

REGULATIONS

**ON THE PROCEDURE AND TERMS OF SALES OF NATURAL ROUGH DIAMONDS BY
PJSC ALROSA**

Moscow
2021

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1. BACKGROUND AND APPLICATION

1.1. These Regulations have been developed in compliance with the Sales Policy Concept of PJSC ALROSA and the requirements of the UN General Assembly Resolution 55/56 of December 1, 2000 concerning diamond market participants and other provisions of the Kimberley Process, as well as the requirements of the legislation of the Russian Federation, including those related to prevention of legitimization (laundering) of the proceeds of crime and the financing of terrorism.

1.2. These Regulations have been drawn up in view of the norms of substantive laws of the Russian Federation, including Federal Law No. 41-FZ of March 26, 1998 ‘On Precious Metals and Gems’, Federal Law No. 135-FZ of July 26, 2006 ‘On Protection of Competition’, as well as regulatory acts regulating the procedure of trade in natural rough diamonds in the territory of the Eurasian Economic Union and the Russian Federation.

Should any amendments be made to the legal acts of the Eurasian Economic Union and the Russian Federation regulating the procedure of the trade in natural rough diamonds, these Regulations should be applied to the extent they do not contradict the amendments.

1.3. These Regulations shall be a local regulatory act of PJSC ALROSA (hereinafter the Company) determining the main principles of commercial relations between the Company and the purchasers of natural rough diamonds, the procedure and terms of rough diamond sales by the Company.

1.4. These Regulations shall be a public document and shall be made available for familiarization to third parties interested in the establishment of contractual relations with the Company. For convenience of familiarization, these Regulations shall be posted on the Company’s official website at www.alrosa.ru.

2. TERMS AND DEFINITIONS

The following terms and definitions shall be used in these Regulations:

Rough Diamonds, Diamonds – natural rough (industrial and non-industrial) diamonds produced from the mines operated by the Company and its subsidiaries and intended for sale in the form of boxes and lots, as well as other proprietors’ diamonds sold by the Company under relevant contracts;

Box – an indivisible collection of rough diamonds of a certain assortment mix composed in accord with the Technical Requirements to finished goods and to box structures accepted in the Company;

Diamond Sale Agreement (contract) – a sales contract of Diamonds concluded in the Company’s standard form on the basis of the results of auctions/collection of competitive bids or upon execution of single non-competitive transactions for the sale of rough diamonds, or within the framework of Diamond Supply Agreements;

Diamond Supply Agreement – an agreement concluded for a term not exceeding three years in the Company’s standard form within the framework whereof rough diamond supplies are formalized by contracts;

Committee – the Company’s collegial body, which functions include the organization of auctions/collection of competitive bids, acting under the Regulations on the Procedure of

Auctions and Collection of Competitive Bids for Natural Rough Diamonds by PJSC ALROSA;

Market Conjecture Analysis Panel – a Company’s collegial body forming the Company’s marketing policy and responsible for assessing conformity of a business entity to the requirements provided for herein;

Lot – a set of diamonds put up for auction/for the collection of competitive bids as a single whole and consisting of one or more diamonds;

Non-industrial diamonds – rough or sawn, cleaved or bruted natural diamonds that may be used for manufacturing into polished diamonds;

Purchaser – a business entity meeting the requirements established by Section 5 hereof;

Industrial diamonds – rough or sawn, cleaved or bruted natural diamonds, as well as diamond grits and diamond powders, that may be used for manufacturing diamond tools and other industrial and technical products;

Auction/collection of competitive bids – methods of competitive sales carried out in accordance with the procedure stipulated by the Regulations on the Procedure of Auctions and Collection of Competitive Bids for Natural Rough Diamonds by PJSC ALROSA;

Business entity – a legal entity or an individual entrepreneur.

3. REPRESENTATIONS BY PJSC ALROSA

Polished natural diamonds are regarded by all consumers on the world market as a symbol of social status and luxury item.

Natural rough diamonds are raw materials for processing to manufacture polished diamonds, diamond tools and other kinds of products for industrial and technical use.

Pursuant to the Russian Federation legislation and international commitments, the Company declares its principles based on high professionalism and competence, irreproachable business ethics and advanced technologies, to be achieved through strengthening consumer confidence and excluding any unfair practices, inter alia, in the matters related to information disclosure, and in the process of effecting rough diamond sales transactions.

Within the framework of its commitments as imposed on diamond market players by the UN General Assembly Resolution No. 55/56 of December 1, 2000 and the Kimberley Process regulations, and the regulatory acts and laws of the Russian Federation concerning counteraction of the legitimization (laundering) of the proceeds of crime and the financing of terrorism, ALROSA seeks unconditional support of purchasers of rough diamonds as to the provision of relevant information and undertakes to guarantee its confidentiality.

In view of the necessity to represent the interests of an international network of rough and polished diamond producers and marketers; taking into account the necessity of building and enhancing end consumers’ confidence in rough and polished diamonds as investment media and the embodiment of natural purity, the Company attaches great importance to the choice of rough diamond consumers, seeking to enter into business relations only with those who are able to demonstrate the necessary level of compliance with legal norms, ensure

business robustness and financial solvency, living up to the high standards of ethics and business reputation.

The Company's sales policy is aimed at building reliable and long-term partner relations that would ensure an uninterrupted inflow of significant funds required for the Company's activities. Only those business entities that are rough diamond consumers who meet the criteria specified in these Regulations would qualify. Therefore, selection and availability of reliable commercial partners are of strategic importance for the Company.

The Company produces diamonds in the harsh climatic conditions of the Far North. Continuous operation is the basis for efficient performance of its mining and processing production facilities and stable daily life activities of the towns and villages in the region where the Company core production personnel resides.

The Company attracts significant borrowed funds in order to support production and daily life activities in the extreme conditions of the Far North. International financial and trade operations of the Company's trading partners fall within the scope of the laws of the European Economic Community, the United States of America, the United Kingdom and other countries insofar as they relate to prevention of legitimization (laundering) of the proceeds of the crime and the financing of terrorism. As a consequence, the Company cannot maintain business relations with purchasers that are subject to appropriate restrictions stipulated by such laws.

The Company's activities come under scrutiny of the entire international community. Any kind of incorrect behavior of the Company's trading partners may affect its goodwill, negatively impact the Company's market capitalization and generate reputation risks for it. In view of the above, the Company deems itself obliged to exercise due caution in selecting rough diamonds purchasers, including but not limited to assessing their business reputation in accordance with the criteria specified herein.

4. FUNDAMENTAL PRINCIPLES OF ROUGH DIAMOND PRE-SALE PREPARATION AND SALES TERMS

4.1. Unified (non-discriminatory) conditions of access to rough diamonds sold by the Company shall be provided on the basis of the following principles:

4.1.1. rough diamonds shall be sorted according to the unified procedures using the unified master samples, irrespective of the sales destination;

4.1.2. standard boxes of rough diamonds shall be collected in accord with the Technical Requirements to finished goods and to the box structures accepted in the Company, irrespective of the sales destinations; Technical Requirements concerning the assortment of diamonds in single titled boxes shall be adhered to;

4.1.3. rough diamond purchasers shall be granted equal access to rough diamonds pursuant to the legislation of the Russian Federation and its international commitments, in view of the requirements, criteria and access norms specified in Section 5 hereof, and natural resource limitations of the Company;

4.1.4. prices used by the Company shall be determined by expertise on the basis of the price lists analogous to those acting on the world market, with due consideration of the market fluctuations as of the day of sale;

4.1.5. the Company shall apply the unified criteria and use uniform procedures in the process of trading and collection of competitive bids.

