

ENERGY INVEST HOLDING
CLOSED JOINT-STOCK COMPANY

REGULATION
On the Internal Audit Committee

1. GENERAL PROVISIONS

- 1.1. This Regulation on the Internal Audit Committee of the closed joint-stock company Energo Invest Holding (hereinafter, “the Regulation”), developed in accordance with the Republic of Armenia Law on Joint-Stock Companies and the By-Laws of the closed joint-stock company Energo Invest Holding (hereinafter, “the Company”), shall define the functions and operating procedure of the Internal Audit Committee. It shall regulate the interaction of the Internal Audit Committee with the Company’s governing bodies and the structural subdivisions of the Company’s executive administration.
- 1.2. The Internal Audit Committee is a standing internal audit body of the Company, which performs regular controls of the financial and economic activities of the Company, its separated subdivisions, the Company’s governing bodies, and the structural subdivisions of the Company’s executive administration for compliance with the Republic of Armenia legislation and the Company’s By-Laws and internal documents.
- 1.3. The Internal Audit Committee shall act in the interests of the Company’s shareholders. In its activities, the Internal Audit Committee shall report to the Company’s General Assembly of Shareholders.
- 1.4. In its activities, the Internal Audit Committee shall be independent of the Company’s governing bodies and the heads of the structural subdivisions of the Company’s executive administration.
- 1.5. In its activities, the Internal Audit Committee shall be led by the Republic of Armenia legislation, the Company’s By-Laws, this Regulation, and other internal documents of the Company approved by the Company’s General Assembly of Shareholders.

2. PROCEDURE OF NOMINATING CANDIDATES TO THE INTERNAL AUDIT COMMITTEE

- 2.1. The Company’s Internal Audit Committee is an elected body that is elected by the Company’s Annual General Assembly of Shareholders for a period of three years.
- 2.2. The procedure of nominating candidates to the Internal Audit Committee shall be defined by the Republic of Armenia legislation and the Company’s By-Laws.
- 2.3. In the nomination of candidates to the Internal Audit Committee, the shareholder nominating the candidate shall be obliged to present to the Internal Audit Committee the Candidate Personal Information Profile according to the form set out in Annex 1 to this Regulation, as well as the Written Consent of the candidate to the Internal Audit Committee to be nominated and elected to the Internal Audit Committee, as per the form set out in Annex 2 to this Regulation. In the absence of the said documents, the Board of Directors shall refuse to include the nominated candidate in the list of candidates to be elected to the Internal Audit Committee.
- 2.4. Members of the Internal Audit Committee may be reelected an unlimited number of times.
- 2.5. The powers of certain members or the whole membership of the Internal Audit Committee may be terminated prematurely by decision of the General Assembly of Shareholders.
- 2.6. In case of the premature termination of powers of a member of the Internal Audit Committee or in case of a member’s departure from the Internal Audit Committee, the powers of the other members of the Internal Audit Committee shall not be terminated.
- 2.7. A member of the Internal Audit Committee shall be deemed to have departed from the Internal Audit Committee, if such member voluntarily relinquishes his powers, dies, or is unable to exercise his powers due to other reasons.
- 2.8. A member of the Internal Audit Committee shall be declared to have departed from the Internal Audit Committee as from the day following receipt by the Internal Audit Committee of such member’s application, or the day following such member’s death, or the day following receipt by the Company of documents confirming the member’s inability to exercise his powers.
- 2.9. If the number of members of the Internal Audit Committee drops below three, the Board of Directors shall be obliged to convene an extraordinary General Assembly of Shareholders in order to elect an Internal Audit Committee. The remaining members of the Internal Audit Committee shall perform their functions until the new composition of the Internal Audit Committee is elected.

3. FUNCTIONS OF THE COMPANY’S INTERNAL AUDIT COMMITTEE

- 3.1. The main functions of the Company’s Internal Audit Committee are:

- a) To control the Company's financial and economic activities;
- b) To ensure oversight of the conformity of the Company's financial and economic operations with the Republic of Armenia legislation and the Company's By-Laws; and
- c) To perform independent assessment of the information concerning the Company's financial situation.

