

**Confirmed
by resolution of the Sole Shareholder of
“KazTransOil” JSC
(minutes of meeting of the Board of Director of
NC “KazMunayGas” JSC
Dated October 19, 2012 No.8/2012)**

**CHARTER
Joint Stock Company
“KazTransOil”**

ARTICLE 1. GENERAL PROVISIONS

1. Joint Stock Company “KazTransOil” (hereinafter - the Company) is a legal entity according to the legislation of the Republic of Kazakhstan (hereinafter – Legislation) carrying out its activity in accordance with the Civil Code of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan “On Joint Stock Companies” (hereinafter – Law), legislation of the Republic of Kazakhstan on natural monopolies and regulated markets and other legislation and also the present Charter (hereinafter the Charter) and Code of Corporate Governance of the Company.

2. Name of the Company:

Full name in the State language: «ҚазТрансОйл» акционерлік қоғамы, in abbreviated form - «ҚазТрансОйл» АҚ;

Full name in Russian language: акционерное общество «КазТрансОйл», in abbreviated form - АО «КазТрансОйл»;

Full name in English language: Joint Stock Company “KazTransOil”, in abbreviated form –«KazTransOil» JSC.

3. Location of the Company and its executive body: 19, Kabanbay batyr ave., Astana, the Republic of Kazakhstan, 010000.

4. Term of the Company activity – unlimited.

5. Financial and production activity of the company is carried out on the basis of economic independence.

6. The Company has independent balance, bank accounts, a seal, stamps, letterheads with indication of the full Company name in the State and Russian languages, and other requisites.

7. The Company can have its own trade mark and symbolism, the samples of which are confirmed by the Management Board and registered in the established manner.

8. The Company shall own property, separate from the property of shareholders and shall not be liable for their commitments.

9. The shareholder of the Company is not liable for the Company’s commitments and does not bear the risk of losses, related to activity of the Company within limits of the cost of the stocks belonging to it, in the exception of cases foreseen by the legislative acts of the Republic of Kazakhstan.

ARTICLE 2. FOUNDING DOCUMENTS OF THE COMPANY

1. The founding document of the Company is the Charter

2. All interested parties shall have the right to familiarize themselves with the Charter. At the request of the interested party the Company shall provide the party with the opportunity to familiarize with the Charter, including further changes and addenda to it. The Company shall implement the requirement of the shareholder on provision of the copy of the Charter within three working days.

ARTICLE 3. GOAL AND SUBJECT OF THE COMPANY ACTIVITY

1. The goal of the Company is to gain net profit in the course of performing independent economic activity.

2. Subjects of the Company activity are:

1) services on crude oil and oil products transportation (pumping, throughput, discharge, loading, storage, blending) through main pipelines;

2) development and introduction of new technologies;

3) conducting marketing research on market outlets for hydrocarbon material and its derivative products;

4) carrying out professional development and retraining, and increasing qualification (capacity building) of staff of the Company;

5) carrying out project drafting, funding, construction, ownership and exploitation of pipeline network on the territory of the Republic of Kazakhstan and beyond its borders, including objects of storage, loading and throughput to other types of transport, through which transportation of liquid hydrocarbon material is carried out;

6) carrying out activities on exploitation and technical maintenance of main pipelines belonging to other legal entities;

7) organization of transportation and transit of Kazakhstan crude oil through pipeline networks of other countries (operator's activity on unified routing);

8) provision of services on transportation of natural gas via distribution pipelines for consumers of the Republic of Kazakhstan;

9) provision of services on power transfer and distribution;

10) provision of services on heating energy production, transfer and distribution;

11) provision of services on water supply via main pipeline;

12) providing services on water supply via distributing network;

13) providing services on sewage disposal;

14) carrying out scientific-technical and production-economic activity;

15) foreign economic activity;

16) other activity, technologically or inextricably connected with services provided, as well as the activity implemented in accordance with the Law of the Republic of Kazakhstan "On the Main Pipeline".

3. The types of activities, which require license or other kinds of permission, which is received in accordance with procedure established by the Legislation, are carried out only after receiving correspondent licenses and other types of permission.

ARTICLE 4. RIGHTS AND DUTIES OF THE COMPANY

1. In order to accomplish the goals of the Charter the Company is entitled in the procedure established by the Legislation to:

1) open accounts in banks and other financial institutions, located on the territory of the Republic of Kazakhstan and beyond its borders, both in national and foreign currency;

2) have a seal, stamps and letterheads with full name of the Company in the State and Russian languages, and also a trade mark and emblem (symbolism), registered in the established procedure;

3) own separate property and independent statement of balance;

4) conclude deals (agreements, contracts), acquire and exercise property and personal non-property rights on its own behalf;

5) issue securities;

6) participate in establishment or activity of other organizations;

7) open branches and representations in the Republic of Kazakhstan and abroad and allot them with main and floating funds at the expense of own property and determine the procedure of their activity;

8) be plaintiff and defendant at court;

9) develop and confirm regulating technical documentation, to be observed by all divisions of the Company and users of the pipeline network of the Company;

10) exercise other rights provided by the Legislation and/or the Charter.

2. The Company shall:

1) observe the Legislation;

2) pay taxes and other obligatory payments to the budget in the established procedure;

3) respond for its commitments within the limits of its property;

4) bear responsibility in accordance with the Legislation;

5) provide the centralized internal audit service of NC “KazMunayGas” JSC with an unlimited access to all documentation, production and other facilities and any other information, including data and information constituting commercial and official secret of the group of companies of the Company, with the respective decision of the Board of Directors of the Company, taking into account non-disclosure of confidential information of the Company, which was disclosed during the audit;

6) approve the rules governing the internal business processes (business planning, asset management, credit, investment activity) in accordance with the business processes of NC “KazMunayGas” JSC;

7) fulfill other obligations, imposed by the Legislation and/or the Charter.

ARTICLE 5. RIGHTS AND DUTIES OF THE SHAREHOLDERS

1. The shareholder of the Company is entitled to:

1) participate in the management of the Company in the procedure provided by the Legislation and/or the Charter;

2) receive dividends;

3) receive information on the Company activity, including financial reporting of the Company in the manner determined by the General Meeting of Shareholders or the Charter;

4) receive abstracts from the registrar of the Company or nominee shareholder, confirming his/her property rights for securities of the Company;

5) propose the General Meeting of Shareholders of the Company candidates for election to the Board of Directors of the Company;

6) judicially contest decisions taken by bodies of the Company;

7) in cases, stipulated in articles 63 and 74 of the Law refer to state bodies on its behalf given owning independently or jointly with other shareholders five or more percent of voting shares of the Company with request to indemnify by officials of the Company losses incurred to the Company and return by officials of the Company and (or) their affiliated entities of revenue (profit), received by them in the result of taking decision on conclusion (suggestion to conclude) of large deals and (or) interested-party deals;

8) refer to the Company with written requests on its activities and receive motivated answers within thirty calendar days after reception of the request by the Company;

9) part of the Company property in case of the Company liquidation;

10) preferential purchase of the Company shares or other securities, converted into the Company shares, in the order established by the Law, except for the cases envisaged in legislative acts of the Republic of Kazakhstan;

2. The Major Shareholder also is entitled to:

1) demand calling of the extraordinary General Meeting of Shareholders or refer to court with appeal on its convocation in case of rejection by the Board of Directors to call the General Meeting of Shareholders;

2) propose the Board of Directors to include additional issues in agenda of the General Meeting of Shareholders in accordance with the Law;

3) demand calling of the meeting of the Board of Directors;

4) demand conducting audit of the Company at its own expense by an auditing organization.

3. Restriction of rights of shareholders, specified in para.1 and 2 are not allowed.

The shareholders of the Company can exercise other rights, specified in Legislation and/or Charter.

4. The shareholder shall:

- 1) pay for shares;
- 2) notify the Company registrar and nominee holder of shares, owned by the shareholder, about changes of data necessary for maintaining the register of the Company shareholders within ten days;
- 3) not disclose information about the Company or its activity, which makes office, commercial, or other secret protected by the law;
- 4) fulfill other obligations in accordance with the Legislation.
5. The Company and the Company registrar are not liable for consequences of non-fulfillment of the requirement set by subpara.2) of para.4 of the present article, by the Shareholder.

ARTICLE 6. SHARES AND OTHER SECURITIES OF THE COMPANY

1. The Company is entitled to carry out issuance of shares, bonds, convertible and other securities, including derivatives. Conditions and order of issuance, placement, circulation, and redemption of securities of the Company, are determined by the Legislation on securities market.

2. The Company is entitled to issue ordinary shares only. The shares are issued in a non-documentary form.

3. The ordinary share provides the shareholder with the right to take part in General Meeting of Shareholders with voting right when taking decisions on all issues put for voting, the right to receive dividends in case of net profit at the Company, and also part of the Company property in case of liquidation in the order established by the Legislation.

4. The Company is entitled to place its shares after the state registration of shares issuance by means of one or several placements within the limits of authorized number of shares.

5. Money, property rights (including rights on objects of intellectual property) and other property can serve as payment for the placed shares, in the exception of cases provided by the Legislation.

Payment by means of property other than money (except for securities) is carried out on the basis of the price determined by the appraiser acting on the basis of license issued in accordance with the Legislation.

6. If the payment for the placed shares of the Company includes the right of property use, then the estimation of such a right is carried out on the basis of the size of the payment for using such property during the whole period of its usage by the Company. Before expiration of the indicated term impressment (withdrawal) of such property is prohibited without consent of General Meeting of Shareholders of the Company.

7. Maintenance of the system of the Company stock holder registers can be carried out only by the Company registrar, who shall not be an affiliate of the Company or of the Company's affiliates.

