordance with the legislation of Ukraine;
- to organize and to implement investment projects in paper industry;
- to delegate its representatives to abroad business trips and to receive foreign representatives with a view of cooperation development;
- to gain and to enjoy other property and personal non-property rights, to incur liabilities.

Clause 4. Property of the Company

4.1. Property of the Company includes fixed and circulating assets, values, which are included in the balance sheet of the Company.

4.2. The Company is the owner of:

- property, which was transferred into Company's possession by its founders and shareholders as payment for shares;
- products, produced by the Company;
- income, earned from business activity of the Company;
- other property, acquired by the Company under conditions, which are not forbidden by the legislation.

4.3. Sources of property formation are:

- monetary and material investments of the founders and the shareholders as payment for shares;
- income, earned from sales and other business activity of the Company;
- securities interest;
- credits of banks and other creditors;
- capital investments and budget subsidy;
- property, purchased from other entities, organizations, and citizens in the procedure stipulated by the legislation;
- other sources, which are not forbidden by the legislation of Ukraine.

Risk of accidental destruction or damage of the Company's property is assumed by the Company, unless stated otherwise by the corresponding civil legal acts with juridical and/or physical persons, who own and/or use this property.

Risk of accidental destruction or damage of the property, transferred to the Company for use, and is assumed by the owner of this property, if such is provided by the corresponding civil legal acts with the property owner.

The Company holds, uses, manages its property in accordance with goals and objectives of its activity.

4.4. The Company has right to sell, supply, exchange, mortgage, dispose, to grant on lease, commission (consignment), loan to juridical and physical persons (including foreign), and to write off from its balance its assets, buildings, equipment, transport facilities, inventory, raw materials and

other valuables, also to lease, rent, take loans on the security of assets, buildings, equipment, transport facilities, inventory, raw material and other valuables, which belong to juridical or physical persons (including foreign).

4.5. The asset and the property of the Company, its divisions, and founded enterprises, also the property, transferred to the Company for its use and which is located on the territory of Ukraine, is not a subject of nationalization, confiscation or other attachment, with the exception of cases, provided by the legislation of Ukraine.

Clause 5. Founders and shareholders of the Company

5.1. The founder of the Company is the State in the person of State Committee of Material Resources of Ukraine.

5.2. The Shareholders of the Company are legal entities of different organizational, legal and ownership forms, and physical persons of Ukraine and other states, which acquired right of ownership for shares of the Company in the procedure established by the current law, including by privatization. The company is not allowed to have another enterprise as the only partner if only one person participates in it. The company can not have in its membership only shareholders - judicial persons where the same person is the only participant.

5.3. The Shareholders have right to:

- to take part in management of the Company in the procedure stipulated by this Statute;
- to elect and to be elected to the Supervisory Board and to other boards of the Company;
- to participate in profit distribution and to receive its share (dividends);
- to receive information about Company's activity, the Company is obliged to provide annual balance sheet, report about financial results of the Company, Minutes of Management Boards meeting of the Company, etc upon request of shareholder;
- to obtain a share of Company's property value in case of its liquidation in proportion of the their share cost;
- to enjoy priority right for purchase of additionally emitted shares of the Company if the shareholder was registered for participation in General shareholders meeting and voted against accepting of the meeting decision about: merging, joining, division, reorganization, Company separation, change of its type from public into private; committing legal acts by the Company; change of Share capital amount.
- to resign from the Company by alienating his/her shares. Shareholder has right to dispose freely his/her shares of the Company, selling or other alienation of the shares in favor of other juridical and/or physical persons without preliminary notification or obtaining permission of other shareholders or the Company.

Shareholders may have other rights, provided by the current legislation.

5.4. Shareholders of the Company shall:

- observe this Statute, other internal documents of the Company; execute decisions of General shareholders meeting and of other management boards of the Company;
- fulfill his/her duties to the Company, including connected with property shares;
- not disclose commercial and confidential information about Company's activity;
- perform other duties, provided by the current legislation of Ukraine.

5.5. In case of resign (death) of Shareholder his/her property right for shares shall pass to his/her assignee according to the current legislation of Ukraine.

