

MINUTES #53
OF THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING
OF KAZAKHTELECOM, JOINT STOCK COMPANY

Date, place and time of holding the meeting: July 25, 2014 at 03:00 PM at 12, Sauran street, Astana, Congress Hall of Kazakhtelecom JSC.

Mr. Bulat Abdykalykov, Corporate Secretary of Kazakhtelecom JSC is opening the meeting.

Dear shareholders and invitees,

Pursuant to the Decision of the Board of Directors of Kazakhtelecom JSC (Minutes #6 dated May 22, 2014), the extraordinary General Shareholders' Meeting of Kazakhtelecom JSC has been scheduled to be held today on July 25, 2014 at 03.00 PM.

Pursuant to article 45 of the Law of the Republic of Kazakhstan "On Joint Stock Companies", the General Shareholders' Meeting is entitled to consider items that make up the agenda of the meeting and adopt resolutions, if, at the end of registration, the registered shareholders or their representatives that are on the list of shareholders entitled to participate in the meeting and vote at these meeting are holding in total fifty and more percents of the Company's voting shares.

The shareholders and their authorized representatives registered for participation at the extraordinary General Shareholders' Meeting of Kazakhtelecom JSC have accumulated in aggregate (as at 03.00 PM local time) as many as **8 463 118** votes, which make up **88.23 %** of the total number of voting shares.

Thus, the quorum that is required to hold the meeting is achieved.

Since the authorities of the meeting's participants are confirmed, **I hereby declare this meeting open.**

The General Shareholders' Meeting is attended by the Company's shareholders and invitees.

Pursuant to paragraph 4 of article 48 of the Law of the Republic of Kazakhstan "On Joint Stock Companies", we have to choose the form of voting: by open or secret vote (by voting ballots).

It is proposed to cast a vote in a secret manner by using voting ballots.

To vote for this proposal, please, raise your hand.

The decision is unanimous.

Thus, the extraordinary General Shareholders' Meeting of Kazakhtelecom JSC has decided to choose a secret form of voting by using voting ballots.

To explain the voting procedure in details the floor is now given to Ms. Zhanna Belgibayeva, Senior Manager of the Secretariat of Kazakhtelecom JSC.

Ms. Zh. Belgibayeva: *On procedural issues the vote will be cast by raising a hand, on all other issues - by making remarks on the voting ballots. You've got on your hands the ballots for voting, on which you are supposed to make a corresponding remark with respect to the vote (For, Against, Abstained) on each item and to hand them over to the Accounting Commission.*

Mr. B. Abdykalykov: To hold the meeting we need to elect Chairperson, Secretary of the meeting and Accounting Commission.

It is proposed to elect:

a) **Ms. Gulnara Kubaizhanova**, Senior Expert of the Transport and Communications Assets Directorate of Samruk-Kazyna JSC, as Chairwoman of the meeting. Is there any other proposal? If not, please, vote for the proposed candidate by raising your hand.

The decision is unanimous.

b) **Mr. Bulat Abdykalykov**, Corporate Secretary of Kazakhtelecom JSC, as Secretary of the meeting. Are there any other proposals on candidates? If not, please, vote for the proposed candidate by raising your hands.

The decision is unanimous.

Mr. B. Abdykalykov: We received the letter from Integrated Securities Registrar JSC dated May 22, 2014 (Ref. No 04/432) by which the registrar informed that at this moment its representatives have no opportunity to participate in the meeting as members of the Accounting Commission. Thus, it is proposed to elect:

c) Accounting Commission in the following composition: **Ms. Zhanna Belgibayeva**, Senior Manager of the Secretariat of Kazakhtelecom JSC, as Chairwoman of the Accounting Commission; **Mr. Asset Shakhanov**, Manager of the Project Finance Department of Kazakhtelecom JSC; **Mr. Iiyas Azimbekov**, Labor Agreement Expert of the Finance Department of the Information Systems Administration of Kazakhtelecom JSC. Is there any other proposal on candidates? If not, please, vote for the proposed candidates by raising your hand.