4.2. Pursuant to Federal Law No. 41-FZ of March 26, 1998 ‘On Precious Metals and Gems’, the priority right to purchase gems shall be granted to:

4.2.1. a federal executive body that exercises the functions involving formulation of the state policy and statutory regulation in production, processing and circulation of precious metals and gems, for the purpose of replenishment of the State Fund of Precious Metals and Gems of the Russian Federation;

4.2.2. authorized executive bodies of the constituent entities of the Russian Federation in whose territories those gems were produced for the purpose of replenishment of the respective state funds of precious metals and gems of the constituent entities of the Russian Federation.

4.3. Natural rough diamonds that were not sold on the basis of the priority right to the purchasers listed in Clause 4.2 of these Regulations may be sold to any business entities:

4.3.1. pursuant to diamond sale agreements/contracts concluded on the basis of the results of auctions/collection of competitive bids;

4.3.2. pursuant to diamond sale contracts concluded upon execution of single non-competitive transactions for the sale of rough diamonds;

4.3.3. pursuant to diamond supply agreements.

4.4. Standard forms of diamond sale contracts concluded on the basis of the results of auctions/collection of competitive bids and upon execution of single non-competitive transactions for the sale of rough diamonds, as well as diamond supply agreements, shall be provided upon request to the business entities that were deemed conforming to the requirements provided for herein, based on the volume of submitted information/documents.

4.5. Auctions/collection of competitive bids shall be carried out in accordance with the Regulations on the Procedure of Auctions and Collection of Competitive Bids for Natural Rough Diamonds by PJSC ALROSA. The said Regulations are published on ALROSA’s website at www.alrosa.ru

4.6. Pricing of natural rough diamonds:

4.6.1. Contractual prices of the boxes intended for sale to purchasers under the terms of diamond supply agreements and diamond sale contracts concluded upon execution of single non-competitive transactions for the sale of rough diamonds shall be quoted by the Company.

4.6.2. Starting/reserve prices of the lots to be sold at auction/for the collection of competitive bids shall be quoted by the Committee.

5. REQUIREMENTS, CRITERIA AND NORMS APPLIED BY PJSC ALROSA TO PURCHASERS OF ROUGH DIAMONDS

5.1. Pursuant to Clause 5 Article 2 of Federal Law No. 41-FZ of March 26, 1998 ‘On Precious Metals and Gems’, gems shall be offered for purchase on a priority basis by the entities producing them to:

5.1.1. a federal executive body that exercises the functions involving formulation of the state policy and statutory regulation in production, processing and circulation of precious metals and gems, for the purpose of replenishment of the State Fund of Precious Metals and Gems of the Russian Federation;

5.1.2. authorized executive bodies of the constituent entities of the Russian Federation in whose territories those gems were produced for the purpose of replenishment of the respective state funds of precious metals and gems of the constituent entities of the Russian Federation.

5.2. Depending on the rough diamond trading methods/forms stipulated by this Section, business entities shall be subject to requirements set forth in the Table of Requirements in Appendix 1 hereto (hereinafter Appendix 1). Appendix 1 also contains the compliance criteria and the list of documents required to verify such conformity. The requirements, criteria and the list of documents set forth in Appendix 1 shall be exhaustive.

5.3. Business entities that meet the following requirements shall be entitled to participate in the auctions/collection of competitive bids as a result of which diamond sale agreements/contracts can be concluded with a participant of the auction/collection of competitive bids who offered the highest bid for a lot:

5.3.1. Due legal capacity (including special capacity) – Section 1, Appendix 1;

5.3.2. Reliable business reputation – Section 2, Appendix 1.

5.4. Diamond sale contracts concluded upon execution of single non-competitive transactions for the sale of rough diamonds may be concluded with the business entities that meet the requirements specified in Clause 5.3 hereof and are financially solvent as well – see Section 3, Appendix 1.

5.5. Diamond supply agreements can be concluded with the business entities that meet the requirements specified in Clauses 5.3 and 5.4 hereof, as well as the following requirements:

5.5.1. Production stability – Section 4, Appendix 1;

5.5.2. Solvency level sufficient to perform obligations to pay for purchased rough diamonds – Section 5, Appendix 1.

5.6. Single non-competitive transactions for the sale of rough diamonds can be concluded with the purchasers who are deemed to meet the requirements stipulated by Clause 5.4 hereof, taking into consideration the economic and/or technological capabilities of natural rough diamond production and organization of supply available when such transactions were concluded.

5.7. Diamond supply agreements can be concluded with the purchasers that are deemed to meet the requirements stipulated by Clause 5.5 hereof, taking into consideration the economic and/or technological capabilities of natural rough diamond production and organization of supply available when such transactions were concluded.

5.8. The Company shall be entitled to enter into different types of diamond supply agreements depending on the type of business where rough diamonds purchased under such agreements will be used, in particular: 1) diamond supply agreement for the wholesale and retail resale of rough diamonds (trading agreement); 2) diamond supply agreement for the manufacture of polished diamonds, industrial products, and jewelry (manufacturing

agreement); 3) diamond supply agreement for the manufacture of jewelry and its retail sale through retail chains (retailing agreement).

The Market Conjuncture Analysis Panel shall define the criteria for the allocation of business or a part of business of the business entity between the abovementioned types depending on the market environment.

The fact that the business entity concludes one type of the diamond supply agreement shall not preclude the conclusion of other types of diamond supply agreements with the same business entity.

5.9. If the number of applications for the conclusion of diamond supply agreements exceeds the Company's economic, technological, and/or organizational capabilities as to the number of such agreements, applications for the conclusion of retailing agreements and manufacturing agreements may be prioritized.

5.10. If the demand for certain assortment positions or position groups of diamond boxes from business entities that conclude or have concluded diamond supply agreements with the Company exceeds the Company's economic, technological, and/or organizational capabilities to supply the requested diamond assortment, the inclusion of such assortment positions or position groups of diamond boxes in retailing agreements, and thereafter in manufacturing agreements, may be prioritized.

5.11. All other conditions being equal, the Company can give a priority to business entities for the conclusion of a certain type of diamond supply agreement considering the actual effective demand demonstrated over the prior periods to be determined by the Company (in particular during the recession in the global diamond market), and for the conclusion of retailing and manufacturing agreements – considering the portion of rough diamonds purchased from the Company (in particular during the recession in the global diamond market) and used in accordance with the purposes of the abovementioned types of diamond supply agreements.

Business entities that process rough diamonds purchased from the Company in the territory of the Eurasian Economic Union can obtain additional advantage when concluding retailing and manufacturing agreements taking into consideration the volume of rough diamonds purchased from the Company and processed in the territory of the Eurasian Economic Union over the prior periods to be determined by the Company.

5.12. The Company can give a priority to business entities for the purchase of certain assortment positions of diamond boxes taking into consideration the confirmed demand for such assortment positions of diamonds boxes that they demonstrated over the prior periods to be determined by the Company.

5.13. The rules of giving a priority (advantage) stipulated by Section 5 hereof apply equally to all purchasers. Moreover, when the Company grants one priority (advantage), it may consider the results of granting another priority (advantage) stipulated by Section 5 hereof.

5.14. Should the number of purchasers deemed to meet the requirements stipulated by Clause 5.3 hereof exceed the Company's organizational and technical capabilities, the Company shall be entitled to invite for participation in auctions/collection of competitive bids the number of purchasers that was determined in view of the above capability.