8. The procedure of maintenance of the system of the Company stock holder registers, and also provision of information to competent state body is determined by the Legislation on securities market.

9. Prior to the full payment for a placed stock is received, the Company shall not issue an order on registering the stock at the purchaser's account in the system of the Company stock holder registers (the system of registration of nominee stock holder).

10. The issues of pledge of shares and other securities of the Company are regulated in accordance with Legislation and correspondent pledge contract.

ARTICLE 7. DIVIDENDS

1. Dividend is a profit of the shareholder on shares belonging to the shareholder, paid by the Company.

Carve-out of shares with unpaid dividends is carried out with a right to receive them by a new share owner, if otherwise is stipulated in shares carve-out contract.

2. Dividends on stocks of the Company are paid in money or securities of the Company on conditions that the decision on the payment of dividends is taken by the General Meeting of Shareholders by simple majority of voting shares of the Company.

Payment of dividends on stocks of the Company by means of securities is permissible only upon the condition that such payment is carried out through authorized shares of the Company and bonds issued upon written consent of the shareholder.

3. Payment of dividends on shares is made following the results of one year or half year or a quarter.

4. Dividends are not accrued and not paid for shares which were not placed or bought by the Company itself, and also if a court or the General Meeting of Shareholders of the Company took decision on its liquidation.

5. The payment of dividends on shares of the Company is not permissible:

1) in case of negative size of own capital or if the size of own capital of the Company will become negative as a result of accrual of dividends on shares;

2) if the Company meets the attributes of insolvency or incapacity in accordance with the Legislation on bankruptcy or the indicated attributes would appear in the Company as result of transferring dividends on shares.

The shareholder is entitled to request payment of outstanding dividends regardless the time of debt creation.

6. Decision on payment of dividends on ordinary shares of the Company is taken by the General Meeting of Shareholders.

The General Meeting of Shareholders is entitled to take decision on non-payment of dividends on ordinary shares of the Company with mandatory publication of it in mass media within ten working days from the date of decision-taking.

7. Within ten working days from the date of decision on payment of dividends on ordinary shares of the Company, this decision shall be published in mass media.

8. The decision on payment of dividends on ordinary shares of the Company shall contain the following data:

1) name, place, bank and other requisites of the Company;

2) the period, for which the dividends are paid;

3) size of dividend in calculation for one ordinary share;

4) date of the beginning of payment of dividends;

5) procedure and form of payment.

ARTICLE 8. BODIES OF THE COMPANY

The bodies of the Company are:

1) The highest body – the General Meeting of Shareholders;

2) Managerial body – the Board of Directors;

3) Executive body – the Management Board;

4) The body that carries out control over financial and economic activities, assessment in the area of internal control, risk management, implementation of documents in the field of corporate governance and consulting with the purpose of improving activity of the Company – Internal Audit Service.

Prior to establishment of the General Meeting of Shareholders, the decisions on the issues, attributed by Legislation and the Charter to the competence of the General Meeting of Shareholders, are made by the Sole Shareholder in the procedure, established by Legislation and its Charter.

ARTICLE 9. GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY

1. General Meetings of Shareholders of the Company are annual and extraordinary.

2. The Company shall annually hold the annual General Meeting of Shareholders. Other General Meetings of Shareholders are extraordinary.

3. The annual financial statements of the Company, consolidated annual financial statements and annual report of the Company are confirmed on the annual General Meeting of Shareholders, procedure of distribution of net income of the Company for passed financial year and size of the dividend for a year in calculation for one ordinary share of the Company are determined, the issue of addresses of shareholders on actions of the Company and its officials and results of their consideration is reviewed.

The Chairman of the Board of Directors informs shareholders of the Company about size and composition of remuneration of members of the Board of Directors and Management Board of the Company.

The annual General Meeting of Shareholders is entitled to consider other issues, taking decision on which is attributed to the competence of General Meeting of Shareholders.

4. The annual General Meeting of Shareholders of the Company shall be held within five months after completion of financial year.

The indicated term is considered prolonged for three months in cases of impossibility to complete audit of the Company for a reporting year.

5. The annual General Meeting of Shareholders of the Company shall be convened by the Board of Directors.

6. An extraordinary General Meeting of Shareholders is called at the initiative of:

1) the Board of Directors;

2) the Major Shareholder.

Extraordinary General Meeting of Shareholders of the Company can be called, prepared and held by liquidation commission of the Company if the Company is in the process of voluntary liquidation.

Legislation can provide for cases of compulsory convocation of extraordinary General Meeting of Shareholders.

7. Preparation and holding of the General Meeting of Shareholders of the Company are executed by:

1) the Management Board;

2) the Company's registrar in accordance with contract concluded with it;

3) the Board of Directors;

4) the liquidation commission of the Company.

8. Costs on calling, preparation and holding of the General Meeting of Shareholders are to be expensed by the Company, except for the cases, established by Legislation.

9. The annual General Meeting of Shareholders can be convened and held on the basis of resolution of court, made on suit of any interested individual, in case of violation by the Company of procedure of convocation of the annual General Meeting of Shareholders, established by Legislation.

The extraordinary General Meeting of Shareholders can be convened and held on the basis of resolution of court, made on suit of Major Shareholder, if bodies of the Company failed to execute requirement on holding the extraordinary General Meeting of Shareholders.

10. Demand of Major Shareholder on calling the extraordinary General Meeting of Shareholders is made to the Board of Directors by forwarding to the place of location of the Management Board of the Company of corresponding written note, which shall contain agenda of such meeting.

The Board of Directors is not entitled to amend the wording of issues of agenda and alter the procedure of holding of the extraordinary General Meeting of Shareholders, convened at demand of Major Shareholder.

The Board of Directors is entitled to add any items in the agenda of the General Meeting on its discretion when calling the extraordinary General Meeting of Shareholders in accordance with imposed request.

In case if demand on convocation of the extraordinary General Meeting of Shareholders is made by Major Shareholder (shareholders), it must contain names of shareholders (shareholder), who request calling of such meeting and indicate number, type of shares belonging to him.

The demand on calling of the extraordinary General Meeting of Shareholders shall be signed by individual (individuals), who demand for calling of the extraordinary General Meeting of Shareholders.

11. The Board of Directors is obliged to make decision within ten working days from the day of receiving of indicated demand and no later than three working days from the moment of taking such decision to forward communication on decision made on calling of the extraordinary General Meeting of Shareholders or rejection on its calling to the individual who imposed such request.

Decision of the Board of Directors of the Company on rejection to call the extraordinary General Meeting of Shareholders on request of Major Shareholder can be taken if:

- 1) the procedure of imposing of demand on convocation of the extraordinary General Meeting of Shareholders established by Legislation was not observed;
- 2) the items proposed for inclusion in agenda of the extraordinary General Meeting of Shareholders do not comply with provisions of Legislation.

Decision of the Board of Directors of the Company on denial to call the extraordinary General Meeting of Shareholders can be contested in court.

In case if the Board of Directors failed to make decision on convocation of the extraordinary General Meeting of Shareholders on imposed request within deadlines, established by Legislation, than individual, demanding for such calling is entitled to refer to a court with a demand to oblige the Company to hold the extraordinary General Meeting of Shareholders.

12. The list of shareholders entitled to participate in the General Meeting of Shareholders and vote on it is compiled by Company registrar on the basis of data of system of registers of Company shares holders. Date of compilation of indicated list can not be set earlier than date of decision making on holding the General Meeting of Shareholders.

Data, which must be included in list of shareholders, are specified by authorized state body.

13. In case if after compilation of list of shareholders, who have right to participate in the General Meeting of Shareholders and vote on it, the individual, included in this list, carved-out voting shares of the Company belonging to him, the right to participate in the General Meeting of Shareholders is transferred to a new shareholder. Documents confirming proprietary right on shares shall be provided at the same time.

14. Date and time of the General Meeting of Shareholders must be set so that most of individuals who have right to participate in it could take part in the meeting.

The General Meetings of Shareholders are held in place of location of the Management Board of the Company.

15. The Shareholders shall be notified of the upcoming General Meeting of Shareholders no later than 30 (thirty) calendar days, in case of absentee or mixed voting – no later than 45 (forty five) calendar days prior to the date of meeting holding.

16. Notification on holding the General Meeting of Shareholders is published in media, determined in accordance with the established procedure, and on corporate web-site of the Company.

Countdown of terms, established in para.15 hereof is made from the date of publishing of notification on holding the General Meeting of Shareholders in mass media.

17. Notification on holding the General Meeting of Shareholders of the Company shall contain:

- 1) full name and place of location of the Management Board of the Company;
- 2) data on initiator of meeting calling;
- 3) date, time and place of holding the General Meeting of Shareholders of the Company, time of registration of meeting participants, date and place of the repeated

General Meeting of Shareholders of the Company, which shall be held if the first meeting fails to be held;

4) date of compilation of list of shareholders entitled to participate in the General Meeting of Shareholders;

5) agenda of the General Meeting of Shareholders;

6) procedure of familiarization of shareholders with materials on items of agenda of the General Meeting of Shareholders.

Minority shareholder is entitled to refer to registrar of the Company with the purpose of joining other shareholders during taking decision on the issues, indicated in agenda of the General Meeting of Shareholders.

Procedure of addressing of minority shareholder and distribution of information by Company registrar to other shareholders is stipulated in the contract on maintenance of system of registers of security holders.

18. The repeated General Meeting of Shareholders shall be set not earlier than the following day after set date of the initial (void) General Meeting of Shareholders.

19. Repeated General Meeting of Shareholders shall be held in the same place, where void General Meeting of Shareholders should have been held.

20. The agenda of repeated General Meeting of Shareholders shall not differ from agenda of void General Meeting of Shareholders.