The decision is unanimous.

Pursuant to article 46 and paragraph 4 of article 48 of the Law of the Republic of Kazakhstan “On Joint Stock Companies” **the extraordinary General Shareholders’ Meeting of Kazakhtelecom JSC has DECIDED:**

1. To elect Ms. Gulnara Kubaizhanova, as Chairwoman of the General Shareholders’ Meeting.
2. To elect Mr. Bulat Abdykalykov as Secretary of the General Shareholders’ Meeting.
3. To elect Accounting Commission of the General Shareholders’ Meeting in the following composition: Ms. Zhanna Belgibayeva, Mr. Asset Shakhanov, Mr. Iiyas Azimbekov.

I ask Chairwoman, Secretariat and Accounting Commission of the meeting to take their seats and proceed to carrying out their duties.

Mr. B. Abdykalykov: Now, let me give the floor to **Ms. Gulnara Kubaizhanova**, Chairwoman of the meeting.

Chairwoman G. Kubaizhanova: Before we proceed to discussing the issues we should approve the Agenda of the extraordinary General Shareholders’ Meeting of Kazakhtelecom JSC. The Agenda of the meeting has been published in accordance with the established procedures in the official print media (“Kazakhstanskaya Pravda” No110 (27731) dated June 06, 2014, and “Eguemen Kazakhstan” No111 (28335) dated June 07, 2014 and on the Company’s corporate website, and is made up of the following item:

- 1) On introduction of amendments to the Charter of Kazakhtelecom JSC.

To vote for the proposed agenda, please, raise your hand.

The decision is unanimous.

Chairwoman G. Kubaizhanova: Thus, the extraordinary General Shareholders’ Meeting of Kazakhtelecom JSC has decided to approve the Agenda of the meeting. And yet, I want to point out that in order to take the decision on the item of the Agenda the qualified majority of votes out of the total number of voting shares is required in accordance with paragraph 2 of article 29 of the Charter of Kazakhtelecom JSC. In this connection I ask the Accounting Commission to confirm availability of quorum to vote on this item.

Ms. Zh. Belgibayeva: At the current moment, we’ve got 3 registered shareholders and their authorized representatives, which makes up **8 463 118** votes. Thus, we have the qualified majority out of the total number of voting shares.

Chairwoman G. Kubaizhanova: We now proceed to the item of the Agenda. The floor is given to Ms. Svetlana Ermakina, Acting Director of the Legal Department of Kazakhtelecom JSC, to speak on the item of the Agenda “On introduction of amendments to the Charter of Kazakhtelecom JSC”.

Speech of Ms. S. Ermakina.

Chairwoman G. Kubaizhanova: Do you have any questions to the speaker?

Chairwoman G. Kubaizhanova: Thus, the following draft decision is being put to the vote on the item of the Agenda “**On introduction of amendments to the Charter of Kazakhtelecom JSC**”:

Pursuant to subparagraph 1) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan “On Joint Stock Companies” and subparagraph 2) of paragraph 1 of article 29 of the Charter of Kazakhtelecom JSC, the extraordinary General Shareholders’ Meeting of Kazakhtelecom JSC **has DECIDED:**

1. To amend the Charter of Kazakhtelecom JSC as follows regarding the issues on the Company’s legal address and specification of the competence of the Management Board of Kazakhtelecom JSC, as well as in connection with amendments to the Law of the Republic of Kazakhstan "On Joint Stock Companies":

1) to amend paragraph 3 and 4 of article 1 as follows:

“3. Location of the Company: 12, Sauran street, Essil district, Astana, 010000, Republic of Kazakhstan.

4. Location of the Company’s Management Board: 12, Sauran street, Essil district, Astana, 010000, Republic of Kazakhstan.”;

2) to amend paragraph 2 of article 3 as follows:

“2. Draft/Model organizational structure of the regional telecommunications administrations (branches of the Company) and organizational structures of other branches shall be approved by the decision of the Management Board.