Clause 6. Share capital of the Company

6.1. Share capital is set up to provide Company's activity. Share capital of the Company is 333063.75 (three hundred thirty three thousand sixty three hryvnias) 75 kopecks UAH.

6.2. Share capital is divided into 1332255 simple nominal shares with nominal value of 0.25 UAH each.

6.3. The Company may change (increase or decrease) the value of the Share capital.

6.4. The value of the Share capital may be increased after full repayment of all previously emitted shares by means of:

- placing of additional shares of present nominal value in the procedure established by the current legislation;
- increase of nominal value of emitted shares.

Decision on increase of Share capital value is to be adopted by the General shareholders meeting of the Company.

6.5. The value of the Share capital may be reduced by means of:

- reduction of nominal value of shares;
- invalidation of earlier purchased shares by the Company for the purpose of decrease of their general amount.

After acceptance of decision on reduction of Share capital value which requirements to the Company are not provided by mortgage, warranty or bail, the Management Board should notify each creditor in a written form about such decision. Such creditor during 30 days after the notification receipt can appeal to the Company with a written request about realization of one of such measures at the company choice during 45 days: providing of fulfilling commitments by conclusion of contract of mortgage or bail, pre-term termination or fulfilling commitments before a creditor, if other is not foreseen by the contract between the Company and creditor.

In case a creditor did not appeal to the Company in the above-mentioned period with a written request, it is considered that he does not require accomplishing of additional actions by the Company in relation to obligations before him.

Decision on reduction of Share capital value is to be adopted by the General shareholders meeting of the Company.

If reduction of Share capital is lower than minimum Share capital stipulated by the law, the Company shall be liquidated.

6.6. If after expiration of the second and each next fiscal year the value of net assets of the Company appears lower than the Share capital, the Company shall announce about decrease of its Share capital and register the relevant changes in Statute in the established procedure. If value of net assets is lower than minimum Share capital stipulated by the law, the Company shall eliminate the non-conformity within 10 months of its arising or be liquidated.

6.7. The decision on change of Share capital value comes into effect on the day they are brought up into the state register.

Clause 7. Shares of the Company

7.1. The Company emits shares for all Share capital value and registers them in the procedure stipulated by the current legislation. Shares emission can be conducted in documentary form and can be in non-documentary form by decision of General shareholders meeting by the procedure stipulated by the effective legislation of Ukraine. In case of application of non-documentary form registration the property right is verified by the extract from the Shareholders registry.

7.2. A share is not indivisible. If one and the same share belongs to different persons, they are regarded as one owner of the share and can exercise their rights through one of them or through mutual representative.

7.3. The company emits simple nominal shares. Simple nominal shares are not submitted to convertible preferred stock and other securities.

7.4. By decision of General shareholders meeting the company can conduct the equity issue. By Supervisory Board decision the Company is authorized for securities placement in order to raise additional funds. Decision on securities placement for the amount which exceeds 25 percent of the assets value of the Company is accepted by the General shareholders meeting.

7.5. Shareholders of the Company can freely dispose their shares without any limitations, including selling or other alienation in favor of other juridical and physical persons, unless stipulated otherwise by the current legislation.

7.6. By the court decision the Company has a right to acquire the property right by acquired limitation for ownerless shares for their further selling or annulment.

7.7. By General shareholders meeting decision, the Company has right to buy out shares, repaid by shareholders for their following selling or annulment. These shares shall be sold or annulled within one year according to the General shareholders meeting decision which provided the purchase of own shares by the Company. During this period these purchased shares shall not be taken into account when distributing income, voting, and securing a quorum at General shareholders meeting.

7.8. In case of additional shares emission of the Company, their payment are to be done by money funds, including foreign currency, or upon consent between the Company and investor – by

property rights, non-property rights which have commercial value, by securities (except debt emissive securities, where the emitter is their acquirer, and bills), other property.

Clause 8. Order of income distribution and cover of loss of the Company

8.1. Company income is generated from receipts from business activity after covering the material and equal to them losses, and personnel expenses. The Company pays income taxation in accordance with the current legislation of Ukraine and other compulsory payments, also interests on bank credits and bond interests.

Net income remains fully in the disposal of the Company after settlement of the mentioned payments.