4. POWERS OF THE INTERNAL AUDIT COMMITTEE

- 4.1. In exercising its powers, the Company's Internal Audit Committee shall be led by the requirements of the Republic of Armenia legislation, the Company's By-Laws, decisions of the Company's General Assembly of Shareholders, this Regulation, and other internal documents of the Company.
- 4.2. The controls by the Internal Audit Committee shall focus on the Company's activities, including the identification and assessment of risks emerging as a result of or in the process of its financial and economic activities.
- 4.3. Powers of the Internal Audit Committee. The Internal Audit Committee shall:
 - 4.3.1. Audit the Company's financial and economic activities and, based on its results, prepare a conclusion that shall contain:
 - Confirmation of the accuracy of the data contained in the Company's reports and other financial documents;
 - Information on facts of violations of the accounting and financial reporting procedure defined by legal acts of the Republic of Armenia, as well as of legal acts of the Republic of Armenia concerning the performance of financial and economic activities;
 - 4.3.2. Confirm the accuracy of data contained in the Company's annual report and the annual accounting (financial) reporting;
 - 4.3.3. Prepare proposals/recommendations on the effective management of the Company's assets and improvement of the risk management and internal control systems; and
 - 4.3.4. Oversee the elimination of shortcomings and the implementation of recommendations laid out in acts prepared on the basis of findings of earlier audits.
- 4.4. The Internal Audit Committee shall have the right, for the purpose of exercising its powers:
 - To demand from the Company's governing bodies and officials, in the course of audits, to provide information (documents and materials) necessary for conducting audits, as well as oral and written explanations related to questions arising in the course of the audits;
 - To inform the Company's Board of Directors and executive bodies about all cases of non-execution of the Company's employees (including persons performing management functions) of the requirements of the Internal Audit Committee concerning the provision of the necessary documents, or of refusal to provide explanations related to questions that the Internal Audit Committee may have;
 - To propose to the Company's governing bodies to consider imposing pecuniary and disciplinary sanctions on the Company's staff in case of discovering facts of violations by them of the Company's By-Laws, internal documents, or job descriptions, as well as facts of abuse/fraud;
 - To demand, in the procedure prescribed by the extant legislation of the Republic of Armenia and the Company's By-Laws, and internal documents, to convene sessions of the Board of Directors or to convene an extraordinary General Assembly of Shareholders;
 - To propose to the Company's Board of Directors and executive bodies to consider implementing measures and setting dates for eliminating the violations discovered by the Internal Audit Committee; and
 - To engage specialists in the relevant fields (law, economics, finance, accounting, management, economic security, etc.), including specialized organizations.

5. THE CHAIRPERSON AND SECRETARY OF THE INTERNAL AUDIT COMMITTEE

- 5.1. The Chairperson of the Company's Internal Audit Committee shall be elected by and from among the members of the Internal Audit Committee, subject to the elected member's consent, by open vote of the majority of votes of the total number of elected members of the Company's Internal Audit Committee. The members of the Company's Internal Audit Committee may at any time reelect the Chair-

person of the Internal Audit Committee by majority vote of the total number of elected members of the Company's Internal Audit Committee.

- 5.2. The Chairperson of the Company's Internal Audit Committee shall may voluntarily relinquish his powers, and remain a member of the Internal Audit Committee, as from the date on which the Internal Audit Committee receives his application about relinquishing his powers.
- 5.3. During the absence of the Chairperson of the Internal Audit Committee, his duties shall be performed by the acting Chairperson of the Internal Audit Committee, who shall be elected by majority vote of the Internal Audit Committee members that participated in the session.
- 5.4. The Chairperson of the Internal Audit Committee shall:
 - 5.4.1. Convene and conduct the sessions of the Company's Internal Audit Committee;
 - 5.4.2. Approve the session agenda of the Company's Internal Audit Committee, and decide upon all necessary questions related to preparing and conducting sessions of the Company's Internal Audit Committee;
 - 5.4.3. Organize the ongoing activities of the Company's Internal Audit Committee;
 - 5.4.4. Represent the Internal Audit Committee at the Company's General Assembly of Shareholders and in sessions of the Company's Board of Directors; and
 - 5.4.5. Sign the session protocol of the Internal Audit Committee and other documents generated on behalf of the Company's Internal Audit Committee.
- 5.5. The Secretary of the Company's Internal Audit Committee shall be elected by and from among the members of the Company's Internal Audit Committee by majority vote of the total number of elected members of the Company's Internal Audit Committee. The members of the Company's Internal Audit Committee may at any time reelect the Secretary of the Internal Audit Committee by majority vote of the total number of elected members of the Company's Internal Audit Committee.
- 5.6. The Secretary of the Company's Internal Audit Committee shall:
 - 5.6.1. Organize the compilation of session protocols of the Internal Audit Committee;
 - 5.6.2. Ensure timely notification of the Company's governing bodies of the results of audits performed, and provide copies of the conclusions (acts) of the Company's Internal Audit Committee;
 - 5.6.3. Elaborate and sign the session protocols of the Company's Internal Audit Committee;
 - 5.6.4. Organize the paperwork and the turnover and safekeeping of documents of the Company's Internal Audit Committee (acts of audits, conclusions, session protocols of the Internal Audit Committee, and other documents of the Internal Audit Committee);
 - 5.6.5. Organize the notification of the members of the Company's Internal Audit Committee about the conduct of sessions of the Internal Audit Committee, and about planned and extraordinary audits of the Company's activities; and
 - 5.6.6. Perform other functions stipulated by this Regulation.
- 5.7. The Chairperson and Secretary of the Company's newly-elected Internal Audit Committee shall be elected at the first session of the Internal Audit Committee, which shall be conducted not later than within a month of the date of conducting the Company's General Assembly of Shareholders at which the members of the Internal Audit Committee were elected.