21. The agenda of General Meeting of Shareholders is compiled by the Board of Directors and shall contain comprehensive list of concrete formulated issues proposed for discussion. It is banned to use in agenda of the meeting wordings with broad sense, including "miscellaneous", "other" and similar wordings.

Agenda of the General Meeting of Shareholders can be amended by Major Shareholder or the Board of Directors conditioned that shareholders of the Company are notified of such amendments no later than 15 (fifteen) days prior to the date of meeting or in procedure specified in para.24 hereof.

22. During opening of the General Meeting of Shareholders held in formal the Board of Directors (Corporate Secretary) shall report about received suggestions to amend agenda of the meeting.

23. Confirmation of agenda of the General Meeting of Shareholders is carried out by majority of votes from total number of voting shares, presented on the meeting.

24. Agenda of the meeting can be amended and (or) altered if most of shareholders (or their representatives) participating in the General Meeting of Shareholders and owning cumulatively at least 95 (ninety five) percent of voting shares of the Company voted for their introduction.

During taking decision by the General Meeting of Shareholders by the means of absentee voting agenda of the General Meeting of Shareholders can not be amended and (or) altered,

25. The General Meeting of Shareholders is not entitled to consider the issues, not included in agenda and make decision on them.

26. Materials on the items of agenda of the General Meeting of Shareholders shall contain the volume of information necessary for taking motivated decisions on given issues. The Corporate Secretary ensures compilation of materials on agenda of the General Meeting of Shareholders.

27. Materials of the issues of election of bodies of the Company (the Board of Directors) shall contain the following information about proposed candidates:

1) first and last name, and patronymic name (optional);

2) information on education;

3) information on affiliation to the Company;

4) information on places of employment and positions occupied during the last three years;

5) other information certifying qualifications and experience of candidates.

It shall be indicated in the materials on the issues of election of the Board of Directors (election of new member of the Board of Directors), which shareholder represents the proposed candidate for membership in the Board of Directors or if he is a candidate for the post of Independent Director of the Company. In case if candidate to members of the Board of Directors is either shareholder or physical entity indicated in

subpara.3) of para.8 of article 11 of Charter, than this data are subject to indication in materials with inclusion of information on owning of share of voting stocks of the Company as of the date of compilation of shareholders list.

28. Materials on the items of agenda of the annual General Meeting of Shareholders shall include:

1) annual financial statements of the Company and consolidated financial statements;

2) auditor's report of the annual financial statements of the Company and consolidated financial statements;

3) recommendations of the Board of Directors on the order of distribution of the net profit of the Company for passed financial year and size of the dividend for a year in calculation for one ordinary share of the Company;

4) materials on the issue of referring of shareholders on actions of the Company and its individuals and results of their consideration;

5) annual report of the Company and annual report of the Board of Directors on completed (done) work;

6) other documents at the discretion of the initiator of holding the General Meeting of Shareholders.

29. Annual report of the Company is prepared by the Management Board of the Company, approved and provided for consideration of the General Meeting of Shareholders by the Board of Directors of the Company.

Confirmed annual report of the Company is published on corporate web-site of the Company.

30. Materials on the items of agenda of the General Meeting of Shareholders shall be ready and accessible in place of location of the Management Board of the Company for familiarization of shareholders no later than 10 (ten) days prior to the date of the meeting, in case of request of shareholder – forwarded to him within 3 (three) work days from the day of receiving request; costs for preparation of copies of documents and mailing them are expensed by the shareholder.

31. The General Meeting of Shareholders is entitled to consider and make decisions on the items of agenda, if after termination of registration of participants of meeting shareholders and their representatives, included in the list of shareholders, entitled to participate in it and vote on it, owning cumulatively 50 (fifty) and more percent of voting shares of the Company are registered.

32. Repeated General Meeting of Shareholders held instead of void is entitled to consider the items of agenda and take decision on them if:

1) the procedure of calling of the General Meeting of Shareholders, which failed due to absence of quorum, was observed;

2) as of the moment of completion of registration for participation in it shareholders (or their representatives), owning cumulatively forty and more percent of voting shares of the Company, including shareholders, who vote in absentia were registered.

33. In case of forwarding to shareholders of ballots for absentee voting the votes, submitted by indicated ballots and received by the Company by the moment of registration of participants of the General Meeting of Shareholders, are counted during determination of quorum and summing up the results of voting.

In case of absence of quorum during the General Meeting of Shareholders by the means of absentee voting repeated General Meeting of Shareholders is not held.

34. The shareholder is entitled to participate in the General Meeting of Shareholders and vote on considered items in person or via his representative.

Members of the Management Board are not entitled to act as representatives of shareholders on the General Meeting of Shareholders.

Employees of the Company are not entitled to act as representatives of shareholders on the General Meeting of Shareholders except for the cases when such representation is based on attorney, which contains clear instructions on voting on all items of agenda of General Meeting of Shareholders.

35. Attorney for participation in General Meeting of Shareholders and voting on considered items is not required for an individual, who is entitled to act without the attorney on behalf of shareholder or represent his interests in compliance with Legislation or contract.

36. Procedure of holding the General Meeting of Shareholders is determined in accordance with Legislation, the Charter and other internal documents of the Company or directly by resolution of General Meeting of Shareholders.

37. Prior to opening of the General Meeting of Shareholders registration of all arrived shareholders (their representatives) is held. Representative of shareholder shall present power of attorney confirming his title for participation and voting on the General Meeting of Shareholders.

Shareholder (representative of shareholder) who did not pass registration is not counted during determination of quorum and is not entitled to participate in voting.

Invitees can participate on the General Meeting of Shareholders held in-person, thus such individuals can speak on the General Meeting of Shareholders with permission of the Chairman of meeting.

38. The General Meeting of Shareholders shall be opened at announced time conditioned on presence of quorum.

The General Meeting of Shareholders can not be opened earlier than announced time, in the exception of cases when all shareholders (their representatives) are already registered, notified and do not object against change of time of meeting opening.

If within 1(one) hour after the set time of beginning of the meeting the quorum is absent, then the meeting is postponed until the date and time of repeated General Meeting of Shareholders, indicated in notification on the meeting.

39. The General Meeting of Shareholders elects Chair (presidium).

The General Meeting of Shareholders determines form of voting – open or ballot voting. Voting on the issue of election of Chair (of presidium) of the General Meeting of Shareholders is carried out on the principle “1 (one) share – 1 (one) vote”, and decision is taken by simple majority of votes from overall number of voting shares of the Company attending the meeting and entitled to participate in voting. Members of the Management Board can not chair the General Meeting of Shareholders, in the exception of cases, when all shareholders present on the meeting hold the membership in the Management Board.

Secretary of the General Meeting of Shareholders is a Corporate Secretary of the Company.

40. In the course of the General Meeting of Shareholders its Chair is entitled to put for voting the proposal on termination of debates on considered item and on change of way of voting on it.

The Chair is not entitled to encumber speaking of person, who is entitled to participate in discussion of the item of agenda, in the exception of cases when such speech leads to breach of order of the General Meeting of Shareholders or when debates on the given issue are terminated.

41. The General Meeting of Shareholders is entitled to take decision on break in its work and on prolongation of time of work, including on postponing of consideration of certain items of agenda of the General Meeting of Shareholders until the following day, remark on which is made in the minutes.

42. The General Meeting of Shareholders can be announced closed only after consideration of all items of agenda and taking decisions on them.

43. Corporate Secretary responds for fullness and credibility of information reflected in the minutes of the General Meeting of Shareholders.

44. Decisions of the General Meeting of Shareholders can be made by the means of absentee voting. Absentee voting can be applied together with voting of shareholders, present on the General Meeting of Shareholders (mixed voting), or without holding the General Meeting of Shareholder.

45. During absentee voting the ballots for voting of unified form are forwarded to individuals, who are included in the list of shareholders.

The Company shall not forward electively to certain shareholders ballots for voting with purpose to impact on results of voting on the General Meeting of Shareholders.

46. Ballot for voting shall be forwarded to individuals, included in the list of shareholders not later than 45 (forty five) days prior to the date of the General Meeting of Shareholders. In case of absentee voting without holding the General Meeting of Shareholders the Company publishes in mass media ballot for absentee voting on the General Meeting of Shareholders with notification on holding the General Meeting of Shareholders.

47. Ballot for absentee voting shall contain:

- 1) full name and address of the Management Board of the Company;
- 2) information about initiator of calling of the meeting;
- 3) the final date of submitting of ballots for absentee voting;
- 4) date of holding the General Meeting of Shareholders or the date of counting of votes for absentee voting without holding the General Meeting of Shareholders;
- 5) agenda of the General Meeting of Shareholders;
- 6) names of candidates proposed for election, if agenda of the General Meeting of Shareholders contains the items on election of members of the Board of Directors;
- 7) wording of the issues, the voting is held on;
- 8) options of voting on each item of agenda of the General Meeting of Shareholders, expressed by words "for", "against", "abstained";
- 9) clarification of procedure of voting (filling-in the ballot) on each item of agenda.

48. The ballot for absentee voting shall be signed by the shareholder – physical entity personally with indication of data on the identification documents of given person.

The ballot for absentee voting of shareholder – legal entity shall be signed by its CEO and certified by stamp of legal entity.

The ballot without signature of shareholder – physical entity or CEO of shareholder – legal entity, as well as without stamp of shareholder – legal entity is considered void.

During counting of votes only votes on the issues, on which the shareholder observed the order of voting, determined in the ballot, and only one of possible options of voting is marked are accounted.

49. If agenda of the General Meeting of Shareholders contains the issues on election of members of the Board of Directors, ballot for absentee voting shall contain fields for indication of number of votes, given for certain candidates.