8.2. Order of income distribution and payments settlement of the Company is to be determined by the General shareholders meeting and this Statute.

8.3. The Company sets up reserve fund.

8.4. Reserve fund of the Company is set up at the rate of 25% of the Share capital fund of the Company. Reserve fund is loaded at the expense of annual receipts at the rate of 5% of net income of the Company before the necessary sum is generated.

Reserve fund is used for expenses reimbursement, incurred by settlement of damages and off-schedule expenses.

Decision on use of reserve fund is to be adopted by the Supervisory Board and is to be approved by the General shareholders meeting of the Company.

8.5. Decision on dividends distribution is to be adopted by the General shareholders meeting of the Company. Dividends distribution can be conducted by means of their transfer to the shareholders accounts, payment in cash via Company's cash desk or in any other way by General shareholders meeting decision.

In case of decision adoption on dividends distribution by the General shareholders meeting, dividends shall be paid once in a year on the basis of calendar year results not later than six months after finishing of reporting year.

Dividends shall be accrued only for fully paid-up shares.

For each dividends distribution the Supervisory Board establishes the date of concluding the list of people who have a right for dividends receipt. The date of concluding the list of people who have a right for dividends receipt can not precede the date of decision acceptance on dividends distribution.

The company, personally by a simple letter informs people who have a right for dividends receipt about a date, size, order and term of their payment and within 10 days after a decision-making about payment of dividends - exchange stock (exchanges) in the exchange register of which the Company remains.

In case of alienation by the shareholder of his proper shares after the date of concluding the list of people who have a right for dividends receipt but before the date of dividends payment, the person specified in such a list has a right for dividends receipt.

8.6. The Company has no right to declare and to distribute dividends in cases stipulated by the law.

Clause 9. Governing bodies of the Company

9.1. The governing bodies of the Company are:

- the Superior body of the Company – General meeting;
- the Supervisory Board;
- the Management Board;
- the Auditor.

9.2. Head and members of the Supervisory Board, Head and members of the Management Board, Auditor are the officials of the Company.

9.2.1. Company officials shall act properly in interests of the Company. They shall prevent any situation where their personal or financial interests will conflict with the appropriate Company's interests. They shall disclose information about their own interest in juristic acts in respect to the Company (conflict of interests).

9.2.2. Company officials and its affiliated person (persons), shareholder who alone or together with affiliated persons owns 25 and more percents of the Company simple nominal shares, is interested in the committing legal acts, is obliged (are obliged) to inform about their interest within 3 days since

the interest appearing and to inform the appropriate body, Management Board and Supervisory Board about such interest. The Management Board is obliged within five days since information receiving about possibility of committing legal acts, which is considered as interested, to give the Supervisory Board members the information regarding legal acts, in which the Company may be regarded as interested. The Supervisory Board is obliged within five days to accept decision on committing legal acts, which is considered as interested. If Supervisory Board member is interested in committing legal acts, he/she has no right to participate in voting on issue of such a legal act committing. If majority of Supervisory Board members are interested in such a legal act commitment, this issue are to be submitted for General meeting consideration. Supervisory Board can adopt decision on commitment or denial from the legal act commitment.

9.2.3. Concealment by the official the information about his personal interest shall be the ground for the pre-term discharge of his authority.

Clause 10. General meeting of the Company

10.1. The Superior body of the Company is the General meeting of the Company. All shareholders of the Company have right to take part in the General shareholders meeting irrespective of amount and types of shares, which belong to them. Competence of General shareholders meeting and its decisions are stipulated by the current legislation of Ukraine, this Statute, inner documents of the Company.