6. SUBMISSION OF INFORMATION (DOCUMENTS) BY A BUSINESS ENTITY

6.1. To be checked for conformity to the requirements stipulated hereby, a business entity shall send a Cover Letter (Appendix 2) accompanied by the Questionnaire (Appendix 3) and the following documents:

6.1.1. For business entities that plan to participate in auctions/collection of competitive bids: pursuant to Sections 1, 2 of Appendix 1;

6.1.2. For business entities that plan to effect single non-competitive transactions for the sale of rough diamonds: pursuant to Sections 1–3 of Appendix 1;

6.1.3. For business entities that plan to conclude a diamond supply agreement: pursuant to Sections 1–5 of Appendix 1;

Business entities shall be entitled to submit any other data/documents that are not specified in Appendix 1 in order to confirm their compliance with the requirements stipulated hereby.

6.2. Should any discrepancies be found in the data/documents submitted by business entities as per Clause 6.1 hereof, the Company shall be entitled to send follow-up requests to them. The respective business entities shall be obliged to respond to these requests exhaustively (provide relevant documents where necessary).

6.3. In case there are any changes in the data/documents stipulated by Sections 1 and 2 of Appendix 1 and submitted pursuant to Clause 6.1 hereof, the business entities shall be obliged to dispatch the data/documents confirming such changes to the Company within fifteen days of the date thereof.

6.4. For the purpose of confirming the purchasers' compliance with the requirements provided for herein, the Company shall be entitled to request the data/documents stipulated by Clause 6.1. hereof not more often than once in three months for the same data/documents. For the purpose of confirming the purchasers' compliance or non-compliance with the requirements provided for herein, the Company shall be entitled to be guided by the data/documents provided by government bodies.

6.5. In the cases mentioned in Clauses 6.1-6.4 hereof, the data/documents shall be submitted to the Company by one of the following methods:

6.5.1. by a courier with a statement of receipt;

6.5.2. by registered mail with advice of receipt;

6.5.3. The date of the receipt of the above data/documents by the Company shall be deemed to be the date of submission thereof to the Company.

6.5.4. for the purposes of meeting the deadline mentioned in Clause 6.3 hereof, it shall be permitted to the business entities to submit the data/documents by mail, telegraph, e-mail or other means of communication permitting one to establish conclusively that the data/documents come from such a business entity. Whereupon it shall be obligatory to subsequently submit originals of these data/documents by the methods specified in Clauses 6.5.1 and 6.5.2 hereof as soon as possible.

6.6. The Company shall keep the data/documents submitted pursuant to this Section confidential as instructed by the respective business entities that submitted them and legislative requirements of the Russian Federation.

6.7. The Company shall publish information required for business entities planning to purchase diamonds to apply to the Company on its official website at www.alrosa.ru. Forms of documents to be submitted in compliance herewith, the Regulations on the Procedure of Auctions and Collection of Competitive Bids for Natural Rough Diamonds by PJSC ALROSA, contact telephone, fax numbers, email and webpage address with an electronic request form enabling express feedback are available on the webpage devoted to the Company's sales.

7. MAKING DECISIONS CONCERNING THE POSSIBILITY OF COOPERATION WITH A BUSINESS ENTITY

7.1. The review of the data/documents provided by business entities pursuant to Clause 6.1 hereof (hereinafter the Internal Audit) shall be performed by the Company in compliance with the procedure stipulated by this Section.

7.2. The Internal Audit shall be performed by the Company's functional services within their respective fields of competence stipulated by in-house enactments, with the purpose of assessing the business entity's conformity with the requirements stipulated hereby.

7.3. The Internal Audit shall be performed within thirty days from the date of the Company's receipt of the data/documents specified in Clause 6.1 hereof in full.

In the cases stipulated by Clause 6.2 hereof, the Internal Audit period may be extended, but it shall not exceed 90 days as a whole. The Company shall notify the respective business entity about extension of the Internal Audit period, specifying the reason therefor.

7.4. Following the Internal Audit, including based on the data/documents received from government bodies, a motivated decision regarding the respective business entity's conformity/non-conformity with the requirements stipulated hereby shall be made:

7.4.1. in respect of the business entities planning to participate in auctions/collection of competitive bids – by the Committee;

7.4.2. in respect of the business entities planning to effect single non-competitive transactions for the sale of rough diamonds or to conclude a diamond supply agreement – by the Market Conjuncture Analysis Panel.

A written notification of the decision made shall be dispatched to the registered/residential address of the respective business entity by a registered letter with advice of receipt.

7.5. Should the business entity be found non-conforming with the requirements stipulated hereby as a result of the Internal Audit, the Company shall be entitled to deny sale of natural diamonds to it.

7.6. A decision of the Market Conjuncture Analysis Panel or the Committee concerning a business entity's non-compliance with the requirements stipulated hereby, made in compliance with this Section, may be re-examined by the Market Conjuncture Analysis Panel or the Committee upon application of the respective business entity.

7.7. The list of the business entities with which diamond supply agreements have been concluded pursuant to a resolution of the Market Conjuncture Analysis Panel shall be published at www.alrosa.ru.

7.8. The Market Conjuncture Analysis Panel members shall be appointed by an order of the Company's CEO – Chairman of the Executive Committee.

The Chairman of the Market Conjuncture Analysis Panel shall organize activities of the Market Conjuncture Analysis Panel (including, but not limited to determining the date, time, place and agenda of the Market Conjuncture Analysis Panel meetings) and shall chair its meetings.

The Market Conjuncture Analysis Panel shall meet at least once every two months.

A Market Conjuncture Analysis Panel meeting shall be competent (shall have quorum) if attended by at least two-thirds of the total number of its members.

Should it be impossible for a Market Conjuncture Analysis Panel member to attend a meeting, he/she shall be entitled to hand in his/her written opinion on the agenda items through the Market Conjuncture Analysis Panel's secretary before such a meeting. Such a written opinion shall be made known by the Market Conjuncture Analysis Panel's secretary to the Market Conjuncture Analysis Panel members attending the meeting and taken into account when determining the quorum and the results of voting on the agenda items of such a meeting.

The Market Conjuncture Analysis Panel resolutions shall be included in the minutes of the Market Conjuncture Analysis Panel meetings to be kept for three years from the date when the resolution was adopted.

8. REASONS TO SUSPEND OR CEASE ROUGH DIAMOND SALES

8.1. The Company shall be entitled to cease natural rough diamond sales to a purchaser for the period of one year for all types of agreements concluded by the Company in the following cases:

8.1.1. the purchaser has violated the legislation regulating production and trade in gems, criminal, tax or customs laws, such a violation being confirmed by judicial acts or acts adopted by the authorized state bodies;

8.1.2. in case of the purchaser's failure to fulfill or inadequate fulfillment of its obligations under diamond supply agreements and/or diamond sale contracts, substantiated by a court's decision that became final and binding or official correspondence;

8.1.3. in case of an instance of corruption¹ involving the purchaser/its employees, which is confirmed by judicial acts or acts adopted by authorized state bodies;

8.2. The Company shall be entitled to exclude the purchaser from the list of business entities entitled to conclude single non-competitive transactions for the sale of rough diamonds for one year from the date of making an exclusion decision in the cases as follows:

8.2.1. there is no request for the purchase of rough diamonds from a purchaser during 6 months from the date of making a decision about its compliance with the requirements stipulated hereby, or from the date of conducting by it the last single non-competitive transaction for the purchase of rough diamonds;

¹ Instances of corruption are actions specified in Clause 1, Article 1 of the Federal Law of December 25, 2008 No. 273-FZ On Combatting Corruption.