Organizational units within a branch (representative office) are established and dissolved by virtue of the decision of the Company’s Management Board.”;

3) to amend paragraph 4 of article 33 as follows:

“4. With a view to facilitating efficient fulfillment of the Board of Directors’ functions, considering the most critical issues and preparing recommendations for the Board of Directors, the Board of Directors’ Committees shall be established by the Board of Directors’ decision.

The Committees of the Board of Directors shall consider the following issues:

1) strategic planning;

2) personnel and remunerations;

3) internal audit;

4) social issues;

4) other issues stipulated by the Company’s internal documents.

Consideration of the issues listed in this paragraph may be referred to the competence of one or more Committees of the Board of Directors.

Activity of all Committees shall be governed by internal documents approved by the Board of Directors that contain the provisions on composition, competence, order of election of the Committee’s members, procedure of the Committees’ work, as well as the rights and obligations of its members.”;

4) to amend subparagraph 5) of paragraph 1 of article 35 as follows:

«5) appoint top executives of the Company’s organizational units, and ensure appointment of top executives and other executive officers of the Company’s subsidiaries and dependent legal entities pursuant to the Charter and according to the procedures stipulated by the Company’s internal documents;”.

2. To vest Chairman of the Management Board of Kazakhtelecom JSC with the power to:

1) sign the amendments to the Charter of Kazakhtelecom JSC stated in item 1 herein on behalf of shareholders of Kazakhtelecom JSC;

2) pursue all necessary actions at the departments of justice of the Republic of Kazakhstan in connection with the introduction of amendments to the Charter of Kazakhtelecom JSC with the right of transferring his power to other persons.

3. To amend the Charter of Kazakhtelecom JSC as follows regarding the issue on authorities of the Company’s Management Board particularly concerning sponsorship:

to withdraw subparagraph 56) of paragraph 1 of article 33.

4. To vest Chairman of the Management Board of Kazakhtelecom JSC with the power to:

1) sign the amendments to the Charter of Kazakhtelecom JSC stated in item 3 herein on behalf of shareholders of Kazakhtelecom JSC;

2) pursue all necessary actions at the departments of justice of the Republic of Kazakhstan in connection with the introduction of amendments to the Charter of Kazakhtelecom JSC with the right of transferring his power to other persons.

If there are no objections, please make corresponding remarks on the voting ballots on this particular issue and hand them over to the Accounting Commission.

Shareholders and their authorized representatives made corresponding remarks on the voting ballots. Members of the Accounting Commission collected voting ballots.

We announce 10 minutes break

Chairwoman G. Kubaizhanova: The floor is given to Chairwoman of the Accounting Commission to announce the results of voting on the item of the Agenda "On introduction of amendments to the Charter of Kazakhtelecom JSC".

Ms. Zh. Belgibayeva, Chairwoman of the Accounting Commission:

(Minutes of the meeting of the Accounting Commission of the extraordinary General Shareholders' Meeting of Kazakhtelecom JSC based on the results of voting on the item of the Agenda of the General Shareholders' Meeting dated July 25, 2014).

Summing-up the results of voting on the item of the Agenda the votes have been distributed as follows:

Regarding the issues on the Company's legal address and specification of the competence of the Management Board of Kazakhtelecom JSC, as well as in connection with amendments to the Law of the Republic of Kazakhstan "On Joint Stock Companies" (items 1, 2):

The "FOR" votes totalled **8 463 118** votes, making up **88.23%** of the total number of voting shares.

The "AGAINST" votes totalled **0** votes, making up **0%** of the total number of voting shares.

The "ABSTAINED FROM VOTING" votes totalled **0** votes, making up **0%** of the total number of voting shares.

To take the decision on this particular item, pursuant to paragraph 2 of article 29 of the Charter of Kazakhtelecom JSC, the qualified majority of votes out of the total number of voting shares is required.

As a result of voting, **THE DECISION HAS BEEN TAKEN BY THE QUALIFIED MAJORITY OUT OF THE TOTAL NUMBER OF VOTING SHARES.**

Regarding the issue on authorities of the Company's Management Board particularly concerning sponsorship (items 3, 4):

The "FOR" votes totalled **5 570 668** votes, making up **58.08%** of the total number of voting shares.