6. RIGHTS AND OBLIGATIONS OF THE MEMBERS OF THE INTERNAL AUDIT COMMITTEE

- 6.1. Members of the Company's Internal Audit Committee may:
 - 6.1.1. Demand convening a session of the Company's Internal Audit Committee;
 - 6.1.2. According to the established procedure, propose to the Internal Audit Committee to consider conducting an extraordinary audit of the Company's financial and economic activities, of actions and decisions of the Company or its governing bodies or officials;
 - 6.1.3. Express a special opinion on matters in the session agenda of the Internal Audit Committee, and demand reflecting the special opinion in the session protocol of the Internal Audit Committee

- and informing the Company's governing bodies about such special opinion;
- 6.1.4. In case of disagreement with a conclusion/act of the Internal Audit Committee, prepare a special opinion and demand attaching it to the conclusion/act of the Internal Audit Committee; and
- 6.1.5. Exercise other rights stipulated by the Republic of Armenia legislation and the Company's By-Laws and other documents.
- 6.2. Members of the Company's Internal Audit Committee shall be obliged:
- 6.2.1. In the exercise of their rights and the performance of their obligations, to act in good faith and reasonably in the Company's interests;
- 6.2.2. To participate in the audits in accordance with the decisions of the Internal Audit Committee on the procedure of conducting audits;
- 6.2.3. To provide to the Company (in writing, addressed to the Company's Corporate Secretary, quarterly, not later than within 15 (fifteen) days of the start of the quarter) information as per Annex 1 to this Regulation, and whenever there is any change in such information—not later than within 5 (five) days of such change, to provide information on the changes;
- 6.2.4. To document and objectively to reflect in the documents of the Internal Audit Committee the violations of normative legal acts and the Company's By-Laws and internal documents by the Company's employees, which were discovered during audits;
- 6.2.5. To provide timely information to the Company's Board of Directors and General Director about the results of audits and reviews conducted into the Company's activities, the conclusions of the Internal Audit Committee, the proposals on the elimination of causes of and favorable conditions for violations of financial and economic discipline, and proposals on improving the internal control systems and enhancing the effectiveness of the Company's activities;
- 6.2.6. To comply with the rules and procedures defined by the Company's internal documents in relation to the secure handling of information that is subject to confidentiality requirements;
- 6.2.7. To comply with the requirements to protect commercial secrets, not to discuss and not to disclose their content, not to provide copies, not to publish and not to disclose to third parties in any other form any information that is subject to confidentiality requirements, except when done with the Company's prior written consent, unless the legislation prescribes otherwise;
- 6.2.8. To report to the Company's General Assembly of Shareholders about the results of planned and extraordinary audits of the Company's financial and economic activities, and about discovered facts of violations of the Republic of Armenia legislation and the Company's By-Laws and internal documents by members of the Board of Directors and other officials of the Company's governing bodies; and
- 6.2.9. To perform other duties prescribed by the Republic of Armenia legislation, the Company's By-Laws, and this Regulation.
- 6.3. The Internal Audit Committee members, which participate in a session and have an opinion that differs from the one adopted at the session on the basis of the results of an audit, may formulate their special opinion. Such special opinion shall be an integral part of the session protocol of the Internal Audit Committee.
- 6.4. The Internal Audit Committee members may not concurrently be members of the Company's Board of Directors or hold positions in the Company's governing bodies.