10.2. Exclusive competences of Shareholders meeting are:

- 10.2.1. defining of the Company strategy;
- 10.2.2. making amendment and addendums to the Statute of the Company;
- 10.2.3. decision accepting on annulment and sale of purchased shares;
- 10.2.4. decision accepting on change of the Company type;
- 10.2.5. decision accepting on equity issue;
- 10.2.6. decision accepting on increasing of the Share capital of the Company;
- 10.2.7. decision accepting on reducing of the Share capital of the Company;
- 10.2.8. decision accepting on share dilution or reverse split;
- 10.2.9. approval of Provisions on Supervisory Board, Management Board, Audit and General shareholders meeting, and also bringing changes to them;
- 10.2.10. approval of annual report of the Company;
- 10.2.11. distribution of income and losses of the company;
- 10.2.12. decision accepting on purchase of equity issue of the Company;
- 10.2.13. decision accepting on form of shares existence;
- 10.2.14. approval of amount of annual dividends;
- 10.2.15. decisions accepting on issues of order of General shareholders meeting conducting;
- 10.2.16. choosing of Supervisory Board members, approval of terms of civil contracts to be concluded with them, defining the size of their remuneration, choosing of a person who is authorized for signing of civil contracts wit Supervisory Board members;
- 10.2.17. decision accepting on authorities termination of Supervisory Board members;
- 10.2.18. electing of the head and members of an Audit, decision accepting on pre-term termination of their authorities;
- 10.2.20. decision adoption on separation and activity termination of the Company, except cases stipulated by the law, on liquidation committee appointing, approval of order and terms of liquidation, approval of order of property distribution between shareholders which remains after agreement of a creditor claims, and approval of liquidation balance;
- 10.2.21. decision adoption by results of reports overview of Supervisory Board, Management Board, Audit regarding *estimation of their activity during reporting period*;
- 10.2.22. approval of principles (code) of corporate management of the Company;
- 10.2.23. counting board election.

Other questions, foreseen by the current legislation of Ukraine belong to exceptional jurisdiction of the General meeting. General meeting of the Company can consider other matters of Company activity, including those which pertain to other bodies of the Company.

The agenda of annual General meeting is obligatory contains issues stipulated by items 10.2.10, 10.2.11 and 10.2.21. Not rarer than once in three years, issues foreseen by sub-items 10.2.16 and 10.2.17 are certainly included into the agenda of General meeting.

10.3. General meeting can be annual and extraordinary. Annual General meeting is to be

convoked not rarer than once in a year not later than April,30 of next year after reporting. The date of General meeting is approved by the Supervisory board of the Company.

The rest General meetings except annual are to be extraordinary.

Extraordinary meeting is to be convoked by the Supervisory Board on own initiative; on request of the Management Board – in case of implementation breaking on bankruptcy recognition of the company or necessity of committing legal acts; upon Audit request; upon shareholders request (shareholder), who own more than 10% of simple shares of the Company for the day of demand presenting; in other cases stipulated by the legislation.

10.4. Holders of nominal shares are to be notified about General meeting convocation personally by simple letter not less than in 30 days before its conducting. Moreover, general notification is to be published in one of the official printed bodies and sends to the stock exchange where the Company had listing procedure.

10.5. Any shareholder has right to submit an offer concerning the agenda of General meeting not later than in 20 days before meeting convocation. All opportunely forwarded offers of shareholders concerning the agenda of General meeting are to be considered by Supervisory board, which adopt a decision regarding inclusion or exclusion of these offers to the agenda not later than in 15 days before the General meeting conducting. Offers of shareholders, who own more than 5% of votes, are mandatory included in the agenda. Shareholders are notified about changes in the agenda not later than in 10 days before meeting convocation by personal notification by simple letter and publishing in printed publications, where notification about General meeting convocation was published and sends to the stock exchange where the Company had listing procedure.

10.6. Shareholders shall have opportunity to familiarize with documents, related to the agenda of meeting, before General meeting convocation. After the notification sending about General meeting conducting the Company has no right to bring changes to the documents rendered to shareholders or those they had a possibility to become acquainted with, except changes to specified documents in connection with changes in the agenda or with improving mistakes. In such a case changes can be brought not later than in 10 days before the General meeting conducting.

10.7. General meeting has no right to adopt decisions on issues, which were not included in the agenda.

10.8. General meeting is recognized as authorized if shareholders, who have not less than 60% of votes, take part in it.

10.9. Decisions of the General shareholders meeting are to be adopted by $\frac{3}{4}$ votes of shareholders from their general amount on issues stipulated by sub-items 10.2.2-10.2.7, 10.2.20 of this Statute and while decision adoption on deal conducting, if the market value of the property or service that is the subject of this deal, makes 50 and more percents of the asset value by information of the last financial report of the Company.