50. If during holding the General Meeting of Shareholders by the means of absentee voting the ballots filled-in properly were received from all shareholders ahead the indicated date of counting of votes, than counting of votes earlier than indicated date is allowed with reflection in the minutes on results of voting.

51. If the shareholder who forwarded earlier the ballot for absentee voting arrived for participation and voting on the General Meeting of Shareholders, where mixed voting is used, his ballot is not counted during determination of quorum of the General Meeting of Shareholders and counting of votes on the items of agenda.

52. Voting on the General Meeting of Shareholders is carried out on principle “1 (one) share – 1 (one) vote” in the exception of cases of:

- 1) constraining of maximal number of votes on shares, provided to 1 (one) shareholder in cases stipulated in legislative acts of the Republic of Kazakhstan;
- 2) cumulative voting during election of members of the Board of Directors;
- 3) provision to each person, entitled to vote on the General Meeting of Shareholders of 1 (one) vote on procedural issues of holding the General Meeting of Shareholders.

Upon the results of voting counting commission compiles and signs minutes on results of voting.

Upon special opinion of shareholder on the issue proposed for voting counting commission of the Company is obliged to input in the minutes the relevant note.

After compilation and signing of minutes on results of voting the filled-in ballots for formal ballot voting and absentee voting (including the ballots, considered void), on the basis of which the minutes was compiled, are stitched together with minutes and stored in the Company.

The minutes on the results of voting are subject to inclusion in minutes of the General Meeting of Shareholders.

The results of voting are announced on the General Meeting of Shareholders in course of which voting was held.

The results of voting of the General Meeting of Shareholders or results of absentee voting are brought to the note of shareholders by publishing them in mass media within 15 (fifteen) calendar days after closing the General Meeting of Shareholders.

53. Minutes of the General Meeting of Shareholders shall be compiled and signed within 3 (three) work days after closing the meeting.

54. The minutes of the General Meeting of Shareholders contains:

- 1) full name and address of the Management Board of the Company;
- 2) date, place and venue of the General Meeting of Shareholders;
- 3) data on number of voting shares of the Company, presented on the General Meeting of Shareholders;
- 4) quorum of the General Meeting of Shareholders;
- 5) agenda of the General Meeting of Shareholders;
- 6) procedure of voting on the General Meeting of Shareholders;
- 7) the chair (presidium) and the Corporate Secretary;
- 8) speeches of individuals, participating in the General Meeting of Shareholders;
- 9) number of persons, participating in the General Meeting of Shareholders;
- 10) overall number of votes of shareholders on each item of agenda of the General Meeting of Shareholders put for voting;
- 11) the items put for voting, results of voting on them;
- 12) decisions made by the General Meeting of Shareholders.

In case of consideration on the General Meeting of Shareholders of the issue on election of the Board of Directors of the Company (election of new member of the Board of Directors) the minutes of the general meeting indicates, representative of which shareholder is elected member of the Board of Directors and (or) which of elected member of the Board of Directors is Independent Director.

55. The minutes of the General Meeting of Shareholders is subject to signing;

- 1) by Chair (members of presidium) of the General Meeting of Shareholders and Corporate Secretary;
- 2) by members of counting commission;
- 3) shareholders, owning 10 (ten) and more percent of voting shares of the Company and shareholders, who participated in the General Meeting of Shareholders.

In case of impossibility of signing minutes by the person, obliged to sign it, the minutes is signed by his representative on the basis of power of attorney or a person, who is entitled to act without attorney on behalf of shareholder or present his interests in compliance with Legislation or contract.

56. In case of disagreement of any person, indicated in para.54 hereof with content of the minutes, this person is entitled to refuse to sign it, providing written explanation of the reason of denial, which is subject to inclusion in the minutes.

57. Minutes of the General Meeting of Shareholders are stitched together with minutes on results of voting, power of attorney for participation and voting on the general meeting, as well as signing the minutes and written explanations of persons, who did not sign the minutes, about the reasons of denial to sign the minutes. Indicated documents shall be stored by the Management Board of the Company and provided to shareholders for familiarization at any time. Upon the request of shareholder he is given the copy of minutes of the General Meeting of Shareholders.

ARTICLE 10. EXCEPTIONAL COMPETENCE OF THE GENERAL MEETING OF SHAREHOLDERS

1. The following issues are attributed to the exceptional competence of the General Meeting of Shareholders of the Company:

1) introducing changes and addenda to the Charter or confirmation of its new edition;

2) confirmation of the Code of Corporate Governance and changes and addenda to it;

3) voluntary reorganization and liquidation of the Company;

4) taking decision on increasing of the quantity of authorized shares of the Company or changing of the type of not placed authorized shares of the Company;

5) taking decision on placement (sale), including on quantity of shares of the Company to be placed (sold) within the limits of the quantity of authorized shares, method and price of share placement (sale), in the exception of shares placed on organized stock market for the purposes of implementation of decree of Government of the Republic of Kazakhstan;

6) determination of the conditions and order of conversion of securities of the Company and also their change;

7) taking decision on issuance of securities, converted in ordinary shares of the Company;

8) taking decision on exchange of placed shares of one type to shares of other type, determination of conditions and procedure of such exchange;

9) determination of the number, terms of office of counting commission, election of its members and early termination of its powers;

10) determination of the number, terms of office of the Board of Directors of the Company, election of its members, including Chairman of the Board of Directors, and early termination of terms of their powers, determination of the size and conditions of payment of remuneration and reimbursement of expenses to members of the Board of Directors for fulfillment of obligations, and also confirmation of Regulation on the Board of Directors;

11) determination of auditing organization for conducting audit of the Company in the established procedure and the size of its service payment;

12) confirmation of the annual financial reporting of the Company and consolidated financial reporting;

13) confirmation of the procedure of distribution of the net profit of the Company for reporting year, decision-making on payment of dividends on ordinary shares and confirmation of the size of the share in calculation of one ordinary share of the Company for a half year or quarter in case of consideration of the issue on payment of dividends for the half year or quarter;

- 14) approval of the annual report of the Company and annual report of the Board of Directors;
- 15) decision-making on non-payment of dividends on ordinary shares of the Company;
- 16) decision-making on voluntary delisting of shares of the Company;
- 17) decision-making on participation of the Company in creation or activity of other legal entities or secession from composition of participants (shareholders) of their legal entities by means of transfer (receipt) of part or several parts of assets, in total making twenty five and over percents of all assets belonging to the Company;
- 18) determination of form of notification by the Company of shareholders on calling the General Meeting of Shareholders and taking decision on publishing of such information in mass media;
- 19) confirmation of the procedures for determination of the cost of share in case of its purchase by the Company on unorganized market in accordance with Law and also changes and addenda to the procedures;
- 20) confirmation of agenda of the General Meeting of Shareholders;
- 21) taking decision on distribution of retained earnings;
- 22) appointment of the General Director (Chair of the Management Board) of the Company and early termination of his powers, with further early termination of labor relations with him in the established procedure;
- 23) other issues, taking decision on which is attributed by the Law and/or the Charter to the exceptional competence of the General Meeting of Shareholders of the Company.

2. Decisions of the General Meeting of Shareholders on the issues indicated in subpara.1)-4) and 19) of para 1 of present article is taken by qualified majority of total number of voting shares of the Company.

Decisions of the General Meeting of Shareholders on other issues are made by simple majority of votes from total number of voting shares of the Company, participating in voting, if otherwise is stipulated by the Law and/or the Charter.

3. Transfer of issues, which decision-making is attributed to exceptional competence of the General Meeting of Shareholders of the Company to competence of other bodies, officials and staff members of the Company is not permissible unless otherwise provided by the Legislation.

4. The General Meeting of Shareholders is entitled to cancel any decision of other bodies of the Company on the issues attributed to internal functioning of the Company.

ARTICLE 11. THE BOARD OF DIRECTORS OF THE COMPANY

1. The Board of Directors carries out general management of activities of the Company in the exception of solving of issues attributed by the Law and/or the Charter to the exceptional competence of the General Meeting of Shareholders.

Based on the results of a year, the Board of Directors presents the General Meeting of Shareholders the report on the work completed in the procedure provided by the regulation on the Board of Directors.

2. Upon decision of the General Meeting of Shareholders members of the Board of Directors of the Company who are not state servants can be paid remunerations and (or) reimbursements for expenses related to fulfillment of functions of the member of the Board of Directors of the Company during the period of performance of their obligations. The size of such remunerations and reimbursements is established by the decision of the General Meeting of Shareholders.