7. ORGANIZING THE WORK OF THE COMPANY'S INTERNAL AUDIT COMMITTEE

- 7.1. Sessions of the Internal Audit Committee shall be held and audits of the Company's activities conducted in accordance with the approved Work Plan of the Internal Audit Committee, unless this Regulation provides otherwise.
- 7.2. The Work Plan of the Company's Internal Audit Committee shall be approved by the Internal Audit Committee not later than within 45 (forty-five) days of the election of the new Internal Audit Committee at the General Assembly of Shareholders. The Chairperson of the Internal Audit Committee shall be responsible for drafting the Work Plan of the Company's Internal Audit Committee and presenting it to the Company's Internal Audit Committee for approval.

- 7.3. The Work Plan of the Company's Internal Audit Committee shall contain:
- 7.3.1. The objects of the audits (types of financial and economic activities of the Company, or specific aspects of the Company's activities);
 - 7.3.2. The defined type of audit for each aspect of the audit (offsite (documentary), onsite (at the location of objects));
 - 7.3.3. The timetable of conducting audits of the Company's activities and the approximate frequency of audits (annual, quarterly);
 - 7.3.4. The timetable of sessions of the Internal Audit Committee for deciding upon the preparation and conduct of audits of the Company's activities;
 - 7.3.5. The list of financial and/or economic documents needed to perform audits of each aspect of the audit;
 - 7.3.6. Specification of the Internal Audit Committee members responsible for preparing and conducting the audits and collecting information and necessary documents and materials; and
 - 7.3.7. Other matters related to the organization of sessions and audits of the Company's Internal Audit Committee.

8. SESSIONS OF THE COMPANY'S INTERNAL AUDIT COMMITTEE

- 8.1. Sessions of the Company's Internal Audit Committee shall be conducted for deciding upon organizational aspects of the work of the Internal Audit Committee, and every time before starting and after completing an audit.
- 8.2. At a session of the Internal Audit Committee conducted prior to an audit, the following aspects of the preparation and conduct of an upcoming session shall be discussed:
- 8.2.1. Defining the objects of the audit;
 - 8.2.2. The procedure, time, and scope of the audit;
 - 8.2.3. Defining the list of information and materials necessary for conducting the audit, and their sources and collection methods;
 - 8.2.4. Defining the list of persons that need to be engaged for conducting the audit (to provide explanations or to clarify certain matters);
 - 8.2.5. Setting the date of a session of the Internal Audit Committee conducted to review the audit findings;
 - 8.2.6. Defining the Internal Audit Committee member responsible for drafting the conclusion (act) of the Internal Audit Committee for the session conducted to review the audit findings; and
 - 8.2.7. Deciding upon other matters.
- A session of the Internal Audit Committee on matters of preparing and conducting an audit may be held without the concurrent presence of the Internal Audit Committee members, by means of remote voting (an inquiry).
- Persons that are not members of the Internal Audit Committee may be invited to its sessions, including members of Company's the Board of Directors, the General Director, and heads of the Company's structural subdivisions, representatives of the Company's auditor, experts, consultants, and other persons invited by the Chairperson of the Internal Audit Committee.
- 8.3. A session of the Internal Audit Committee conducted to review the audit findings shall address the following questions:
- 8.3.1. Discussion of the information received in the course of the audit and its sources;
 - 8.3.2. Summing up the audit findings;
 - 8.3.3. Drawing conclusions and formulating proposals on the basis of the audit findings;
 - 8.3.4. Approving and signing the conclusion (act) of the Internal Audit Committee on the audit findings;
 - 8.3.5. Identifying and analyzing the causes of violations of the Republic of Armenia legislation and the Company's By-Laws, and discussing the available options for their elimination and prevention in the future;