8.2.2. the purchaser's repeated failure to submit the list of purchased rough diamonds, which complies with the Company's terms and conditions for single non-competitive transactions, from among those offered to it for purchase under its request for purchase during 6 months from the date of making a decision about its compliance with the requirements stipulated hereby, or from the date of conducting by it the last single non-competitive transaction for the purchase of rough diamonds;

8.2.3. the purchaser's refusal (evasion) from conducting a single non-competitive transaction for the purchase of rough diamonds after submitting by it the list of purchased rough diamonds from among those offered to it for purchase under its request;

8.2.4. failure to submit the data/documents within 60 calendar days from the date of the Company's request sent to the purchaser pursuant to Clause 6.4 of the Regulations;

8.2.5. violation by the purchaser or the companies from the same corporate group of the rules of a clear and explicit separation between products made from synthetic (treated) diamonds and those from natural rough diamonds during their sale, completely excluding the mixing of these types of products for the consumer;

8.2.6. the terms of this Clause shall not apply to business entities that are research organizations (institutes), scientific organizations of educational institutions, experimental design, design, design and technological and other organizations engaged in scientific and/or scientific and technical activities, and purchasing rough diamonds for the performance of research and development works.

8.3. The purchasers to whom rough diamond sales were ceased in accordance with Clause 8.1 or who were excluded from the list of business entities entitled to conclude single non-competitive transactions for the purchase of rough diamonds in accordance with Clause 8.2 hereof, at the expiration of one year from the date of making a decision to cease sales or an exclusion decision shall be entitled to apply to the Company once again to be checked for compliance with the requirements stipulated hereby, in accordance with the procedure stipulated by Section 6 hereof.

8.4. The Company shall be entitled to suspend natural rough diamond sales to a purchaser in case such a purchaser submits unreliable data/documents and/or fails to submit the data/documents to the Company in accordance with Clauses 6.3, 6.4 hereof until such data/documents are submitted.

8.5. Should a purchaser buying natural rough diamonds under diamond supply agreements or single non-competitive transactions for the sale of rough diamonds cease to meet the requirements specified in Section 3, Appendix 1, the Company shall cease to sell natural rough diamonds to such a purchaser under the above transactions. However, such a purchaser shall still be entitled to participate in auctions/collection of competitive bids.

8.6. Should a purchaser cease to meet the requirements specified in Sections 1 and 2, Appendix 1, the Company shall cease to sell natural rough diamonds to such a purchaser.

8.7. The decisions referred to in Clauses 8.1, 8.2, 8.4 – 8.6 hereof shall be made by the Market Conjuncture Analysis Panel depending on the results of review of the data/documents obtained by the Company independently or provided by the purchaser as per Clauses 6.3 and 6.4 hereof. A motivated written notification of such a decision shall be sent to the registered/residential address of the respective purchaser by a registered letter with advice of receipt. However, such a decision may be reconsidered in accordance with the procedure stipulated by Clause 7.6 hereof.

9. FINAL PROVISIONS

9.1. These Regulations shall come into force on the date of the approval.

9.2. Requirements of Clause 5.5 hereof shall not apply to business entities that are residents of member-states of the Eurasian Economic Union, which on the date of approval hereof have concluded diamond supply agreements, before the end of the term of such agreements.

9.3. Requirements of Clause 5.5 hereof shall apply to business entities that are not residents of the member-states of the Eurasian Economic Union, which on the date of approval hereof have concluded diamond supply agreements, in accordance with the terms and conditions of such agreements.

Appendix 1 to the Regulations ‘On the Procedure and Terms of Sales of Natural Rough Diamonds by PJSC ALROSA’

TABLE OF REQUIREMENTS

Requirement	Compliance Criterion	Target Value	Confirmation Document
Section 1. Legal capacity (including special capacity)	1.1. Due state registration of the business entity.	Yes <i>(the business entity duly registered)</i>	<ul style="list-style-type: none"> - Constitutional documents; - Extract from the Unified State Register of Legal Entities (for legal entities that are residents of the Russian Federation). The extract is valid for 1 (one) month from the date of issue; - Extract from the Unified State Register of Individual Entrepreneurs (for individual entrepreneurs who are residents of the Russian Federation). The extract is valid for 1 (one) month from the date of issue; - Extract from the commercial register of the country of registration or any other equivalent proof of legal capacity in compliance with the laws of the country of registration (for legal entities or individual entrepreneurs that are not residents of the Russian Federation);
	1.2. Due acknowledgement of authorities of a person acting on behalf of the business entity.	Yes <i>(authorities duly acknowledged)</i>	<ul style="list-style-type: none"> - Minutes or another document confirming the election (appointment) of a legal entity’s management bodies (sole (director, general manager, etc.) and/or plural executive body (executive committee, etc.), board of directors/supervisory board, etc.); - Duly executed power of attorney (should the documents be signed by a representative of the business entity);

			<ul style="list-style-type: none"> - Extract from the Unified State Register of Legal Entities (for legal entities that are residents of the Russian Federation). The extract is valid for 1 (one) month from the date of issue; - Extract from the Unified State Register of Individual Entrepreneurs (for individual entrepreneurs who are residents of the Russian Federation). The extract is valid for 1 (one) month from the date of issue.
1.3. Special permit (certificate) for transactions with precious stones.	Yes <i>(special permit available)</i>		<ul style="list-style-type: none"> - Registration Notification and Special Registration Card issued by the State Inspectorate for Assay Control under the Russian State Assay Chamber (for legal entities or individual entrepreneurs that are residents of the Russian Federation); - Document (certificate, license) granting the right to conduct diamond business in the country of registration of legal entities or individual entrepreneurs that are not residents of the Russian Federation (if national laws of their country of registration require the same).
1.4. Activity of the business entity has not been suspended in compliance with an act of the authorized state authority.	No <i>(activity not suspended)</i>		Questionnaire (item 2.1).
1.5. There are no pending reorganization, liquidation or bankruptcy procedures against the business entity.	No <i>(no pending reorganization, liquidation or bankruptcy procedures against the business entity)</i>		<ul style="list-style-type: none"> - Extract from the Unified State Register of Legal Entities (for legal entities that are residents of the Russian Federation). The extract is valid for 1 (one) month from the date of issue; - Extract from the Unified State Register of Individual Entrepreneurs (for individual entrepreneurs who are residents of the Russian Federation). The extract is valid for 1 (one) month from the date of issue; - Questionnaire (item 2.2) (for legal entities or individual entrepreneurs that are not residents of the Russian Federation).

	1.6. The business entity appertains to the member state of the Kimberley Process.	Yes <i>(appertains to such a state)</i>	Questionnaire (item 2.3).
	1.7. There are no resolutions of the Kimberley Process, authorized bodies of the executive authority of the member states of the Kimberley Process, regarding failure of the business entity to comply with the requirements of the Kimberley Process Certification Scheme for international certification of rough diamonds.	No <i>(no resolutions)</i>	Questionnaire (item 2.4).
	1.8. The business entity complies with the internationally accepted practice of selling natural, synthetic and treated diamonds separately.	Yes <i>(complies with the practice)</i>	Questionnaire (item 2.5).
Section 2. Reliable business reputation	2.1. There are no criminal proceedings instituted on the grounds of the essential elements of a crime as stipulated by Section VIII of the Criminal Code of the Russian Federation (or similar essential elements of a crime as defined by the laws of member states of the Kimberley Process) with regard to the sole executive body, member of the plural executive body, member of the board of directors (supervisory board) of the legal entity or shareholder (participant)	No <i>(no criminal proceedings instituted on the grounds of the specified crime components or criminal sentence that came into legal force)</i>	Questionnaire (item 2.6).