3. The following issues are attributed to the exceptional competence of the Board of Directors of the Company:

- 1) determination of the priority directions of the Company activity and confirmation of development strategy of the Company;

- 2) taking decisions on calling of the annual and extraordinary General Meeting of Shareholders;
- 3) approval of changes and addenda to the Charter of the Company or of its new edition, and also of the Code of Corporate Governance and changes and addenda to it;
- 4) taking decisions on redemption by the Company of the placed shares or other securities and price of its redemption;
- 5) preliminary confirmation of the annual financial reporting of the Company, consolidated financial reporting and annual report of the Company, presentation of recommendations to the General Meeting of Shareholders on the order of distribution of the net profit of the Company for passed financial year (half year or quarter) and the size of dividend for the year (half year or quarter) in calculation per one ordinary share of the Company;
- 6) determination of conditions of issuance of bonds and derivative securities of the Company and taking decision on their issuance;
- 7) determination of the number, terms of office of the Management Board of the Company, election of the General Director (Chairman of the Management Board) and members of the Management Board, and also early termination of their powers;
- 8) determination of the size of salaries and conditions of payment for labor and bonuses of the General Director (Chairman of the Management Board) and members of the Management Board of the Company, taking decision on imposing disciplinary sanctions on them;
- 9) upon presentation of Internal Audit Service of the Board of Directors of the Company determination of number, term of powers of Internal Audit Service, appointment of its chief executive and other staff members, and also early termination of their powers;
- 10) upon presentation of Internal Audit Service of the Board of Directors of the Company determination of the order of work of the Internal Audit Service, size and conditions of labor payment and bonuses for staff members of the Internal Audit Service, taking decisions on imposing disciplinary sanctions;
- 11) confirmation of the annual plan of the work of Internal Audit Service for corresponding year;
- 12) consideration of quarter and annual reports of Internal Audit Service and taking decisions on them;
- 13) taking decision on provision of consent relatively to the possibility of members of the Management Board of the Company to work in other entities;
- 14) establishment of committees of the Board of Directors, confirmation of regulations on them, election of committee members;
- 15) appointment, determination of the terms of office of the Corporate Secretary, early termination of his/her powers, confirmation of Regulation on him/her, as well as determination of the size of salary and conditions for remuneration of the Corporate Secretary, decision-making on imposing disciplinary sanctions on the Corporate Secretary;
- 16) establishment and abolition of Corporate Secretary office, confirmation of its staff size;
- 17) determination of the size of payment for services of appraiser based on assessment of market value of property, transferred for payment of shares of Company, or subject to large-size deal;
- 18) confirmation of documents regulating internal activity of the Company, the list of which is determined by the Board of Directors, including internal documents setting conditions and order of conducting auctions and subscription of securities of the Company;

- 19) taking decision on creation, closure of branches and representation of the Company and confirmation of regulations on them;
 - 20) taking decisions on acquisition (carve-out) by the Company of ten and more percent of shares (share of participation in the charter capital) of other legal entities;
 - 21) taking decisions on issues of activities attributed to the competence of the General Meeting of Shareholders (participants) of legal entities, ten and more percent of shares (participatory shares in charter capital) of which belong to the Company;
 - 22) increase of obligations of the Company to the amount containing ten and more percent of the size of its own capital;
 - 23) determination of information about the Company or its activities, making office, commercial, or other secret protected by the law;
 - 24) taking decision on conclusion of large-size and interested-party deals by the Company in the exception of deals taking decision on conclusion of which is attributed to the competence of the Management Board;
 - 25) confirmation of the business plan of the Company, and also adjustments made to it;
 - 26) confirmation of staff size and structure of the central office of the Company;
 - 27) confirmation of the accounting policy of the group of companies of the Company and tax accounting policy of the Company;
 - 28) confirmation of policies and internal procedures of the Company on risk management, ensuring observance and analysis of efficiency, as well as improvement of such procedures;
 - 29) determination of the order and dates of reception by the members of the Board of Directors of information on the activity of the Company, including financial one;
 - 30) confirmation of incentive key performance indicators for members of the Management Board of the Company and their target values;
 - 31) determination of list of positions, appointment to which is subject to coordination with the Board of Directors of the Company;
 - 32) preparation of recommendations to the General Meeting of Shareholders of the Company on size, procedure of distribution and terms of payment of remuneration to members of the Board of Directors of the Company;
 - 33) confirmation of program of succession planning of members of the Management Board of the Company;
 - 34) appointment of Ombudsmen and confirmation of Terms of Reference on him;
 - 35) confirmation of interim (half-year) financial statements of the Company;
 - 36) confirmation of stakeholder card of the Company;
 - 37) confirmation of strategy on corporate social liability of the Company;
 - 38) taking decision on holding evaluation of performance of the Board of Directors, committees of the Board of Directors, members of the Board of Directors, the Company, the Management Board, Head and members of the Management Board, Internal Audit Service of the Company, its Head;
 - 39) other issues, provided by the Law and/or the Charter, not attributed to the exceptional competence of the General Meeting of Shareholders of the Company.
4. Issues, the list of which is determined by para.3 of the present article can not be transferred for decision of the Management Board.
 5. The Board of Directors is not entitled to take decisions on issues which in accordance with the Charter are attributed to competence of the Management Board of the Company, and also take decisions which are contradictory to decisions of the General Meeting of Shareholders of the Company.
 6. The Board of Directors shall:
 - 1) track and when possible eliminate potential conflict of interests on the level of officials and shareholders, including unlawful usage of property of the Company and abuse when concluding interested-party deals;
 - 2) control efficiency of practice of corporate governance in the Company.

7. Member of the Board of Directors of the Company can only be physical entity. Member of the Board of Directors is not entitled to transfer execution of functions, entrusted on him in accordance with the Law and (or) the Charter to other person.

Candidates to members of the Board of Directors and members of the Board of Directors shall possess relevant experience, knowledge, qualification, positive achievements and impeccable reputation in business and industrial area, necessary for execution of obligations and organization of effective work of the entire Board of Directors in the interests of shareholders and the Company.

The following person can not be elected for the post of the member of the Board of Directors:

- 1) person without higher education;
- 2) person possessing outstanding (unspent) conviction or conviction non-expunged in the procedure established by the law;
- 3) person who was Chair of Board of Directors, Chief Executive Officer (Chair of Management Board), Deputy of the Chief Executive Officer, Chief Accountant of another legal entity not more than one year before resolution on forced liquidation or forced redemption of shares or shutdown of another legal entity, recognized as bankrupt in the established procedure. The indicated requirement applies during five years from the date of the resolution on forced liquidation or forced redemption of shares or shutdown of another legal entity, recognized as bankrupt in the established procedure;
- 4) holding a membership in the Board of Directors (supervisory body) or executive body of rival entity of the Company.

Members of the Board of Directors of the Company shall not present their candidacies or participate in procedures of election of members of the Board of Directors (supervisory bodies) or executive bodies of rival entities of the Company. Such membership of member of the Board of Directors of the Company in composition of the Board of Directors (supervisory body) or executive body of rival entity of the Company can serve as a basis for early termination of powers of such member of the Board of Directors.

8. Members of the Board of Directors are elected from among:

- 1) shareholders – individuals;
- 2) a number of people proposed (recommended) for election to the Board of Directors of the Company as representatives of the interests of shareholders;
- 3) individuals who are not shareholders of the Company and not proposed (recommended) for election to the Board of Directors as representatives of shareholder.

9. Election of members of the Board of Directors is carried out by shareholders by the means of cumulative voting using ballots for voting except for the case, when one candidate stands for one position in the Board of Directors. Ballot of cumulative voting shall contain the following graphs:

- 1) list of candidates to members of the Board of Directors;
- 2) number of votes belonging to the shareholder;
- 3) number of votes of shareholder given for a candidate to members of the Board of Directors.

It is banned to introduce in ballot of cumulative voting the options of voting “against” and “abstained”.

The shareholder is entitled to give votes on shares belonging to him fully for one candidate or distribute them between several candidates to members of the Board of Directors. Candidates who get the highest number of votes are considered elected in the Board of Directors. If two and more candidates to members of the Board of Directors get equal number of votes, additional cumulative voting is held for these candidates by providing the shareholders with ballots of cumulative voting with indication of candidates, who got equal number of votes.

10. Members of the Management Board, except for the General Director (Chairman of the Management Board) can not be elected to the Board of Directors of the Company. The General Director (Chairman of the Management Board) of the Company can not be elected as a Chair of the Board of Directors of the Company.

11. Number of the members of the Board of Directors of the Company shall make not less than three persons. Not less than 30 percent of the members of the Board of Directors shall be independent directors.

12. A person, who complies with criteria of independence, specified by Law and who:

1) is not or has not been member of staff of the Company or its subsidiary organization within the last five years;

2) has not received and is not receiving additional remuneration from the Company, except for remuneration as member of the Board of Directors;

3) occupying similar position in other organizations or bodies, has not significant connections with other members of the Board of Directors through such participation in other organizations or bodies;

4) is not a representative of shareholder or state managerial bodies;

5) is not and has not been member of the Board of Directors of the Company for more than nine years in a row

can be elected as Independent Director.

13. Election of any person in membership of the Board of Directors for the term more than 6 years in a row is subject to special consideration with account of qualitative renewal of composition of the Board of Directors. The same individual can not be elected in the Board of Directors for more than nine years in a row. In the exceptional cases it is permitted to elect for the term of nine years in row, but election of such person to the Board of Directors shall be considered on the annual basis.

14. Terms of office of the Board of Directors of the Company are determined by the General Meeting of Shareholders of the Company.

Term of office of the Board of Directors of the Company expires at the moment of General Meeting of Shareholders of the Company, when election of new Board of Directors of the Company is held.

15. The General Meeting of Shareholders of the Company is entitled to early terminate of powers of all or individual members of the Board of Directors of the Company.

16. Early termination of powers of a member of the Board of Directors of the Company at his own initiative is carried out on the basis of written notification of the Board of Directors of the Company.

Powers of such member of the Board of Directors of the Company shall be terminated from the moment of reception of the given notification by the Board of Directors of the Company.

In case of early termination of powers of the member of the Board of Directors election of new member of the Board of Directors is carried out by cumulative voting of shareholders presented on the General Meeting, the powers of newly elected member of the Board of Directors shall expire at the same time as expiration of the powers of the Board of Directors as a whole.

17. Chair of the Board of the Directors of the Company is elected from among the members of the Board of Directors on the General Meeting of Shareholders.

The General Meeting of Shareholders of the Company is entitled at anytime to re-elect Chair of the Board of Directors of the Company.

18. Chair of the Board of Directors in the established procedure:

1) organizes the work of the Board of Directors of the Company;

2) calls meetings of the Board of Directors of the Company and chairs on them;

3) organizes maintenance of minutes of the meeting;

4) annually informs shareholders of the Company about size and composition of remuneration of members of the Board of Directors and the Management Board of the Company;

5) carries out other functions provided by the Legislation, the Charter, and Regulation on the Board of Directors of the Company.