- 8.3.6. Adopting decisions on addressing the Company's governing bodies and heads of the structural subdivisions of the Company's executive administration regarding the need to eliminate violations discovered in the audit, and imposing sanctions on the persons that allowed the violations; and
- 8.3.7. Other matters related to summing up the audit findings.
- 8.4. Planned sessions of the Company's Internal Audit Committee shall be conducted in accordance with the timetable established in the Work Plan of the Internal Audit Committee.
- 8.5. Extraordinary sessions of the Company's Internal Audit Committee shall be convened by the Chairperson of the Internal Audit Committee at his initiative or at the initiative of members of the Internal Audit Committee, or based on a decision of the Company's General Assembly of Shareholders or Board of Directors, or when demanded by the Company's shareholders (holding not less than 10 percent of the Company's voting shares) to audit the Company's financial and economic activities.
- 8.6. In preparing a session of the Internal Audit Committee, its Chairperson shall:
 - 8.6.1. Define the date, time, and place of conducting session (summing up the results of the remote voting);
 - 8.6.2. The form in which the session shall be conducted (attendance or remote voting);
 - 8.6.3. Approve the session agenda;
 - 8.6.4. Define the list of materials and documents (information) necessary for examining the Internal Audit Committee session agenda items;
 - 8.6.5. Define the list of persons invited to participate in the Internal Audit Committee session (in case of an attendance-based session); and
 - 8.6.6. Decide upon other matters related to the preparation of a session of the Internal Audit Committee.
- 8.7. Notice of conducting a session of the Company's Internal Audit Committee shall be sent to the Internal Audit Committee members by registered mail not later than 10 (ten) days prior to the session date, or 2 (two) days prior to the session date in case of a session to review the audit findings.

In case of remote voting in the cases provided by this Regulation, notice of the remote voting shall be sent together with the materials related to the agenda items and remote voting ballot, by registered mail, not later than 15 (fifteen) days prior to the date of summing up the voting results.
- 8.8. In case of discovering violations of the Republic of Armenia legislation or the Company's By-Laws or other internal documents in the Company's activities, the Internal Audit Committee Chairperson shall be obliged to convene an extraordinary session of the Internal Audit Committee in order to decide upon whether or not to conduct an extraordinary audit.
- 8.9. In case of discovering any of the violations specified in Paragraph 8.8 hereof, a member of the Internal Audit Committee shall be obliged to send to the Internal Audit Committee Chairperson a letter containing a description of the nature of the violations and the persons that committed them, no later than within 3 (three) business days of discovering them.
- 8.10. In the cases stipulated by Paragraphs 8.8 and 8.9 hereof, the Internal Audit Committee Chairperson shall be obliged to convene an extraordinary session of the Internal Audit Committee in the form of an attendance-based session within 10 (ten) days of receiving the information about discovered violations.
- 8.11. An attendance-based session of the Internal Audit Committee shall contain the following phases:
 - 8.11.1. Opening of the session by the Internal Audit Committee Chairperson;
 - 8.11.2. Determining quorum in the session;
 - 8.11.3. Announcing the session agenda items;
 - 8.11.4. Making presentations, reports, and statements on the session agenda items, and discussing them;
 - 8.11.5. Formulation, by the Internal Audit Committee Chairperson, of a draft decision on the session agenda items;

- 8.11.6. Voting on the session agenda items;
 - 8.11.7. Summing up the results of the vote; and
 - 8.11.8. Publishing the decision of the Internal Audit Committee on the session agenda items.
- 8.12. A session of the Company's Internal Audit Committee conducted by remote voting shall contain the following phases:
- 8.12.1. Accepting and counting the remote voting ballots received from the Internal Audit Committee members before the deadline set in the remote voting ballot;
 - 8.12.2. Determining whether the Internal Audit Committee session has quorum;
 - 8.12.3. Counting the votes expressed in the remote voting ballots and summing up the vote results; and
 - 8.12.4. Formulating the Internal Audit Committee session protocol.
- 8.13. A session of the Internal Audit Committee shall have quorum if it is attended by more than half of the members of the Company's Internal Audit Committee. If there is no quorum, the Internal Audit Committee session shall be postponed, but not by more than 10 (ten) days.
- 8.14. A decision on Internal Audit Committee session agenda items shall be adopted by majority vote of the members of the Company's Internal Audit Committee.

In adopting decisions at sessions of the Internal Audit Committee, each member of the Internal Audit Committee shall have one vote. Votes of members of the Internal Audit Committee may not be transferred to other persons, including other members of the Internal Audit Committee.

In determining quorum and the results of the voting, the written opinion of a member of the Internal Audit Committee, who is absent from the session due to an excusable reason (business travel, leave, or illness), on agenda items shall be taken into account, provided that such opinion is received by the Internal Audit Committee before the start of the session. In such written opinion, the member of the Internal Audit Committee shall unequivocally express his position on the item, specifying in writing whether he is voting "for" or "against" a proposed draft decision or "abstaining" from the adoption of such decision.

