

Minutes No. 1-2012
**of the Annual General Meeting of Shareholders of Artsakh HEK Open Joint
Stock Company**

General Data

Company brand name	“Artsakh HEK” Open Joint-Stock Company
Company address	25a, V. Sargssyan Str., Stepanakert, NKR

General meeting data

Type of the general meeting of the shareholders	The Annual General Meeting
Form of the Meeting	Joint presence
Date and time of the Meeting	30.04.12; 11:00 (local time)
Place of holding the Meeting	63, Tumanyan, Stepanakert

Agenda:

1. The approval of “Artsakh Hek” OJSC financial and economic activity annual statements, accounting balances, profits and losses, allocation of profits and losses for the year of 2011
2. The appointment of “FINTECH Audit” CJSC as a company realizing audit of financial and economic activities for the year of 2012
3. Decision on paying annual dividends in the course of the activities of “Artsakh Hek” OJSC for the year of 2011 and approval of the annual size of the dividends
4. Amendment in the company’s charter
5. Election of the members of Board of Directors of “Artsakh HEK” OJSC

In accordance with the article 71 of NKR law “On joint stock companies” based on the register of shareholders closed on 24.03.2012, all the shareholders, which have the right to participate in the meeting, have been sent voting ballots. The completed ballots were accepted on April 30, 2011, at 16:00pm, at the latest to 63, Tumanyan Str., Stepanakert, NKR.

The registration of the shareholders to the annual general meeting of shareholders began on April 30, 2012, at 10:00am. The registration of shareholders ended on April 30, 2012, at 16:00pm.

The annual general meeting of shareholders opened on April 30, 2012, at 11:00am.

Counting of votes started on April 30, 2012, at 16:30pm

The Chairman of the meeting: The Chairman of the company Board of Directors, Spartak Tevosyan.

Secretary of the meeting: Company's corporate secretary, Dmitry Betskov.

Chairman of the counting committee: Zhan Hovhanissyan

The total number of votes belonging to «Artsakh HEK» OJSC shareholders is 10 650 000.

Based on the register of shareholders of March 24, 2012, 10 650 000 owners with voting shares are included into the list entitled to participate at the meeting.

At 11:00am, April 30, 2012 the number of votes owned by the shareholders reached 5 822 983 which is 54.68 % of the total votes of shareholders eligible to participate in the meeting.

In accordance with the article 77 of NKR «On joint-stock companies' law, the general meeting of shareholders is authorized to take decisions when at the close of registration for participation in the meeting were registered shareholders (their representatives), which together own more than 50% of the outstanding voting shares of the company.

A quorum exists for holding the Annual General Meeting of the Shareholders of «Artsakh HEK» OJSC.

Item 1: The approval of “Artsakh Hek” OJSC financial and economic activity annual statements, accounting balances, profits and losses, allocation of profits and losses for the year of 2011

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the first item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the third agenda item belonging to the shareholders that are eligible to participate in the meeting is 10 650 000:

The total number of votes on the third agenda item belonging to the shareholders is 8 612 909, which makes 80.87 % of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
“For”	8 612 909	100
“Against”	0	
“Abstained”	0	

The number of votes on agenda item N 1 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve the “Artsakh HEK” OJSC annual reports, annual accounting statements, and also the distribution of the Company profit on the basis of the performance results for 2011 financial year.

Item N 2: to approve “FINTECH Audit” CJSC as a company realizing the financial activity audit of the Company for 2012.

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the second item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the second agenda item belonging to the shareholders that are eligible to participate in the meeting is 10 650 000.

The total number of votes on the second agenda item belonging to the shareholders is 8612909, which makes 80.87% of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
“For”	8 612 879	99.99
“Against”	0	
“Abstained”	30	

The number of votes on agenda item N 2 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve “FINTECH Audit” CJSC as a company realizing the financial activity audit of the Company for 2012.

Item N 3: to approve on paying the annual dividends in the course of the activities of “Artsakh HEK” OJSC for the year of 2011, as well as the annual size of the dividends.

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the third item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the third agenda item belonging to the shareholders that are eligible to participate in the meeting is 10 650 000.

The total number of votes on the third agenda item belonging to the shareholders is 8 612 909, which makes 80.87 % of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
“For”	8 612 909	100
“Against”	0	
“Abstained”	0	

The number of votes on agenda item N 3 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve the “Artsakh HEK” OJSC on paying the annual dividends in the course of the activities of “Artsakh HEK” OJSC for the year of 2011, as well as the annual size of the dividends.

Item N 4: to approve on amendment in the company’s charter.

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the forth item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the forth agenda item belonging to the shareholders that are eligible to participate in the meeting is 10 650 000.

The total number of votes on the forth agenda item belonging to the shareholders is 8 612 909, which makes 80.87 % of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
“For”	8 606 931	99.99
“Against”	0	
“Abstained”	5978	

The number of votes on agenda item N 4 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve the amendment in the «Artsakh HEK» OJSC charter.

Item 5: The election of the Board of Directors in the following composition:

1	Spartak Tevosyan
2	Karen Arabyan
3	Hayk Beglaryan
4	Raffi Balyozyan
5	Arman Hakobyan
6	Emin Ohanjanyan
7	Vahram Beglaryan

In accordance with the article 80 of NKR law on “Joint- Stock Companies” the election of the Board of Directors is carried out by the total voting. During the total voting, the final number of votes of shareholders participating the meeting is decided as a derivative of the number of shares and candidates of the Board of Directors. The shareholders participating in the meeting have the right of voting for the one of the candidates, or to distribute them among two or more candidates in any proportion.

The total number of votes on the fifth agenda item belonging to the shareholders that are eligible to participate in the meeting is 10 650 000.

The total number of votes on the first agenda item belonging to the shareholders is 8 612 909 or 60 290 363 of total votes, which makes 80.87 % of the total votes of shareholders, which are eligible to participate in the meeting.

The number of votes received from the shareholders for the composition of the Board of Directors:

Candidate Name and Surname	Total number of votes
Spartak Tevosyan	8 947 355
Karen Arabyan	8 548 884
Hayk Beglaryan	8 543 121
Raffi Balyozyan	8 548 929
Arman Hakobyan	8 543 026
Emin Ohanjanyan	8 543 726
Vahram Beglaryan	8 611 773
Total	60 286 814

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
“Against”	0	
“Abstained”	3 549	

The number of votes on agenda item N 5 not participated in the voting results due to the ineligibility of ballots is 100 of total votes.

The resolution is carried:

To elect the following composition of the Company's Board of Directors:

1	Spartak Tevosyan
2	Karen Arabyan
3	Hayk Beglaryan
4	Raffi Balyozyan
5	Arman Hakobyan
6	Emin Ohanjanyan
7	Vahram Beglaryan

The given document consists of 6 pages and is made of 2 copies:

Minutes drawing up date: 03.05.2012

Chairman of the Meeting S. Tevosyan

Secretary of the Meeting D. Betskov _____