19. In case of absence of the Chair of the Board of Directors, his/her functions are performed by one of the members of the Board of Directors of the Company upon decision of the Board of Directors of the Company.

20. Meeting of the Board of Directors of the Company can be called at the initiative of its Chair or the Management Board of the Company or at the request of:

- 1) any member of the Board of Directors;
- 2) Internal Audit Service;
- 3) Auditing organization, carrying out auditing of the Company;
- 4) Major Shareholder of the Company.

21. Request on calling the meeting of the Board of Directors of the Company shall be presented to the Chair of the Board of Directors by means of forwarding correspondent written communication containing the proposed agenda of the meeting of the Board of Directors.

In case of refusal of the Chair of the Board of Directors to call the meeting, the initiator is entitled to refer with the given request to the Management Board of the Company, which must call the meeting of the Board of Directors.

Meeting of the Board of Directors shall be called by the Chair of the Board of Directors or the Management Board of the Company not later than ten working days from the date of reception of such request.

The meeting of the Board of Directors shall be conducted with mandatory invitation of the original initiator of the meeting.

22. The procedure of forwarding of notification to members of the Board of Directors on meeting of the Board of Directors is determined by the Board of Directors.

Notification about the meeting shall include, in case of formal meeting, explanation on possibility of member of the Board of Directors to vote by means of written communication on the agenda of the meeting, if the member can not participate in the meeting.

23. Materials on items of agenda are provided to the members of the Board of Directors not later than seven calendar days prior to the date of meeting.

In case of consideration of issue on taking decision on conclusion of large-size deal and (or) interested-party deal, information about the deal shall include information about counterparts, terms and conditions of execution of deal, character and amount of participatory shares of involved entities, report of appraiser (in case stipulated in para.1 of article 69 of Law).

Individuals interested in conclusion of deal by the Company, indicated in para.1 of article 71 of the Law are obliged prior to consideration of issue in conclusion of the interested-party deal by the Company bring to the note of the Board of Directors information in written:

- 1) about whether they are counterpart of the deal or participate in it as representative or intermediary;
- 2) about legal entities, they are affiliated with, including about legal entities, in which they independently or jointly with their affiliated entities own ten percent and more voting stocks (shares) and about legal entities, in bodies of which they occupy positions;
- 3) about known to them concluded or supposed to be concluded deals, where they can be recognized as interested.

Indicated information is attached to materials on the issues of corresponding agenda of the meeting of the Board of Directors.

In case if a member of the Board of Directors of the Company is an individual interested in conclusion of such deal by the Company, he must bring the abovementioned information to notice of the Board of Directors of the Company by

forwarding it to the Corporate Secretary after receiving materials on conclusion of the deal, before the meeting of the Board of Directors on given issue.

24. Members of the Board of Directors can participate at the meeting of the Board of Directors by means of video-conference (interactive audiovisual connection), conference connection (simultaneous conversation of the members of the Board of Directors in the mode of "telephone conference") and also participation by means of other communication devices. The order of registration of the decisions of the Board of Directors, taken at such meetings, shall be determined by the Regulation on the Board of Directors.

Member of the Board of Directors shall notify in advance the Management Board of the Company about impossibility of attending meeting of the Board of Directors. Member of the Board of Directors absent during the meeting is entitled to vote on agenda items of the meeting of the Board of Directors by means of written communication.

In such case the written communication on the agenda shall include:

- 1) date of composition;
- 2) agenda on which the opinion of the member of the Board of Directors is being expressed by means of written communication;
- 3) clearly expressed position on each agenda item;
- 4) signature;
- 5) other information related to the agenda at the discretion of the member of the Board of Directors.

The written communication on agenda presented by member of the Board of Directors is taken into account during calculation of quorum and results of voting and is attached to the minutes of the meeting, in which a record is made about voting of the member of the Board of Directors by means of forwarding written communication on the agenda.

The written communication on the agenda shall be presented by the member of the Board of Directors to the Chair of the Board of Directors or to the Corporate Secretary before the meeting of the Board of Directors.

If member of the Board of Directors, who previously sent written communication on agenda, arrived for participation and voting on the meeting of the Board of Directors, at which mixed voting is used, his/her written opinion shall not be taken into account.

25. The quorum for conducting meeting of the Board of Directors shall make not less than half from the number of members of the Board of Directors and is determined taking into account use of video-conference (interactive audiovisual connection), conference connection (simultaneous conversation of the members of the Board of Directors in the mode of "telephone conference"), other communication devices and also taking into account absent members of the Board of Directors (in the presence of their votes expressed in writing).

At least half of total number of Independent Directors must be attending the meeting of the Board of Directors of the Company in obligatory manner (after recognition the Company as public one).

If the total number of members of the Board of Directors is not sufficient for achievement of indicated quorum, the Board of Directors shall convene extraordinary General Meeting of Shareholders for election of new members of the Board of Directors. Remaining members of the Board of Directors are entitled only to take decision on calling of such extraordinary General Meeting of Shareholders of the Company.

Quorum for decision-making on issues indicated in subpara.1), 4), 5), 7), 8), 14), 15), 19), 24)-26), 37) of para.3 of the present article, makes two thirds of the

members of the Board of Directors and majority of the independent directors shall take part in such meeting of the Board of Directors.

In case if overall number of members of the Board of Directors is insufficient for achievement of quorum, specified in the previous paragraph hereof, consideration of indicated items is postponed until the next meeting of the Board of Directors. During repeated consideration of issues, indicated in the previous paragraph hereof, quorum for taking decision constitutes not less than half of number of members of the Board of Directors, and not less than half of overall number of Independent Directors shall participate in the meeting.

26. Each member of the Board of Directors has one vote. Decisions of the Board of Directors are taken by means of simple majority of the votes of members of the Board of Directors present at the meeting, or provided written opinion, unless otherwise provided by the Law or Charter.

In case of equal votes the vote of the Chair of the Board of Directors or person chairing the meeting of the Board of Directors shall be decisive.

Member of the Board of Directors, who did not participate in the meeting of the Board of Directors or who voted against such decision, taken by the Board of Directors in violation of procedure, established by Law and Charter, is entitled to contest it in court.

The shareholder is entitled to contest in court decision of the Board of Directors, made with violation of provision of Law and Charter, if rights and lawful interests of the Company and (or) this shareholder are violated by indicated decision.

27. Decision on conclusion of interested party deals is taken by simple majority of the votes of the members of the Board of Directors not interested in such conclusion. If all members of the Board of Directors, except for Independent Directors are interested in conclusion of such deal, then decision is taken by simple majority of the votes of Independent Directors.

In case of equal votes, the decision on conclusion of interested party deal by the Company, shall be taken by the General Meeting of Shareholders by simple majority of votes of shareholders, not interested in its conclusion.

Large-size deals and interested-party deals concluded by the Company with organizations, entering the group of JSC "National Welfare Fund "Samruk-Kazyna" (hereinafter – the Fund) are concluded without appliance of special conditions, established by the Law in the procedure determined by the Board of Directors of the Fund.

28. The Board of Directors is entitled to take decision on conducting closed meeting, in which only members of the Board of Directors can take part.

29. At the discretion of the Chair of the Board of Directors of the Company it is possible to take decisions on issues tabled for consideration by means of absentee voting. In this case, ballot is used for absentee voting, which shall be sent together with notification on meeting of the Board of Directors.

On the issues determined by subpara 1), 4), 5), 7), 8), 12), 14), 15), 19), 24)-26), 37) of para.3 of present article decisions by the means of absentee voting can not be made.

30. The ballot for absentee voting shall include:

- 1) full name and address of the Management Board of the Company;
- 2) deadline for submission of the signed voting paper to the Corporate Secretary;
- 3) agenda of the meeting;
- 4) items put for voting and options of votes;
- 5) other information.

While forwarding the ballots for absentee voting to members of the Board of Directors, the Corporate Secretary shall certify its correct and uniform composition by his/her signature.

31. Decision by means of absentee voting is recognized valid in case if quorum of ballots received within deadline.

Ballot for absentee voting shall be signed by member of the Board of Directors. Ballot without the signature is considered void.

Resolution of the absentee meeting of the Board of Directors shall be registered in writing and signed by the Corporate Secretary and the Chair of the Board of Directors and contain:

- 1) full name and address of the Management Board of the Company;
- 2) date and venue of the written registration of the decision on the absentee voting;
- 3) information on composition of the Board of Directors;
- 4) record on presence/absence of quorum for taking decision;
- 5) agenda of the meeting;
- 6) results of voting on each agenda item and decision taken;
- 7) other information.

Within twenty days from the date of registration of the resolution it shall be forwarded to members of the Board of Directors with attached copies of ballots on the basis of which the given decision was taken.

32. Resolutions of the Board of Directors taken during formal meeting are registered as minutes of the meeting, which shall be drawn up and signed by members of the Board of Directors and Corporate Secretary within three days from the day of the meeting and contain:

- 1) full name and address of the Management Board of the Company;
- 2) date, time, and venue of the meeting
- 3) information on persons present during the meeting;
- 4) agenda of the meeting;
- 5) items put for voting and results of voting on them with reflection of result of voting of each member of the Board of Directors on each item of agenda of the meeting of the Board of Directors;
- 6) decisions taken;
- 7) record of vote of member of the Board of Directors by means of forwarding written communication on agenda (in case of presence of such written communication);
- 8) other information on the decision of the Board of Directors.

33. Minutes of the meetings of the Board of Directors and decisions of the Board of Directors taken by means of absentee voting and also ballots with signatures shall be kept in the Company.