In case of equal votes, the vote of the Internal Audit Committee Chairperson shall be decisive.

- 8.15. At a session of the Internal Audit Committee, the Secretary of the Internal Audit Committee shall compile a protocol.
- 8.16. A session protocol of the Company's Internal Audit Committee shall contain:
- 8.16.1. The date, time, and place of the session (summing up the results of the remote voting);
 - 8.16.2. The list of members of the Internal Audit Committee and persons attending the session (participating in the remote voting);
 - 8.16.3. Information on quorum in the session;
 - 8.16.4. The items included in the session agenda;
 - 8.16.5. The core content of presentations, reports, and statements presented on the session agenda items (only in case of attendance-based sessions);
 - 8.16.6. The results of the voting;
 - 8.16.7. The decisions adopted by the Internal Audit Committee; and
 - 8.16.8. Information on the person that counted the votes.
- 8.17. A session protocol of the Company's Internal Audit Committee shall be prepared in two counterparts not later than within 5 days of conducting the session (summing up the results of the remote voting) and shall be signed by the Chairperson and Secretary of the Company's Internal Audit Committee.
- 8.18. The Company shall be obliged to preserve the session protocols of the Internal Audit Committee and ensure their provision when demanded by the Company's shareholders.

9. PROCEDURE OF CONDUCTING AUDITS

- 9.1. A planned audit of the Company's financial and economic activities shall be conducted in accordance with the approved annual Work Plan of the Internal Audit Committee.

- 9.2. An extraordinary audit of the Company's financial and economic activities shall be conducted:
- 9.2.1. On the basis of a decision of the Company's Internal Audit Committee;
 - 9.2.2. On the basis of a decision of the Company's General Assembly of Shareholders or Board of Directors; or
 - 9.2.3. When demanded by the Company's shareholders together holding not less than 10 (ten) percent of the Company's voting shares.

The initiators of an extraordinary audit of the Company's financial and economic activities may, at any time before the adoption of a decision of the Internal Audit Committee on conducting an audit, recall their demand by giving written notice thereof to the Internal Audit Committee.

- 9.3. Unless otherwise prescribed by a decision of the Company's Internal Audit Committee, General Assembly of Shareholders, or Board of Directors on conducting an extraordinary audit, a session of the Internal Audit Committee that must be conducted under Paragraph 9.2 hereof shall be conducted not later than within 15 (fifteen) business days of:
- 9.3.1. The adoption by the Internal Audit Committee of a decision on conducting an extraordinary audit; or
 - 9.3.2. The receipt by the Internal Audit Committee Chairperson of the decision of the Company's General Assembly of Shareholders or Board of Directors on conducting an extraordinary audit.

A session of the Company's Internal Audit Committee, which shall be conducted under Paragraph 9.2 hereof on the basis of a demand of the Company's shareholders together holding not less than 10 (ten) percent of the Company's voting shares on conducting an extraordinary audit, shall be conducted not later than within 20 (twenty) business days of receiving such demand of the Company's shareholders (shareholder).

- 9.4. The Internal Audit Committee may refuse the conduct of an audit of the financial and economic activities in the following cases:
- When the persons that demanded conducting an audit of the financial and economic activities do not have the right to initiate such audit; or
 - The facts that served as a basis for demanding an audit of the financial and economic activities have been audited, and the Internal Audit Committee has approved a conclusion thereon; or
 - The demand does not meet the requirements of the Republic of Armenia legislation.

- 9.5. The Internal Audit Committee shall communicate the refusal to conduct an audit of the financial and economic activities to the shareholders (shareholder) that demanded such audit, within 2 (two) business days of adopting such decision, in a letter signed by the Internal Audit Committee Chairperson or a person exercising his functions.

- 9.6. An audit of the Company's financial and economic activities shall include:
- 9.6.1. Specification of the legal framework that regulates the audited aspect of the Company's activities;
 - 9.6.2. The collection and analysis of financial and economic documents of the Company, accounting and statistics indicators, and other documents of the Company, and receiving written and oral explanations related to the audited object;
 - 9.6.3. Inspection of warehouses, archives, and other premises of the Company;
 - 9.6.4. Identifying signs of non-conformity of the Company's financial and economic activities with the extant legislation of the Republic of Armenia, or alterations and inaccuracies in reflecting the Company's activities in the Company's accounting, statistics, and other reports and documents; and
 - 9.6.5. Performing other actions ensuring the comprehensive and impartial audit of the Company's financial and economic activities within the powers of the Internal Audit Committee prescribed by this Regulation.