	of the legal entity, and also the business entity itself.		
	2.2. No cases of administrative actions brought against the business entity or its officials for any administrative offences stipulated by Articles 14.1, 14.2, 14.10, 14.23, 14.25, 15.3, 15.5, 15.11, 15.25, 15.27, 15.27.1, 15.33, 15.33.2, 16.1, 16.2, 16.3, 16.5, 16.7, 16.11, 16.12, 16.13, 16.15, 16.16, 16.17, 16.19, 16.20, 16.21, 16.22 of the Code of Administrative Offences of the Russian Federation (or similar offences of law stipulated by the legislation of member states of the Kimberley Process), subject to entry into force of decision on the imposition of administrative sanctions (another deed of authorized body).	No <i>(no cases of administrative actions for the said administrative offenses)</i>	Questionnaire (item 2.7).
	2.3. There are no criminal proceedings or the criminal sentence instituted on the grounds of the essential elements of a crime as stipulated by Section VIII of the Criminal Code of the Russian Federation (or similar essential elements of a crime as defined by the laws of member states of the Kimberley Process) with regard to (1) the persons indicated in the ultimate beneficiaries chain diagram, (2) the persons who are close relatives (parents, children, full-	No <i>(no criminal proceedings instituted on the grounds of the specified crime components or criminal sentence that came into legal force)</i>	Reliable public information sources, government reports

	blood and half-blood (with a common father or mother) brothers and sisters) of the persons mentioned in item 2.1 and subitem (1) hereof.		
	2.4. No decisions to terminate business relationship with the business entity motivated by its misconduct or unethical conduct made by organizations that are part of the global diamond market infrastructure (generally recognized gemological laboratories, etc.), or by major diamond market participants.	No <i>(no decisions to terminate business relationship)</i>	Reliable public information sources, government reports
Section 3. Financial stability	3.1. Net assets value of the business entity exceeds its authorized capital stock ² .	Positive net assets value	- Interim accounting reports (Russian Accounting Standards) for the latest reporting period of the current year (for legal entities or individual entrepreneurs that are residents of the Russian Federation); - Interim financial statements (International Financial Reporting Standards) for the latest reporting period of the current year (for legal entities or individual entrepreneurs that are not residents of the Russian Federation).

² Net assets value of the business entity – resident of the Russian Federation is calculated in accordance with the Order of the Ministry of Finance of Russia No. 84n of August 28, 2014 ‘On Approval of the Procedure for the Determination of Net Assets Value’.

	<p>3.2. No judicial proceedings, in which the amount of a claim exceeds in total twenty-five per cent of the book value of the business entity's assets as of the last reporting date, have been initiated against the business entity.</p>	<p>No <i>(no judicial proceedings initiated)</i></p>	<p>Questionnaire (item 2.8).</p>
	<p>3.3. No property of the business entity, the amount of which exceeds in total twenty-five per cent of the book value of the business entity's assets as of the last reporting date, has been seized.</p>	<p>No <i>(property not seized)</i></p>	<p>Questionnaire (item 2.9).</p>
	<p>3.4. The business entity has no arrears in assessed taxes, dues and other compulsory payments to the budgets of any level or to state extra-budgetary funds as of the last reporting date, the amount of which exceeds in total twenty-five per cent of the book value of the business entity's assets.</p>	<p>No <i>(no arrears)</i></p>	<p>Reconciliation report with tax authorities on taxes, dues, fines and penalties (for legal entities or individual entrepreneurs that are residents of the Russian Federation) or an equivalent document in compliance with the laws of the country of registration (for legal entities or individual entrepreneurs that are not residents of the Russian Federation).</p>

<p>Section 4. Experience in trade in natural rough diamonds and their end products.</p>	4.1. Production stability is confirmed by:		
	4.1.1. For business entities that are not residents of member-states of the Eurasian Economic Union: the average annual sales volume of natural rough diamonds and/or polished diamonds, and/or diamond jewelery, and/or products with industrial grade diamonds during three years preceding the conclusion of a diamond supply agreement.	Not less than USD fifty million.	<ul style="list-style-type: none"> - Annual financial statements (International Financial Reporting Standards) for three reporting years preceding the conclusion of a diamond supply agreement; - Interim financial statements (International Financial Reporting Standards) for the latest reporting period of the current year; - Bank statement of account for three years preceding the conclusion of a diamond supply agreement. Should there be more than one bank account, a statement of account shall be provided for each of them.
	4.1.2. For business entities that are residents of member-states of the Eurasian Economic Union: the average annual processing volume of natural rough diamonds, and/or manufacture of products using industrial grade natural rough diamonds (including industrial products) during three years preceding the conclusion of a diamond supply agreement.	Not less than fifty per cent of the total volume of purchased rough diamonds.	<ul style="list-style-type: none"> - Annual accounting repots (Russian Accounting Standards) for three reporting years preceding the conclusion of a diamond supply agreement (for legal entities or individual entrepreneurs that are residents of the Russian Federation); - Annual financial statements (International Financial Reporting Standards) for three reporting years preceding the conclusion of a diamond supply agreement (for legal entities or individual entrepreneurs that are residents of other member-states of the Eurasian Economic Union); - Interim accounting repots (Russian Accounting Standards) for the latest reporting period of the current year (for legal entities or individual entrepreneurs that are residents of the Russian Federation); - Interim financial statements (International Financial Reporting Standards) for the latest reporting period of the current year (for legal entities or individual entrepreneurs that are residents of other member-states of the Eurasian Economic Union); - Bank statement of account for three years preceding the conclusion of a diamond supply agreement. Should there be

			<p>more than one bank account, a statement of account shall be provided for each of them;</p> <p>- Certificate on the use of rough diamonds in the form set forth in Appendix 4 to the Regulations On the Procedure and Terms of Sales of Natural Rough Diamonds by PJSC ALROSA.</p>
<p>Section 5. Solvency level sufficient to perform obligations to pay for purchased rough diamonds.</p>	5.1. Current liquidity coefficient:		
	5.1.1. For business entities that are residents of the Russian Federation: (current assets–non-current receivables) / (short-term liabilities (excluding deferred revenue));	Coefficient to exceed 1.	<p>- Interim accounting reports (Russian Accounting Standards) for the latest reporting period of the current year (for legal entities or individual entrepreneurs that are residents of the Russian Federation);</p> <p>- Interim financial statements (International Financial Reporting Standards) for the latest reporting period of the current year (for legal entities or individual entrepreneurs that are not residents of the Russian Federation).</p> <p>Consolidated financial statements (International Financial Reporting Standards) for the latest reporting period of the current year attaching (if any) unmodified conclusion of an auditor from the list of audit companies approved by PJSC ALROSA (for legal entities or individual entrepreneurs that are not residents of member-states of the Eurasian Economic Union).</p>
	5.1.2. For business entities that are not residents of the Russian Federation: (current assets / current liabilities).		
	5.2. Maximum debt-to-equity ratio (leverage ratio) of 70/30 (applies only to business entities that are not residents of the member-states of the Eurasian Economic Union): (debt/equity capital).	Coefficient not to exceed 2.3.	
5.3. Receivables-to-equity ratio (applies only to business entities that are not residents of member-states of the Eurasian Economic Union): (receivables/equity capital).	Coefficient not to exceed 1.		

Note: Documents and information in this table are to be provided in the following form:

- items 1.1 (extracts), 1.2 (powers of attorney and extracts), 1.4 - 1.8, 2.1, 2.2, 3.2 - 3.4 – originals (legal entities or individual entrepreneurs that are not residents of the Russian Federation are also to provide translation thereof in Russian certified by the business entity);
- items 1.1 (constitutional documents), 1.2 (minutes or other documents confirming election of management bodies of a legal entity), 3.1, 4.1, 5.1 - 5.3 – copies certified by the business entity (legal entities or individual entrepreneurs that are not residents of the Russian Federation are also to provide translation thereof in Russian certified by the business entity).