The Corporate Secretary at the request of member of the Board of Directors shall provide minutes of the meeting of the Board of Directors and decision taken by means of absentee voting for familiarization and (or) give extracts from minutes and decisions, certified by the signature of the Corporate Secretary and imprint of the seal of the Company.

34. For consideration of most important issues and preparation of recommendations to the Board of Directors the following committees of the Board of Directors in the Company are established:

- 1) strategic planning;
- 2) staff and remunerations;
- 3) internal audit;
- 4) social issues.

Internal documents of the Company can provide for establishment of committees of the Board of Directors on other issues.

35. The Committees of the Board of Directors shall consist of members of the Board of Directors and experts possessing necessary professional knowledge for performance in a specific committee.

Committee of the Board of Directors shall be headed by the member of the Board of Directors. Chairs of committees of the Board of Directors, indicated in part one of para.34 of present article, are Independent Directors.

General Director (Chairman of the Management Board) can not chair the Board of Directors committee.

The procedure of forming and work of the committees of the Board of Directors and also quantitative composition is determined by internal document of the Company, confirmed by the Board of Directors.

ARTICLE 12. MANAGEMENT BOARD OF THE COMPANY

1. Management of the current activity is carried out by the Management Board of the Company. The Management Board of the Company is headed by the General Director (Chairman of the Management Board).

Organization of the work of the Management Board and procedures of its meetings convocation and holding are determined by the Regulation on the Management Board of the Company, confirmed by the Board of Directors.

2. The Management Board is entitled to take decisions on any issues of the activity of the Company not attributed by legislative acts of the Republic of Kazakhstan and the Charter to the competence of other bodies and officials, including:

1) confirms staff schedule of the Central Office and structure of the Company, in compliance with the staff size and structure of the Central Office, staff size of the Corporate Secretary Office approved by the Board of Directors, and confirms staff size and structure of the branches and representations of the Company;

2) issues decisions (decrees) and instructions, mandatory for implementation by all staff members of the Company;

3) organizes the work on placement of shares;

4) coordinates and guides the work of branches, representations of the Company, its subsidiary and jointly controlled organizations;

5) takes decisions on issues of financial, economic and production activity of the Company;

6) confirms documents introduced with purpose of organization of the activity of the Company, which are not part of the list of documents confirmed by the Board of Directors;

7) takes decisions on rendering sponsorship (charity) assistance by the Company in the established procedure;

8) takes decision on acquisition by the Company of up to 10 percent of shares (share of participation) in the charter capital of other legal entities including legal entities in which the Company is a shareholder (participant), and also on carve-out of shares (share of participation) in them, in the exception of cases provided by the Legislation;

9) preliminarily approves issues taking decision on which is attributed to the competence of General Meeting of Shareholders or the Board of Directors;

10) within procedure, established by Fund makes decisions on conclusion of interested-party deals by the Company with organizations included in group of Fund in accordance with Law of the Republic of Kazakhstan "On Fund of National Welfare";

11) carries out implementation of development strategy, business plan of the Company, bears responsibility for their execution, presents to the Board of Directors annual reports on implementation of development strategy and business-plan of the Company;

12) takes decisions on increase of liabilities of the Company by the amount constituting five to ten percent of size of own equity;

13) takes decisions on conclusion of deals, which result in acquisition or alienation by the Company of property, value of which constitutes 2 and more percent, but not less than 25 percent of overall size of cost of assets of the Company;

14) carries out control over implementation of the decisions of the Board of Directors, the General Meeting of Shareholders, recommendations of audit organization conducting audit of the annual financial statements of the Company;

15) organizes work on identification of reasons and conditions generating wrongful acts in relation to the property of the Company;

16) bears responsibility for development and implementation of policies and procedures of internal control and risk management in the Company;

17) confirms of prospectus of the Company for listing on stock market, as well amendments and addenda introduced in it;

18) takes decisions on other issues of activity of the Company, not attributed to the exceptional competence of other bodies and officials of the Company by Law, other legislative acts of the Republic of Kazakhstan and Charter.

The Management Board shall implement decisions of the General Meeting of Shareholders and the Board of Directors of the Company.

The Company is entitled to contest validity of deal concluded by the Management Board in violation of restrictions established by the Company, if proves that at the moment of conclusion of the deal, the parties were aware of such restrictions.

3. Members of the Management Board can be shareholders and staff members of the Company, who are not its shareholders. Member of the Management Board shall possess relevant experience, knowledge, qualification, business reputation.

In case of early termination of powers of member of the Management Board, in the exception of the General Director (Chairman of the Management Board), and election (appointment) by the Board of Directors of the new member of the Management Board, powers of latter expire at the same time of expiration of the powers of the Management Board as whole.

Members of the Management Board are entitled to work in other organizations only at the consent of the Board of Directors of the Company. At that, members of the Management Board shall not hold a membership in boards of directors (supervisory committees) or executive bodies of entities-rivals of the Company and to have a substantial financial interest in them.

The General Director (Chairman of the Management Board) is not entitled to occupy position of head of executive body or person personally carrying out functions of executive body of another legal entity.

Functions, rights, and duties of the member of the Management Board are determined by the legislative acts of the Republic of Kazakhstan, the Charter, the Regulation on the Management Board, and also by labor contract concluded by given person with the Company. The labor contract on behalf of the Company with the General Director (Chairman of the Management Board) is signed by the Chair of the Board of Directors or person authorized for that by the General Meeting of Shareholders or the Board of Directors. The labor contract with other members of the Management Board is signed by the General Director (Chairman of the Management Board) of the Company.

Termination of labor relations with staff member of the Company, who is member of the Management Board, except for the General Director (Chairman of the Management Board), is executed on terms and within procedure, specified by labor contract on the basis of corresponding decision of the Board of Directors of the Company.

4. Number of the Management Board members shall be at least five.

5. The Management Board is entitled to take decisions if not less than half of the elected (appointed) members of the Management Board are present at the meeting including absent members of the Management Board, who voted on the agenda items in written.

Member of the Management Board shall notify the General Director (member of the Management Board) or Secretary of the Management Board in advance on failure to

participate in meeting of the Management Board. Absent on the meeting member of the Management Board is entitled to vote on items of agenda of meeting of the Management Board by the means of written communication.

Content of indicated written communication, procedure of its submission and counting of vote expressed are exercised in procedure, specified in the Regulation on the Management Board of the Company.

6. Holding of meetings in absentia of the Management Board is allowed in exceptional cases only provided decision of the General Director (Chairman of the Management Board) of the Company, or his deputy on the issues of non-discussion character.

In case of objection at least of one member of the Management Board of the Company against consideration of the item on the absentee meeting, the item is included in the agenda of ordinary formal meeting.

7. Resolutions of the Management Board are compiled as minutes, which shall be signed by all members of the Management Board attending the meeting and contain the issues, put for voting, results of voting on them with reflection of voting of each member of the Management Board on each issue.

8. Every member of the Management Board has one vote. Transfer of voting right by member of the Management Board to other person, including other member of the Management Board of the Company, is not allowed. Decisions of the Management Board are taken by simple majority of the votes of the Management Board members, attending the meeting or having provided written communications. In case of equal votes, the vote of the General Director (Chairman of the Management Board) of the Company shall be decisive.

9. For the purposes of timely taking decision on the issues of risk management in the Company Risk Committee under the Management Board of the Company can be established. Procedure of forming and working of Risk Committee, quantitative composition is set by internal document, confirmed by the Management Board of the Company.

The Management Board of the Company is entitled to establish other committees (commissions) under the Management Board.

10. The General Director (Chairman of the Management Board) of the Company:

- 1) heads the Management Board of the Company;
- 2) organizes implementation of the decisions of the General Meeting of Shareholders, the Board of Directors and the Management Board of the Company;
- 3) without power of attorney acts on behalf of the Company in relation with third parties;
- 4) issues power of attorney for the right to represent the Company in its relation with third parties, including right to conclude deals indicated in para 8) hereof;
- 5) carries out admission, redeployment and resignation of staff members of the Company (except for cases provided by the Law and the Charter) applies measures of encouragement and imposes disciplinary sanctions, determines size of salaries of staff members of the Company and rise to salaries in accordance with staff schedule of the Company, determines size of bonuses of staff members of the Company, except for staff members who are members of the Management Board, Internal Audit Service of the Company, and Corporate Secretary;
- 6) sets work schedule of the Company;
- 7) ensures development and implementation of current and perspective plans and work programs of the Company;
- 8) concludes deals of non-property character and deals conclusion of which results in acquisition or alienation (can be acquires or aliened) property, value of which constitutes less than 2 percent of total cost of assets of the Company;

- 9) takes decisions on increasing obligations of the Company to the sum up to five percent of the size of its own capital;
- 10) opens bank accounts and other accounts of the Company;
- 11) within the limits of competence issues orders and instructions for the Company;
- 12) calls meetings of the Management Board and organizes presentation of necessary materials on the items of agenda of the meeting for consideration of members of the Management Board;
- 13) responds for the work of the Company in front of the Board of Directors and the General Meeting of Shareholders;
- 14) in case of his absence entrusts fulfillment of his duties to one of the members of the Management Board on the basis of order;
- 15) distributes duties and areas of powers and responsibility between members of the Management Board;
- 16) takes decisions on all other issues related to the current activity of the Company, necessary for accomplishment of tasks and not attributed to the exceptional competence of the General Meeting of Shareholders and the Board of Directors, and also to the competence of the Management Board of the Company.

ARTICLE 13. INTERNAL AUDIT SERVICE

1. In order to carry out control over financial and economic activity of the Company, assessments in the area of internal control, risk management, implementation of documents in the area of corporate governance and consulting with the purpose of improvement of activity of the Company the Internal Audit Service is created in the Company.