Other decisions are to be adopted by simple majority of votes of shareholders, who take part in meeting. Decision of General meeting may be appealed by shareholder in court within three months since its adoption.

10.10. Principle of voting at General meeting is: one share – one vote. Electing of the Company bodies conducts exclusively by cumulative voting, when the general amount of votes is multiplied by amount of members of the Company body which are elected and the shareholder has right to give all calculated in such a way votes for one candidate or to distribute them between a few candidates.

Shareholder of the Company has no right of voting when adopting a decision by General meeting of the Company regarding committing to her/him legal acts and concerning disputes between her/him and the Company.

10.11. Shareholders of the Company have right to appoint their representatives for participation in General meeting. Representatives may be permanent or appointed for definite period. Shareholders have right to appoint their representatives for participation in General meeting. Representatives can be permanent or appointed for a certain period. Shareholders have right to replace their representatives in any time by written notifying about it the representative and Management Board of the Company.

10.12. After closing General meeting, the shareholders are informed about the results of voting within 10 working days by placing appropriate notification on the billboard in administrative office of the Company by its allocation and are sent to the shareholder (shareholders) on his (their) written request by registered letter.

Clause 11. The Supervisory Board of the Company

11.1. The Supervisory Board represents the interests of shareholders in meeting adjournments and within the limits of competence, stipulated by this Statute and regulations on Supervisory Board, supervises and governs the activity of Management Board of the Company.

11.2. Supervisory Board is elected by General shareholders meeting exclusively by cumulative voting. Quantitative structure of the Supervisory Board may aggregate up to 7 members. Person may be elected a Supervisory Board member, if he has higher education, owns knowledge, qualification and experience, necessary for fulfillment his official duties and gave preliminary written consent on his nomination for Supervisory Board member. Supervisory Board members are elected for 3 years with the right of commission continuation for new term. Supervisory Board is competent for electing its new staff by General shareholders meeting.

11.3. Chairman of the Supervisory Board is elected at its meeting in a full staff by simple majority of votes. Chairman of the Supervisory Board organizes its activity, convokes Supervisory Board meeting and acts as its Chairman, opens General shareholders meeting. In case of inability of the Supervisory Board Chairman to fulfill his duties, his deputy or one of Supervisory Board members shall fulfill his duties by the Supervisory Board decision.

11.4. Supervisory Board member can not be a member of Management board or Auditor of the Company at the same time.

11.5. The competence of the Supervisory Board of the Company falls within:

- 11.5.1. approval of Provisions regulating issues connected with the Company activity;
- 11.5.2. decision adoption on conducting the annual and extraordinary General meetings upon request of shareholders or upon Management Board offer;
- 11.5.3. approval of General meeting's agenda, decision adoption about the date of its conducting and including of suggestions to the agenda, approval of draft decisions of General meeting except cases of conducting the extraordinary General meetings;
- 11.5.4. decision adoption on placement other securities, except shares by the Company;
- 11.5.5. decision adoption on purchase of other placed securities, except shares;
- 11.5.6. approval of the property market value in cases stipulated by legislation;
- 11.5.7. electing and revocation of the Chairman and members of Management board;
- 11.5.8. approval of terms of contracts (agreements), which are concluded with members of Management board, defining the amount of their remuneration;
- 11.5.9. decision adoption on suspension of the Management board chairman from his authorities fulfillment and electing of a person who will fulfill authorities of Management board member;
- 11.5.10. electing of registration committee, except cases stipulated by legislation;
- 11.5.11. electing of the Company auditor and defining of the contract terms to be concluded with him, defining the amount of payment for his service;
- 11.5.12. defining the date of the list conclusion of persons who have a right for dividends receiving, order and terms of dividends payment;
- 11.5.13. defining the date of the list conclusion of persons who should be informed about General meeting conducting and have a right to participate in it;
- 11.5.14. solving of decisions about the Company participation in industrial-financial groups and other associations, about founding of another legal persons, agreement of projects and their statutes or constituent documents;
- 11.5.15. solving of decisions stipulated by the law, in case of merging, joining, separation or reorganization of the Company;
- 11.5.16. decision adoption on committing legal acts if the market value of the property or service that is its subject, makes from 10 to 25 percents of the assets value by information of the last annual financial report of the Company;
- 11.5.17. defining of the probability of the Company recognition as bankrupt as a result of acceptance of duties or their fulfillment, including as a result of dividends payment or shares purchase;
- 11.5.18. decision adoption on electing the Company property estimator and approval of the contract terms to be concluded with him, defining the payment for his service;
- 11.5.19. decision adoption on electing (substitution) of depositary of securities and approval of the contract terms to be concluded with him, defining the payment for his service;
- 11.5.20. sending of suggestions to the shareholders about purchase of controlling interest of the