The "AGAINST" votes totalled **2 892 450** votes, making up **30.15%** of the total number of voting shares.

The "ABSTAINED FROM VOTING" votes totalled **0** votes, making up **0%** of the total number of voting shares.

To take the decision on this particular item, pursuant to paragraph 2 of article 29 of the Charter of Kazakhtelecom JSC, the qualified majority of votes out of the total number of voting shares is required.

As a result of voting, **THE DECISION HASN'T BEEN TAKEN**

Chairwoman G. Kubaizhanova: Thus, pursuant to subparagraph 1) of paragraph 1 of article 36 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" and subparagraph 2) of paragraph 1 of article 29 of the Charter of Kazakhtelecom JSC, the extraordinary General Shareholders' Meeting of Kazakhtelecom JSC **has DECIDED:**

1. To amend the Charter of Kazakhtelecom JSC as follows regarding the issues on the Company's legal address and specification of the competence of the Management Board of Kazakhtelecom JSC, as well as in connection with amendments to the Law of the Republic of Kazakhstan "On Joint Stock Companies":

1) to amend paragraph 3 and 4 of article 1 as follows:

“3. Location of the Company: 12, Sauran street, Essil district, Astana, 010000, Republic of Kazakhstan.

4. Location of the Company’s Management Board: 12, Sauran street, Essil district, Astana, 010000, Republic of Kazakhstan.”;

2) to amend paragraph 2 of article 3 as follows:

“2. Draft/Model organizational structure of the regional telecommunications administrations (branches of the Company) and organizational structures of other branches shall be approved by the decision of the Management Board.

Organizational units within a branch (representative office) are established and dissolved by virtue of the decision of the Company’s Management Board.”;

3) to amend paragraph 4 of article 33 as follows:

“4. With a view to facilitating efficient fulfillment of the Board of Directors’ functions, considering the most critical issues and preparing recommendations for the Board of Directors, the Board of Directors’ Committees shall be established by the Board of Directors’ decision.

The Committees of the Board of Directors shall consider the following issues:

- 1) strategic planning;
- 2) personnel and remunerations;
- 3) internal audit;
- 4) social issues;
- 4) other issues stipulated by the Company’s internal documents.

Consideration of the issues listed in this paragraph may be referred to the competence of one or more Committees of the Board of Directors.

Activity of all Committees shall be governed by internal documents approved by the Board of Directors that contain the provisions on composition, competence, order of election of the Committee’s members, procedure of the Committees’ work, as well as the rights and obligations of its members.”;

4) to amend subparagraph 5) of paragraph 1 of article 35 as follows:

«5) appoint top executives of the Company’s organizational units, and ensure appointment of top executives and other executive officers of the Company’s subsidiaries and dependent legal entities pursuant to the Charter and according to the procedures stipulated by the Company’s internal documents;”.

2. To vest Chairman of the Management Board of Kazakhtelecom JSC with the power to:

1) sign the amendments to the Charter of Kazakhtelecom JSC stated in item 1 herein on behalf of shareholders of Kazakhtelecom JSC;

2) pursue all necessary actions at the departments of justice of the Republic of Kazakhstan in connection with the introduction of amendments to the Charter of Kazakhtelecom JSC with the right of transferring his power to other persons.

Chairwoman G. Kubaizhanova: Are there any remarks or proposals as to the way in which the meeting has been conducted? If not, let me announce the closure of the extraordinary General Shareholders’ Meeting. Thank you for your participation. Good bye!

Chairwoman of the General Shareholders’ Meeting

G. Kubaizhanova

Secretary of the General Shareholders’ Meeting

B. Abdykalykov

Chairwoman of the Accounting Commission:

Zh. Belgibayeva

Members of the Accounting Commission

I. Azimbekov

A. Shakhanov

Representatives of the Shareholder holding 10% and more of voting shares

D. Shulembayev

A. Erkinbayev