Appendix 2 to the Regulations ‘On the Procedure and Terms of Sales of Natural Rough Diamonds by PJSC ALROSA’

‘ _____ ’ _____ 20__

**PJSC ALROSA
Customer Policy Center**

14 bldg. 3, 1812 of year st., 121170 Moscow

COVER LETTER

Dear Sirs,

(full business name (full name), registered (residential address)
of a legal entity or an individual entrepreneur,
main state registration number)

we do hereby submit to you the documents and information that are requisite for assessment of compliance with the requirements set forth in the Regulations On the Procedure and Terms of Sales of Natural Roughs Diamonds by PJSC ALROSA.

We do hereby confirm that all the information contained in this Letter and the attachments hereto is true and correct and that the person who has signed this Letter and the attachments hereto is duly authorized to do so.

We undertake to notify PJSC ALROSA of any changes in the information contained in this Letter and the attachments hereto within 15 (fifteen) calendar days from the date of such changes.

We also notify you that we intend to participate exclusively in auctions/collection of competitive bids for natural rough diamonds held by PJSC ALROSA.³

Attachments:

1. _____;
 2. _____;
- etc.

Sincerely yours,

(signature, full name, position of the authorized person, seal of the business entity)

³ This paragraph is included in the text of the Letter only if the business entity filing it intends to participate only in auctions/collection of competitive bids.

**Appendix 3
to the Regulations ‘On the
Procedure and Terms of Sales of
Natural Rough Diamonds
by PJSC ALROSA’**

QUESTIONNAIRE

(full business name (full name), registered (residential address)
of a legal entity or an individual entrepreneur (hereinafter—the business entity),
main state registration number)

- initial (initial submission) updated as of “ _ ” _____ 20__
- buyer (existing buyer)
- beneficiary
- consignee

Section 1. General Information

1.1	Full company name (surname, name, patronymic) of the business entity	
1.2	Form of incorporation of the business entity	
1.3	State registration authority and date	
1.4	Registered (legal) address of the business entity	
1.5	Actual location (residence) of the business entity: Postal address (address for postal correspondence) of the business entity	
1.6.	OKPO (Russian Classifier of Enterprises and Organizations Identification Code) (to be filled in by residents)	
1.7.	INN (Taxpayer Identification Number, KPP (Industrial Enterprises Classification Code) (to be filled in by residents)	
1.8.	OKATO (Russian Classification on Objects of Administrative Division)/OKTMO (Russian Classification of Territories of Municipal Formations) (to be filled in by residents)	
1.9	Registration Notification issued by the Federal Assay Chamber (for legal entities or individual entrepreneurs – residents of the Russian Federation); issuing authority, date and number of notification. Document (certificate, license) granting the right to conduct diamond business in the country of registration of legal entities or individual	

	entrepreneurs that are not residents of the Russian Federation (if the national laws of their country of registration require the same); issuing authority, issue date and number	
1.10	Paid-up capital	
1.11	Net asset value as of the last reporting date	
1.12	Telephone/fax E-mail	
1.13	Composition of the legal entity's management bodies: sole and/or plural executive body, board of directors/ supervisory board (full names, positions)	
1.14	Persons (members, shareholders) whose shareholding in the legal entity's authorized capital stock (or number of voting shares) is 25 % and more (for legal entities indicate full company name, registered address, main state registration number, name of the state registration authority; for individuals indicate their full name, residential/registration address, INN (Taxpayer Identification Number)/ID)	
1.15	Other persons that are members of the same group to which the business entity is deemed to belong under the competition legislation of the Russian Federation, with indication of a relationship (for legal entities indicate full company name, registered address, main state registration number, name of the state registration authority; for individuals indicate their full name, residential/registration address, INN (Taxpayer Identification Number)/ID)	
1.16	Bank details of the business entity (bank name, settlement account number, BIC, correspondence account number, INN (Taxpayer Identification Number) / KPP (Tax Registration Reason Code), OKPO (Russian Classifier of Enterprises and Organizations Identification Code), telephone of the bank, contact person at the bank)	
1.17	The business entity, representatives, beneficial owners, beneficiaries or founders have registration, residential or registered address in the state (in the territory) that fails to comply with the	

	recommendations of the Financial Action Task Force on Money Laundering (FATF), or accounts with the banks registered in the said state (in the said territory ⁴)	
1.18	Website address on the Internet through which services are rendered (if there are several websites, indicate all of them)	
1.19	The business entity has the status of a foreign structure's non-corporate trustee (manager) or protector (indicate the name and form of incorporation (in particular, a foundation / trust / partnership / other structures))	
1.20	Contact person of the business entity (full name, position, telephone, e-mail)	

Section 2. Declaration⁵

2.1	Has the activity of the business entity been suspended in compliance with the act of the authorized state authority?	
2.2	Are there any reorganization, liquidation or bankruptcy procedures pending against the business entity?	
2.3	Does the business entity appertain to the state that is a member of the Kimberley Process?	
2.4	Are there any resolutions of the Kimberley Process, authorized bodies of the executive authority of the members of the Kimberley Process, regarding failure of the business entity to comply with the requirements of the Kimberley Process Certification Scheme for international certification of rough diamonds?	
2.5	Does the business entity comply with the internationally accepted practice of selling separately natural, synthetic and treated diamonds?	
2.6	Are there any criminal proceedings instituted on the grounds of the essential elements of a crime as stipulated by Section VIII of the Criminal Code of	

⁴ Iran, Democratic People's Republic of Korea.

⁵ Items 2.8 and 2.9 hereof are not filled in by the business entity that intends to participate in auctions/collection of competitive bids only.

	the Russian Federation (or similar essential elements of a crime as defined by the laws of the members of the Kimberley Process) with regard to the sole executive body, member of the plural executive body, member of the board of directors (supervisory board) of the legal entity or shareholder (participant) of the legal entity that holds there more than 20 (twenty) per cent of shares (stakes); individual entrepreneur?	
2.7	Were any administrative actions brought against the business entity or its officials for any administrative offences stipulated by Articles 14.1, 14.2, 14.10, 14.23, 14.25, 15.3, 15.5, 15.11, 15.25, 15.27, 15.27.1, 15.33, 15.33.2, 16.1, 16.2, 16.3, 16.5, 16.7, 16.11, 16.12, 16.13, 16.15, 16.16, 16.17, 16.19, 16.20, 16.21, 16.22 of the Code of Administrative Offences of the Russian Federation (or similar offences of law stipulated by the legislation of member states of the Kimberley Process), subject to entry into force of decision on the imposition of administrative sanctions (another deed of authorized body)?	
2.8	Have the judicial proceedings, in which the amount of a claim exceeds in total twenty-five per cent of the book value of the business entity's assets as of the last reporting date, been initiated against the business entity?	
2.9	Has the property of the business entity, the amount of which exceeds in total twenty-five per cent of the book value of the business entity's assets as of the last reporting date, been seized?	
2.10	Was the business entity, founders, beneficial owners or beneficiaries a recipient of subsidies, grants or other state support from the federal budget, budget of the constituent entity of the Russian Federation or municipal budget ^{6,4} ?	
2.11	Is the business entity a contractor (contractor or subcontractor) under a state or municipal contract for the supply of goods, performance of work, rendering of services or under an independent contractor agreement with a budget institution for the supply of goods, performance of works,	

^{6,4} Clauses 2.10, 2.11 hereof are filled in by business entities that are residents of the Russian Federation. **This information shall not be a requirement applicable to a business entity and shall be requested** so as to identify and determine signs of unusual transactions **as per the Order** of the Federal Financial Monitoring Service **of May 8, 2009 No. 103** 'On approval of recommendations for the development of criteria for identifying and determining signs of unusual transactions'.

