

Agenda item 2. On the approval of the inter-related interested-party transactions.

The Extraordinary General Shareholders Meeting is invited to consider the approval of the inter-related interested-party transactions – Addendum 1 to the Surety agreement No. DP-725950/2014/00038-1 as of June 26, 2014 to be concluded with OJSC VTB Bank and Addendum 1 to the Agreement for provision of the Surety agreement No. 136 as of June 26, 2014 to be concluded with OOO Transstroymekhanisatsiya.

Open Joint Stock Company MOSTOTREST (hereinafter referred to as the Company) holds an 83.99% business interest in OOO Transstroymekhanisatsiya.

On February 11, 2014, collegiate bodies of OJSC VTB Bank resolved to set an 80 bln. RUB credit limit for the Mostotrest Group, including:

15 bln. RUB sublimit for lending transactions;

5 bln. RUB sublimit for a loan in the form of overdraft;

60 bln. RUB sublimit for trade finance transactions.

The principal condition precedent to execution of the limit set for the Mostotrest Group is granting sureties of OJSC MOSTOTREST for all loan products opened by subsidiaries and affiliates of OJSC MOSTOTREST and granting sureties of OOO Transstroymekhanisatsiya for all loan products of OJSC MOSTOTREST and its subsidiaries and affiliates.

As part of the sublimit for trade finance transactions, OOO Transstroymekhanisatsiya and OJSC MOSTOTREST concluded the Master bank guarantee agreement No. GS-725950/2014/0017 as of June 26, 2014 in the amount of 60 bln. RUB, obligations under which are secured by granting a surety of the Company based on the Surety agreement No. DP-725950/2014/00038-1 as of June 26, 2014 concluded between OJSC MOSTOTREST and OJSC VTB Bank with the total limit of obligations of 60 bln. RUB, a fee rate for the issue of bank guarantees of not more than 0.8% per annum, a fee for forced diversion by the bank of funds for payment under the guarantee of not more than 18% of the amount of the effected payment and a period for the issue of guarantees until March 1, 2015. The terms and conditions of the Surety agreement were approved by the resolution of the Extraordinary General Shareholders Meeting as of March 5, 2014.

Given adverse trends in the infrastructure construction for the time being, taking shape of the increase in the risk component in the base interest rates of commercial banks and total increase in the cost of credit resources, there is a palpable growth of commission fees for the issue of bank guarantees and forfeits for untimely repayment to the bank of the amount of the effected payment under the guarantee in the market.

As of September 23, 2014, the Mostotrest companies drew down 93.7% of the bank guarantee limit, for which reason collegiate bodies of OJSC VTB Bank are now considering extension of the limit for trade finance transactions for the Mostotrest companies up to 80 bln. RUB.

Thus, in order to extend the bank guarantee limit and bring the level of pricing parameters set forth in the Surety agreement into compliance with the existing market level, the Company is

invited to sign the Addendum to the Surety agreement No. DP-725950/2014/00038-1 as of June 26, 2014 on the following terms:

- remuneration for the issue of a bank guarantee – no more than 2% per annum of the bank guarantee amount;
- forfeit for the untimely indemnification of the Bank for the amount of a payment made under a guarantee – no more than 30% per annum of an amount paid under a guarantee;
- limit for the issue of guarantees – no more than 80,000,000,000 rubles;
- period for the issue of guarantees – until December 31, 2015.

Given the expected amendments to the Surety Agreement No. DP-725950/2014/00038-1 as of June 26, 2014, it is also necessary to amend the Agreement for provision of the Surety agreement No. 136 as of June 26, 2014 between OJSC MOSTOTREST and OOO Transstroy Mekhanisatsiya, accordingly.