2. Staff members of Internal Audit Service are appointed on position and released from position by the Board of Directors of the Company.

Labor contracts with staff members of Internal Audit Service are to be concluded by General Director (Chairman of the Management Board) of the Company basing in resolution of the Board of Directors of the Company in accordance with labor Legislation.

Staff members of the Internal Audit Service can not be elected to the Board of Directors and the Management Board of the Company.

3. The Internal Audit Service is under direct subordination of the Board of Directors and reports to the Board on its work. Oversee of Internal Audit Service is performed by Internal Audit Committee of the Board of Directors of the Company. Objectives and functions of internal Audit Service, rights and responsibilities, issues of its activity are specified in Terms of reference of internal Audit Service of the Company, confirmed by the Board of Directors after preliminary approval by Internal Audit Committee of the Board of Directors.

ARTICLE 14. OFFICIALS OF THE COMPANY

1. Officials of the Company (members of the Board of Directors and Management Board):

1) shall fulfill obligations entrusted on them in good faith and utilize ways which shall reflect interests of the Company and of shareholders to a maximum extent;

2) shall not use property of the Company and allow its usage in a manner contradicting the Charter and decisions of the General Meeting of Shareholders and the Board of Directors of the Company, and also for personal purposes and take advantage of closing deals with their affiliated persons;

3) shall ensure integrity of the accounting system and financial reporting, including conducting of independent audit;

4) control disclosure and presentation of information on activities of the Company in accordance with the requirements of the Legislation;

5) shall observe confidentiality of information on activities of the Company, including within three years after termination of work at the Company, if otherwise is stipulated by internal documents of the Company.

2. Members of the Board of Directors:

1) shall act in compliance with provisions of Legislation, Charter and internal documents of the Company on the basis of awareness, transparency, in the interests of the Company and shareholders;

2) shall treat all shareholders fairly, make objective independent judgments on the corporate matters.

3. Officials of the Company bear responsibility, set by laws of the Republic of Kazakhstan, before the Company and Shareholders for damage incurred by the Company due to officials' actions and (or) inactions, including but not limited by the losses incurred as result of:

1) provision of misleading or knowingly false information;

2) violation of the order of presentation of information established by the Law;

3) proposing for conclusion and (or) taking decision on conclusion of large deals and (or) interested-party deals, which led to occurrence of losses of the Company in the result of unfair actions and (or) inactions including with purpose of receiving by them or their affiliated entities of revenue (benefit) in the result of conclusion of such deals with the Company.

4. Officials of the Company, except for an official interested in conclusion of a deal and who proposed concluding of a deal, in the result of which the Company sustained losses, shall be released from responsibility if they voted against the decision taken by body of the Company, which led to losses of the Company or the Shareholder, or did not take part in voting due to reasonable excuses.

A Company's official shall not be bound to indemnify any losses or liabilities, emerging from a commercial (business) decision in case if it is proved that he acted properly in compliance with principles of activity of the Company's officials, established by the Legislation, on the basis of the information, actual (proper) as of the moment of decision making, and reasonably assumed that such decision served the interests of the Company.

ARTICLE 15. FINANCIAL REPORTING AND AUDIT OF THE COMPANY

1. The order of maintenance of accounting and formation of financial statements of the Company is established by the Legislation on accounting and financial statements.

2. The Management Board of the Company annually provides the General Meeting of Shareholders with annual financial statements of the Company and consolidated financial statements, the audit of which was conducted in accordance with the Legislation on auditing activity, for consideration and confirmation. Apart from financial statements the Management Board provides the General Meeting of Shareholders with audit reports.

3. Annual financial reporting of the Company and consolidated annual financial reporting are subject to preliminary confirmation by the Board of Directors of the Company not later than thirty days before the date of General Meeting of Shareholders.

Final confirmation of the annual financial reporting of the Company and consolidated annual financial reporting is carried out on the General Meeting of Shareholders.

4. The Company shall annually publish in mass media annual financial statements of the Company, consolidated annual financial statements and audit reports within deadlines set by the authorized body.

Information on large deal and (or) interested-party deal is described in explanatory note to annual financial statements in accordance with International Financial Reporting Standards. Information on deal resulting acquisition or alienation of property at the amount of 10 percent and more of size of assets of the Company shall include data on counterparts of deal, terms and conditions of deal, character and amount of participatory shares of involved parties as well as other information on a deal.

5. The Company is obliged to conduct audit of annual financial reporting.

6. Audit of the Company is carried out at the initiative of the Board of Directors, the Management Board at the expense of the Company or at the request of Major Shareholder at its own expense, in such case Major Shareholder is entitled to determine the auditing organization. In case of conducting audit at the request of Major Shareholder the Company shall provide all documents (materials) requested by the auditing organization.

7. If the Management Board of the Company evades from conducting audit of the Company, the audit can be scheduled by the decision of court at suit of any interested party.

ARTICLE 16. INFORMATION ON THE ACITIVITY OF THE COMPANY

1. The Company shall publish information on its activities on the corporate web-site of the Company (www.kaztransoil.kz) and (or) in a mass media determined in accordance with the established procedure. The information on mass media used for publication of information on the activity of the Company shall be posted on the corporate web-site of the Company during thirty calendar days from the date of conclusion of a corresponding agreement.

2. The Company shall bring to note of its shareholders and investors information about corporate events of the Company, indicated in article 79 of Law.

3. The Company ensures publishing on internet-resource of depositary of financial statements, determined in accordance with Legislation on accounting and financial statements, information on corporate events, annual financial statements of the Company and audit reports in the procedure and terms, established by legal act of authorized regulatory.

After inclusion of securities of the Company in list of stock market the Company in addition to information indicated in first paragraph hereof ensures publishing on internet-resource of depositary of financial statements, determined in accordance with Legislation on accounting and financial statements of quarterly financial statements, and provides the stock market with information on all corporate events and quarterly financial statements for publishing on internet-resource of stock market in the procedure established by its internal documents.

4. Provision of information about corporate events is carried out in compliance with Law and Charter.

In case if Law and other legislative acts of the Republic of Kazakhstan dot not provide for deadlines of publishing (bringing to note of shareholders) of information given information is published (brought to the note of shareholders) within five working days from the date of its occurrence.

Information on commencing a suit in a court on corporate dispute shall be provided to shareholders within seven work days from the date of receiving by the Company of corresponding service on civil case on corporate dispute.

The Company shall ensure mandatory maintenance of list of staff members of the Company possessing information making office or commercial secret.

5. To receive copies of documents, provided by Law (information) the Shareholder shall refer to the Company in written. Appeal of shareholder shall be registered in the established procedure in journal of registration of incoming documents. The Company shall provide copies of documents stipulated in Law (requested information) no later than ten calendar days from the date of reception of such request by the Company in the exception of cases provided by para.2 of article 2 of the Charter, at the same time introduction of limitations on provision of information, constituting office, commercial or other secret protected by law is accepted.

The size of payment for provision of copies of documents is established by the Company and shall not exceed cost of expenditures on preparation of copies of documents and payment of expenses related to delivery of documents to the Shareholder.

Documents regulating separate issues of issuance, placement, circulation, and conversion of securities of the Company, containing information constituting office, commercial or any other secret protected by the Law shall be provided to the shareholder for familiarization at his request.

6. Information on functioning of the Company with marks "Confidential", "For office use", which has become known to shareholders can not be passed in written or in any other form to third parties, except for state regulators of the Republic of Kazakhstan on the issues of their competence.

Disclosure of confidential information by shareholder of the Company to third parties is possible only after coordination with General Director (Chairman of the Management Board) of the Company.

7. The Company shall maintain list of its affiliated parties on the basis of information provided to these parties or registrar of the Company (only relatively to those who are major shareholders) in procedure, established by authorized state body.

The Company provides the list of affiliated parties to the authorized state body in the established procedure.

8. The Shareholders and officials of the Company provide the Company with information on its affiliated parties within seven days from the date of emergence of affiliations.

In case of the party previously indicated by the Shareholder or official of the Company as affiliated is no longer affiliated, then the Shareholder or official of the Company shall notify the Company within five days from the date of termination of the affiliation.

Information on affiliated parties shall be presented to the Company in the amount which enables the Company to exercise correspondent requirements of authorized state body.

ARTICLE 17. REORGANIZATION AND LIQUIDATION OF THE COMPANY

1. The Company can be reorganized and liquidated in accordance with resolution of General Meeting of Shareholders or other reasons, stipulated by Legislation.

2 Procedure of reorganization and liquidation of the Company are regulated by Law and other legislative acts of the Republic of Kazakhstan.

ARTICLE 18. FINAL PROVISIONS

1. The Charter comes into effect from the date of state registration at the bodies of justice.

2. Sub-point 22) of point 1 of article 10, sub-point. 7) of point.3 of article 11 and paragraph six of point 3 of article 12 of Charter are valid during the period, when JSC

NC "KazMunayGas" owns all voting shares of the Company and terminate their action provided other individuals, who own voting shares of the Company.

Should there be other individuals owning Company's voting shares:

1) the issue of determination of quantitative composition, term of powers of Company's Management Board, election of the General Director (Chair of the Management Board) and Management Board members, and early termination of their powers shall be attributed to the exceptional competence of the Board of Directors of the Company;

2) termination of labor relations with the General Director (Chair of the Management Board), Company employee, who is a member of the Management Board shall be on conditions and procedure, specified in the labor contract, on the basis of relevant decision of the Board of Directors of the Company.

3. Should any Charter's provision be invalid, this will not impact on validity of remaining provisions. Invalid provision shall be replaced by other, corresponding to Legislation requirements.

**General Director
(Chairman of the Management Board)**

K.Kabyldin