- Company by a person (persons who acts together);
- 11.5.21. decision adoption on legal acts commitment, considered to be interested in;
 - 11.5.22. approval of the strategy plans of the Company and reports about their fulfillment;
 - 11.5.23. defining the terms of remuneration of Audit members of the Company, approval of terms of civil and labor contracts to be concluded with them, defining the size of their remuneration, choosing of a person who is authorized for signing of civil contracts with Audit members;
 - 11.5.24. defining the terms of remuneration of the heads of affiliates, representative offices, and other separate divisions;
 - 11.5.25. decision adoption concerning use of Reserve fund of the Company;
 - 11.5.26. granting a preliminary agreement to Management board for alienation and mortgage of real assets of the Company;
 - 11.5.27. preliminary consideration of annual financial reporting, balance, and Auditors report of the Company;
 - 11.5.28. approval of reports of Management board of the Company;
 - 11.5.29. analysis of Management board activity concerning governing of the Company, implementation of investment, technical and price policy;
 - 11.5.30. organization of extraordinary revisions and audits of business activity of the Company;
 - 11.5.31. hearing of Management board report concerning Company's activity;
 - 11.5.32. considering conclusions, reports on audits and internal inspections, which are conducted by Auditor of the Company;
 - 11.5.33. decision adoption concerning bringing to property responsibility of Company's officials;
 - 11.5.34. approval of candidates of chief accountant and heads of centers/departments of the Company;
 - 11.5.35. considering of any issues, related to the interests protection of shareholders;
 - 11.5.36. defining of organizational structure of the Company.
- 11.6. The Supervisory Board may also conduct other actions concerning interests protection of shareholders and supervision of Management board activity.
- 11.7. Issues, which belong to Supervisory Board competence, may be delegated for adoption to Management board by Supervisory Board decision with the exception of issues which fall within exclusive competence of the Supervisory Board.
- Exclusive competence of the Supervisory Board includes commissions, stipulated by the clauses 11.5.1-11.5.35 of this Statute. Exclusive competence of the Supervisory Board includes also other issues stipulated by the effective legislation of Ukraine.
- 11.8. Decisions of the Supervisory Board, adopted within its competence, are mandatory for execution by Company's officials.
- 11.9. Supervisory Board presents report about its annual results to the General meeting.
- 11.10. Supervisory Board meeting is to be conducted when required but not rarer than once in a quarter and considered as authorized if not less than one half of Supervisory Board members are present. Supervisory Board decisions are to be adopted by simple majority of votes, in case of equal distribution of votes, the vote of the Head of the Supervisory Board is decisive.
- 11.11. Extraordinary meeting of the Supervisory Board is to be convoked upon request of Supervisory Board Head, Supervisory Board member, Auditor, Management board or its member.
- 11.12. Supervisory Board members are the officials of the Company and incur responsibility in the limits of their competences. Supervisory Board members receive remuneration for fulfillment of their duties every month, the Head receives 6 and members receive 4 minimum wages, stipulated by the legislation. With the Supervisory Board members civil agreements are concluded, which regulate their rights and duties, responsibilities, procedure and consequences of relations discharge. These agreements are to be signed on behalf of the Company by the Head of the Shareholders Meeting
- 11.13. Representatives of trade union or other body, authorized by the company staff who signed the labor contract, may take part in work of the Supervisory Board with the right of advisory vote.
- 11.14. Supervisory board of the Company is authorized to elect the corporate secretary upon offer of chairman of the Supervisory Board. The corporate secretary is a person who is responsible for cooperation of the Company with Shareholders and/or investors.
- 11.15. Competence, order of decision adoption and other issues of business activity of Supervisory Board are defined by Provision on Supervisory Board approved by General meeting.