	rendering of services, and is the amount of such a contract or agreement equal to or more than RUB 6,000,000 ⁷ ?	
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Section 3. Information about Production and Commercial Activities⁸

3.1	Specialization of the business entity (with indication of the range of processed natural rough/polished diamonds and required average annual volumes)	
3.2	<p>Sales value data concerning the sales volumes over three years preceding the conclusion of the diamond supply agreement in the following format:</p> <p>Sales, total: USD _____ thousand, including</p> <p>(a) rough diamond sales USD _____ thousand;</p> <p>(b) polished diamond sales USD _____ thousand;</p> <p>(c) jewelry sales USD _____ thousand;</p> <p>(d) sales of products made from industrial grade diamonds, including sales of tools with industrial grade diamonds USD _____ thousand.</p> <p>These data are provided for the group of companies whereof the business entity is a part (if consolidated financial statements are prepared for the group), or for the business entity itself.</p> <p>These data are provided with breakdown by years</p>	
3.3	<p>Characteristics of rough diamond cutting and polishing operations and/or jewelry manufacturing operations:</p> <p>(a) equipment by type (bruting, roundisting, sawing, cutting machines, etc., including semi-automatic and automatic machines);</p> <p>(b) number of employees with breakdown by specialization;</p> <p>(c) production volumes in value terms;</p> <p>(d) size groups and quality characteristics of processed rough diamonds, diamond cut brands</p>	

⁸ This Section is not filled in by the business entity that intends to participate in auctions/collection of competitive bids or effect single non-competitive transactions for the sale of rough diamonds.

Section 4. Information on Ultimate Beneficiaries⁹

1.	<p>Full name, date and place of birth</p> <hr/> <p>Residential address (registered address)</p> <hr/> <p>Passport number, series, date of issue, validity</p> <hr/> <p>INN (Taxpayer Identification Number)/ID</p> <hr/> <p>Stake (number of shares) in the authorized capital stock (in percent)</p> <hr/> <p>Is the beneficial owner a public official</p> <p><input type="checkbox"/> no</p> <p><input type="checkbox"/> yes (specify position) _____ (specify category¹⁰ of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship, full name and job title of a related public official)</p> <p><input type="checkbox"/> no</p> <p><input type="checkbox"/> yes (specify degree of relationship) _____</p> <p>(specify full name and job title of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>
2.	<p>Full name, date and place of birth</p> <hr/> <p>Residential address (registered address)</p> <hr/> <p>Passport number, series, date of issue, validity</p> <hr/> <p>INN (Taxpayer Identification Number)/ID</p> <hr/>

⁹ **An ultimate beneficiary** shall be an individual that ultimately, directly or indirectly (through third persons, including legal entities), owns / has dominant participation over 25 % in the capital of the business entity or has a possibility to control activity of the entity.

For legal entities–participants (shareholders) of the business entity, please provide the information in this Section up to the level of the names of ultimate beneficiaries–individuals. Should the participants (shareholders) of the business entity be a unitary enterprise, please indicate such enterprise in this Section.

¹⁰ See the supporting information on how to fill in Sections 4, 5.

	<p>Stake (number of shares) in the authorized capital stock (in percent)</p> <hr/> <p>—</p> <p>Is the beneficial owner a public official</p> <p>no</p> <p>yes (specify position) _____ (specify category¹¹ of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship and full name of a related public official)</p> <p>no</p> <p>yes (specify degree of relationship) _____</p> <p>(specify full name and job title of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>
3.	<p>Full name, date and place of birth</p> <hr/> <p>—</p> <p>Residential address (registered address)</p> <hr/> <p>—</p> <p>Passport number, series, date of issue, validity</p> <hr/> <p>—</p> <p>INN (Taxpayer Identification Number)/ID</p> <hr/> <p>—</p> <p>Stake (number of shares) in the authorized capital stock (in percent)</p> <hr/> <p>—</p> <p>Is the beneficial owner a public official</p> <p>no</p> <p>yes (specify position) _____ (specify category¹² of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship and full name of a related public official)</p> <p>no</p> <p>yes (specify degree of relationship) _____</p> <p>(specify full name and job title of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>

¹¹ See the supporting information on how to fill in Sections 4, 5.

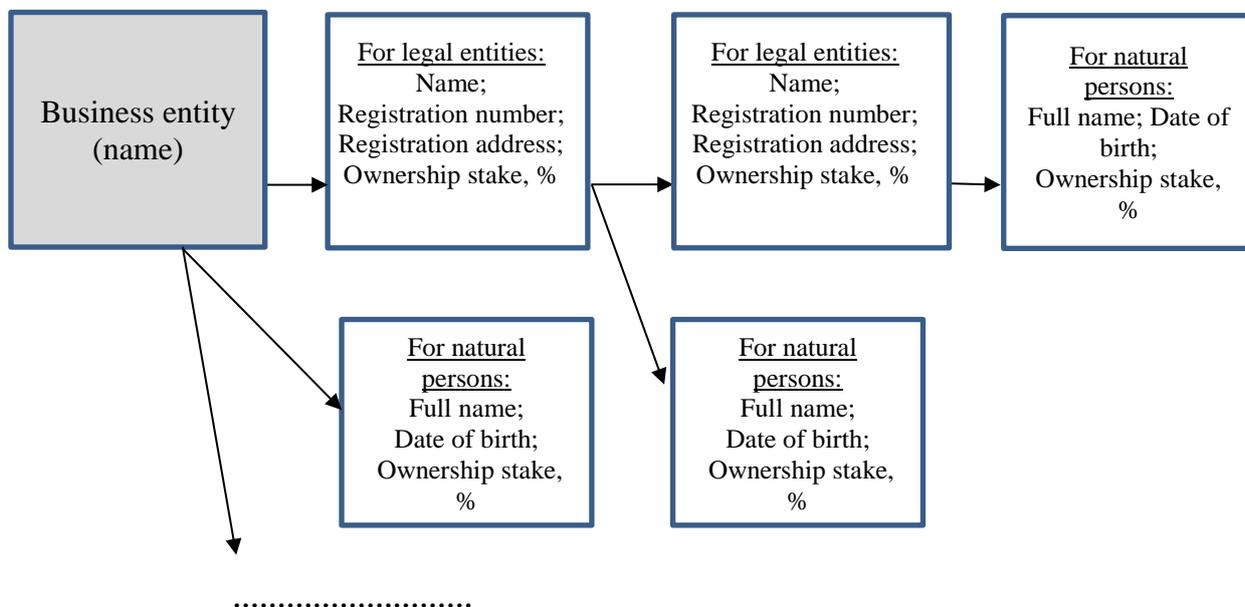
¹² See the supporting information on how to fill in Sections 4, 5.

4.	<p>Full name, date and place of birth</p> <hr/> <p>Residential address (registered address)</p> <hr/> <p>Passport number, series, date of issue, validity</p> <hr/> <p>INN (Taxpayer Identification Number)/ID</p> <hr/> <p>Stake (number of shares) in the authorized capital stock (in percent)</p> <hr/> <p>Is the beneficial owner a public official</p> <p>no</p> <p>yes (specify position) _____</p> <p>(specify category¹³ of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship and full name of a related public official)</p> <p>no</p> <p>yes (specify degree of relationship) _____</p> <p>(specify full name and job title of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>
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* Please provide documented evidence of personal details of ultimate beneficiaries (copy of passport).

To fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism, please fill in the ultimate beneficiaries chain diagram by the example below and provide documented evidence of such data (notarized copies of documents)

¹³ See the supporting information on how to fill in Sections 4, 5.