- 9.7. During the audit, members of the Company's Internal Audit Committee shall request the necessary documents and materials from the Company's governing bodies, heads of the Company's separated

subdivisions, heads of the structural subdivisions of the Company's executive administration, and other persons that possess the necessary documents and materials.

The requested documents and materials shall be provided to members of the Company's Internal Audit Committee within 2 (two) business of receiving the request.

- 9.8. A member of the Company's Internal Audit Committee shall have access to the books, records, business correspondence, and other information related to the respective audited object.
- 9.9. In conducting audits, members of the Company's Internal Audit Committee shall be obliged to duly study all of the received documents and materials, which are related to the audited object.
- 9.10. The governing bodies of the Company, heads of the Company's separated subdivisions, heads of the structural subdivisions of the Company's executive administration shall be obliged:
 - 9.10.1. To create for the auditors conditions that ensure effective performance of the audit, to provide members of the Internal Audit Committee all the necessary information and documents, and when requested by them in writing, to provide clarifications and explanations in oral and written form;
 - 9.10.2. To eliminate swiftly all violations discovered by the Internal Audit Committee, including violations related to accounting and the preparation of accounting and other financial reports; and
 - 9.10.3. To not allow, during the audit, any actions aimed at limiting the scope of questions that need to be established during the audit.

10. THE AUDIT ACT AND THE CONCLUSION OF THE COMPANY'S INTERNAL AUDIT COMMITTEE

10.1. Based on the results of the audit of the Company's financial and economic activities, the Internal Audit Committee shall prepare an audit act and a conclusion of the Internal Audit Committee, which shall be signed by all members of the Internal Audit Committee that conducted the audit, as well as the Chairperson of the Internal Audit Committee.

10.2. The audit act of the Internal Audit Committee shall specify:

- The time and place of conducting the audit;
- The Internal Audit Committee members that took part in conducting the audit; and
- The justification of conducting the audit.

The audit act shall contain a description of the identified risks, violations, and shortcomings in the Company's activities, as well as the analysis of their causes, an assessment of the risk of similar violations occurring again in the future, and recommendations on lowering such risks/eliminating the identified violations.

10.3. The conclusion of the Internal Audit Committee shall contain:

- The composition and election date of the Internal Audit Committee, and the normative foundations of its activities;
- The audited period;
- The place and date of formulating the conclusion of the Internal Audit Committee;
- Confirmation of the accuracy of the data contained in the Company's annual report and the annual accounting (financial) reporting and other financial documents of the Company;
- Information on facts of violations of the accounting and financial reporting procedure defined by legal acts of the Republic of Armenia, as well as of legal acts of the Republic of Armenia, as well as legal acts of the Republic of Armenia concerning the performance of financial and economic activities;
- The conclusions that are based on the results of the conducted audit;
- Information on requirements of providing information (documents and materials) presented during the audit;
- Information about the refusal to provide information (documents and materials);
- Information on the written explanations received from members of the Company's Board of Di-

rectors, General Director, and employees; and

- Information on demands of the Internal Audit Committee to convene sessions of the Board of Directors or an extraordinary General Assembly of Shareholders.

10.4. The conclusion of the Company's Internal Audit Committee shall be prepared in 3 (three) counterparts not later than within 2 (two) days of finishing the audit and shall be signed at a session of the Internal Audit Committee, held for summing up the audit findings, by all members of the Internal Audit Committee and specialists and experts engaged in the audit.

The audit act and the conclusion shall bear a note stating that they have been communicated to the Company's General Director and Chief Accountant.

In case of discrepancies between the members of the Internal Audit Committee on any matter, the conclusion of the Internal Audit Committee shall be signed with the discrepancies (noted down), which may be stated in a special opinion of a member of the Internal Audit Committee. The special opinion, signed by the Internal Audit Committee member of specialist/expert, shall be attached to the conclusion of the Internal Audit Committee.

One counterpart of the conclusion shall be kept by the Secretary Internal Audit Committee, another shall be sent to the Chairperson of the Company's Board of Directors, and one counterpart—to the Company's General Director.