Clause 12. Management board of the Company

12.1. The executive body of the Company, which manages its activity, is Management Board.

12.2. Competence of Management Board includes all issues related to Company's activity, including disposal of Company's property with an allowance of provisions hereof, with the exception of issues, which in accordance with the current legislation, this Statute, or General shareholders meeting decisions, belong to competences of other Company's body. The Supervisory Board of the Company may adopt a decision about delegation of some of its competences to the competences of Management board, with the exception of issues which fall within exclusive competence of the Supervisory Board

12.3. Members of the Management Board are to be elected by Supervisory Board of the Company, up to 7 in number, for four years, with the right of continuation of their commission for new term. Management board is recognized as authorized before accepting of appropriate decision by Supervisory Board and electing its new members.

12.4. Management board is accountable to General shareholders meeting, Supervisory Board of the Company and organizes fulfillment of their decisions.

12.5. The Chairman of Management board directs the work of the Management board.

12.6. Chairman of the Management board has right to act on the behalf of the Company without the power of attorney according to the Management Board decisions!!!!!!!!!!!!, namely:

- represents the interests of the Company in all state and other bodies, conducts different business operations;
- gives power of attorney;
- opens and closes bank accounts and other accounts of the Company;
- undersigns financial and other documents of the Company;
- adopts decisions, issues orders and prescriptions, which are obligatory for all employees of the Company, gives an employment and discharges Company's employees, concludes labor contract, imposes penalties;
- concludes, in consideration of this Statute, and signs on behalf of the Company any agreements, contracts, including with Management Board members and assures their execution;
- represents Company's interests in relations with Ukrainian and foreign juridical and physical persons;
- speaks for the Company in courts, economic and arbitration courts;
- organizes convocation of General shareholders meeting in accordance with the provisions of this Statute.

12.7. Issue of competence, terms of activity and material security of the Management board Chairman and Management Board members are determined by the Supervisory Board which approves terms of labor contracts (agreements) to be concluded with Management board members. The Contract with Chairman of the Board undersigns the Head of the Supervisory Board on behalf of the Company. The Contract with Management Board members undersigns Chairman of the Board on behalf of the Company.

12.8. In case of inability of the Management board Chairman to fulfill his duties, one of his deputies shall fulfill his duties by decision of the Management board Chairman or Management Board. Such decision executes appropriately by the Decree on the Company or Minutes of Management Board meeting.

12.9. Management board meeting is to be conducted not rarer than once in a month. Meeting is recognized as authorized if ½ of its members is present. Extraordinary meeting of Management board is to be convoked upon request of the Chairman or Management Board member.

12.10. Decisions of the Management board are to be adopted by majority of votes. In case of equal distribution of votes, the vote of the Chairman of Management board is decisive.

12.11. The Chairman of the Management board issues orders and other documents concerning Company's activity on the grounds of decisions, adopted by Management board.

12.12. Competence, order of decision adoption and other organizational questions of the Management board activity are stipulated by the Regulations on the Management board, which are approved by the General shareholders meeting.

Clause 13. Auditor

13.1. Audit of business activity of the Company, affiliates, representative offices, and other

separate divisions is to be conducted by the Auditor, who is elected by General meeting exclusively by cumulative voting, in amount not less than two members, for three years, with the right of continuation of their commission for new term. A member of an Audit can be elected a person with higher education, has knowledge, qualification and experience necessary for his/her official duties fulfillment and gave a preliminary written consent on his/her nomination for Audit member position. Civil or labor contracts are concluded with Audit members, which regulate their rights and duties, liability, order and results of termination of legal relations.

13.2. Audits are conducted on the instructions of General meeting, the Supervisory Board, Management Board on own initiative of the Auditor or upon request of shareholders, who own not less than 10% of shares.

13.3. The Auditor reports and submits material of audits to General meeting and/or the Supervisory Board of the Company.

13.4. Members of Management board, the Supervisory Board and other officials of the Company can not be the Auditor.

13.5. The Auditor has right to involve experts, audit organizations in his work.

13.6. The Auditor has right to participate in Management Board meetings, Supervisory Board and General shareholders meeting with the right of advisory vote.