10.5. The Company shall be obliged to keep audit acts and conclusions of the Internal Audit Committee and ensure access to them when demanded by the Company's shareholders.

11. REMUNERATION OF THE COMPANY'S INTERNAL AUDIT COMMITTEE MEMBERS

11.1. By decision of the General Assembly of Shareholders, remuneration may be paid to a member of the Company's Internal Audit Committee for participation in the audit of financial and economic activities.

11.2. Payment of the remuneration mentioned in this Article shall be made in cash not later than within one calendar month of the adoption of the respective decision by the Company's General Assembly of Shareholders.

11.3. Expenses incurred in connection with participation in Internal Audit Committee sessions and the performance of the audit shall be reimbursed to the Internal Audit Committee Chairperson and members at the Company's business travel expenses reimbursement rates in effect at the time of the respective session or audit.

11.4. Reimbursement shall be paid by the Company within a three-day period of presenting documents confirming the expenses incurred.

11.5. The General Assembly of Shareholders may adopt a decision on not paying remuneration to members of the Internal Audit Committee if a member of the Internal Audit Committee has missed more than half of the sessions that took place during the period of his membership in the Internal Audit Committee.

12. FINAL PROVISIONS

12.1. In case of amending the Republic of Armenia legislation, the provisions of this Regulation that, as a result of such amendments, have come to contradict the legislation, shall be repealed, and the activities of the Internal Audit Committee shall be regulated by the respective provisions of the Republic of Armenia legislation and the Company's By-Laws.

12.2. In case of any contradiction between this Regulation and the Company's By-Laws, the Company's By-Laws shall prevail.

**PERSONAL INFORMATION PROFILE OF A CANDIDATE TO THE INTERNAL
AUDIT COMMITTEE OF EIH CJSC / OF A MEMBER OF THE
INTERNAL AUDIT COMMITTEE OF EIH CJSC**

General Information on a Candidate to/Member of the Internal Audit Committee		
Name, surname, patronymic		
Date of birth		
Citizenship		
Place of residence (state, city)		
Education (degree, profession, institution, graduation year)		
Main place of work		
Position		
Positions held or co-held in the last five years and presently, in chronological order		
Time period	Organization	Position
Positions presently held (current membership in) governing bodies of other legal entities		
Time period	Organization	Position
Information on ownership of shares in EIH CJSC and subsidiaries of EIH CJSC		
Share of participation in the equity of EIH CJSC (provide additional information on the number of shares)		
Share of participation in the equity of subsidiaries of EIH CJSC (when the subsidiary is a joint-stock company, provide the number of ordinary shares as an indicator) ¹		
Other Information on the Candidate		
Information on the candidate's obligations to EIH CJSC, under which the candidate may acquire property (receive cash) amounting to 10 or more percent of the candidate's gross annual revenue (except for remunerations received for activities in the Internal Audit Committee of EIH CJSC)		
Nature of any family ties with persons that are members of the Company's governing bodies and/or bodies overseeing the Company's financial and economic activities		
Information on administrative sanctions in the fields of finance, taxes, collections, and the securities market, or criminal penalties (convictions) in the economic field or for crimes against the state authorities		
Information on positions held in the governing bodies of commercial organizations for the period when bankruptcy cases were initiated against and/or any bankruptcy proceedings were imposed on such organizations under the insolvency (bankruptcy) legislation of the Republic of Armenia		
Is the candidate a representative of the Republic of Armenia?		

_____ / _____
Date of filling in:
“ _____ ” _____ 20_____

IN EIH CJSC

WRITTEN CONSENT

I, _____ (passport _____ series _____ # _____, issue date, issuing authority _____) hereby confirm:

1. My consent to be nominated as a candidate to the Internal Audit Committee of EIH CJSC.
2. My consent to be elected to the Internal Audit Committee of EIH CJSC.
3. My consent to the processing, including disclosure of my following personal data in accordance with the requirements of the Republic of Armenia legislation and internal documents of EIH CJSC:
 - Surname, name, patronymic, birth year, citizenship, and place of residence (city and state);
 - Information about education
 - Information on all positions held or co-held by me in the last five years and presently; and
 - Information on my positions currently held in (current membership of) the governing bodies of legal entities.

The consent to personal data processing shall be valid until the end of my term as a member of the Internal Audit Committee of EIH CJSC and may be withdrawn in accordance with the requirements of the Republic of Armenia legislation.

_____/_____

“ _____ ” _____ 20_____