13.7. The auditor makes conclusions on the basis of audit of Company business activity and results of financial year.

13.8. The Auditor is liable to request convocation of extraordinary General shareholders meeting or Supervisory Board meeting if there is a risk to the Company's interests or officials' abuse of power was revealed.

13.9. Competence, order of decision adoption and other organizational issues of the Auditor are stipulated by the Regulations on the Auditor, which are approved by General shareholders meeting.

Clause 14. Accounting and accountability

14.1 The Company conducts accounting of its activity, keeps statistics, submits in accordance with the legislation requirements accounting and statistics reports concerning its business activity, other data, required by the law. The Company provides data, which is not required by the law, on contract basis to public authorities, local autonomous bodies, other enterprises, institutions, organizations.

14.2. The first fiscal year starts on the date of the Company foundation and ends on December 31 of this year, the next fiscal years are defined in accordance with calendar years.

14.3. The chief accountant of the Company is responsible for accounting procedures in accordance with adjusted rules and norms of its conducting.

Clause 15. Staff of the Company

15.1. Labor collective of the Company includes all employees, who participate in Company's activity on the basis of the labor contract, other contracts, and other forms, which regulate labor relations of an employee and the Company. Interests of labor activity are realized via conference of labor collective and its authorized body – trade union.

15.2. Labor relations of employees are regulated by labor legislation of Ukraine with consideration of peculiarities, stipulated by contracts if any. Employment and discharge of employees, remuneration of labor and other aspects of labor relations belong to the competence of the Management board Chairman.

15.3. The Company chooses forms and systems of labor remuneration independently.

15.4. Labor protection, social insurance and social security of employees shall be conducted in accordance with the current legislation of Ukraine.

15.5. The Company has right to grant additional vacations, shortened working hours and other benefits, also to grant social assistance for retired- ex-employees of the Company.

Clause 16. Procedure of amending the Statute of the Company

16.1. Amendments introduction to the Statute of the Company is the exclusive competence of General shareholders meeting.

Clause 17. Activity termination of the Company

17.1. Activity termination of the Company is conducted by means of its reorganization (merging, affiliation, splitting, and reorganization) or liquidation.

17.2. Reorganization of the Company is to be conducted by decision of General shareholders meeting of the Company. In case of reorganization all the rights and duties of the Company are transferred to assignees.

17.3. The Company can be liquidated:

- by decision of General shareholders meeting of the Company;
- in case of cancelling its state registration under court decision or economical court decision in cases, stipulated by the law;
- in case of recognition of the Company the bankrupt;
- in other cases, stipulated by the legislation.

17.4. Liquidation of the Company is to be conducted by liquidation committee, assigned by General meeting of the Company. In case of Company's liquidation under court or economical court decision, liquidation committee is to be assigned by the court. On the day of committee assignment, all the commissions of the Company's Management board shall be resigned to it. Liquidation committee is responsible for damages, incurred by the Company, its shareholders, and third parties due to committee activity.

The body, which adopted decision about Company's liquidation, establishes the order and determines the terms of liquidation.

Liquidation committee shall notify in written form the creditors of the Company, stock exchange where the company conducted the listing procedure and publish in the local government publications notification about Company liquidation. Simultaneously the liquidation committee takes necessary measures concerning collecting trade receivables of the Company.

Liquidation committee estimates available property of the Company and settles accounts with creditors, makes up liquidation balance sheet and submits it to the body, which assigned liquidation committee. Authenticity and completeness of liquidation balance sheet shall be verified in the procedure, established by the legislation.

Claims of creditors against the Company shall be allowed at the expense of Company's property. Priority and order of claims allowance of creditors shall be determined in the accordance with the legislation.

Claims, which are not allowed due to property deficiency, claims, which were rejected by the liquidation committee, if their applicants failed to take legal actions in a month after receipt of notification about full or partial rejection of claims, and claims, which were rejected by the court decision, are regarded as discharged.

17.5. Liquidation of the Company is regarded as complete and the Company is regarded as liquidated on the day of record entry about it in the state registry.

Head of the meeting

A.Kostiuchenko