Should there be no documented evidence of the disclosure of the chain of ownership up to the ultimate beneficiary represented by an individual or submission of incomplete personal details, the legal entity must provide comprehensive information about the sole executive body, including personal details identical to the ultimate beneficiary (individual – Section 4 of the Questionnaire) with the confirmation of his authorities specified in Clause 1.2 of the Appendix 1 to the Regulations on the Procedure and Terms of Sales of Natural Rough Diamonds by PJSC ALROSA.

Section 5. Information on the chief executive and other representatives (signatories)

Information on the Sole Executive Body (Chief Executive)	
1.	Full name, date and place of birth <hr/> Nationality <hr/> Residential address (registered address) <hr/> Passport number, series, date of issue, validity <hr/> INN (Taxpayer Identification Number)/ID <hr/> Stake (number of shares) in the authorized capital stock (in percent) <hr/> Credentials <hr/> Migration card data, document to confirm staying (living) in the territory of the Russian Federation ¹⁴ <hr/> Is the beneficial owner a public official no yes (specify position) _____

¹⁴ For foreign citizens and persons without citizenship.

	<p>(specify category¹⁵ of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship and full name of a related public official)</p> <p>no</p> <p>yes (specify degree of relationship) _____</p> <p>(specify full name of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>
<p>Information on other representatives (signatories)</p>	
<p>2.</p>	<p>Full name, date and place of birth</p> <hr/> <p>Nationality</p> <hr/> <p>Residential address (registered address)</p> <hr/> <p>Passport number, series, date of issue, validity</p> <hr/> <p>INN (Taxpayer Identification Number)/ID</p> <hr/> <p>Stake (number of shares) in the authorized capital stock (in percent)</p> <hr/> <p>Credentials</p> <hr/> <p>Migration card data, document to confirm staying (living) in the territory of the Russian Federation¹⁶</p> <hr/> <p>Is the beneficial owner a public official</p> <p>no</p> <p>yes (specify position) _____</p> <p>(specify category¹⁷ of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship and full name of a related public official)</p> <p>no</p> <p>yes (specify degree of relationship) _____</p> <p>(specify full name of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>

¹⁵ See the supporting information on how to fill in Sections 4, 5.

¹⁶ For foreign citizens and persons without citizenship.

¹⁷ See the supporting information on how to fill in Sections 4, 5.

3.	<p>Full name, date and place of birth</p> <hr/> <p>Nationality</p> <hr/> <p>Residential address (registered address)</p> <hr/> <p>Passport number, series, date of issue, validity</p> <hr/> <p>INN (Taxpayer Identification Number)/ID</p> <hr/> <p>Stake (number of shares) in the authorized capital stock (in percent)</p> <hr/> <p>Credentials</p> <hr/> <p>Migration card data, document to confirm staying (living) in the territory of the Russian Federation¹⁸</p> <hr/> <p>Is the beneficial owner a public official</p> <p>no</p> <p>yes (specify position) _____ (specify category¹⁹ of a public official (PO) (foreign public official (FPO), Russian public official (RPO), official of a public international organization (OPIO))</p> <hr/> <p>Is the beneficial owner a person related to a public official (if yes, specify degree of relationship and full name of a related public official)</p> <p>no</p> <p>yes (specify degree of relationship) _____</p> <p>(specify full name of a related public official) _____</p> <p>This data is requested in order to fulfil the requirements of the Federal Law of August 7, 2001 No. 115-FZ On Combating Legalization (Laundering) of Proceeds from Crime and Financing of Terrorism (Article 7.3).</p>
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Section 6. Information on beneficiaries²⁰ and consignees²¹ (natural persons)²²

1.	<p>Full name, date and place of birth</p> <hr/> <p>Nationality</p> <hr/> <p>Residential address (registered address)</p> <hr/> <p>Passport number, series, date of issue, validity</p> <hr/> <p>INN (Taxpayer Identification Number)/ID</p> <hr/>
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¹⁸ For foreign citizens and persons without citizenship.

¹⁹ See the supporting information on how to fill in Sections 4, 5.

²⁰ A Beneficiary shall be a person to the benefit of which the client operates, including under the agency agreement, agency contracts, contracts of commission and trust management, when carrying out operations with monetary funds and other property.

²¹ A Consignee shall be a person to whom on the buyer's instructions the cargo is to be issued at the point of destination.

²² If a legal entity is the beneficiary or consignee, the information about it is filled in separately according to the form of this Questionnaire.

	Migration card data, document to confirm staying (living) in the territory of the Russian Federation ²³ _____
2.	Full name, date and place of birth _____ Nationality _____ Residential address (registered address) _____ Passport number, series, date of issue, validity _____ INN (Taxpayer Identification Number)/ID _____ Migration card data, document to confirm staying (living) in the territory of the Russian Federation ²⁴

We do hereby confirm that all the information in this Questionnaire is true and correct and that the person who has signed this Questionnaire is duly authorized to do so.

Sincerely yours,

(signature, full name, position of the authorized person, seal of the business entity)

Supporting information on how to fill in Sections 4, 5.

A public official (PO) is a category of persons comprising the following categories: Russian public officials (RPO), foreign public officials (FPO), officials of a public international organization (OPIO), persons related to a PO.

A foreign public official (FPO) shall be any appointed or elected person holding any position in a legislative, executive, administrative or judicial body of a foreign state and any person performing any public function for a foreign state, including for a public agency or public enterprise.

Russian public officials shall be the persons who hold (occupy) public offices of the Russian Federation, positions of members of the Board of Directors of the Central Bank of the Russian Federation, positions of the federal public service who are appointed and released by the President of the Russian Federation or the Government of the Russian Federation, positions in the Central Bank Russian Federation, state corporations and other organizations created by the Russian Federation based on federal laws included in the list of positions determined by the President of the Russian Federation.

An official of a public international organization (OPIO) shall be a person who is or was entrusted with important functions by an international organization (except for mid-level executives or those occupying lower positions in this category).

A person related to a PO shall be the spouse of a public official, his close relative (lineal descendant/ancestor (parents and children, grandfathers, grandmothers and grandchildren), full-blood and half-blood (with a common father or mother) brother and sister, adoptive parents and adopted children).

²³ For foreign citizens and persons without citizenship.

²⁴ For foreign citizens and persons without citizenship.

**Appendix 4 to the Regulations ‘On the
Procedure and Terms of Sales of Natural
Rough Diamonds by PJSC ALROSA’²⁵**

Information on the results of processing of rough diamonds and sales of polished diamonds		
(for the reporting year)		
Indices	Line No.	Value, USD thousand
1	2	3
II. NATURAL ROUGH DIAMONDS		
1. Rough diamonds balance as of the beginning of the year–total	01	
including:		
a) at own production facilities	02	
b) supplied for processing on consignment basis	03	
2. Rough diamonds received in the reporting period–total	04	
including:		
a) from the State Fund of Russia*	05	
3. Rough diamonds consumed in the reporting period–total	06	
a) for manufacture of polished diamonds–total	07	
including:		
at own production facilities	08	
on consignment basis	09	
b) for production and technical needs–total	10	
for diamond powders manufacture	11	
c) returned to the supplier	12	
d) deficiency, losses	13	
4. Rough diamonds sold–total	14	
including:		
international market (export)	15	
domestic market	16	
5. Rough diamonds balance as of the end of the reporting period–total	17	
including:		
a) at own production facilities	18	
b) supplied for processing on consignment basis	19	
<i>*Line 05 of this Section is filled in by a business entity that is a resident of the Russian Federation.</i>		
II. POLISHED DIAMONDS		
6. Polished diamonds balance as of the beginning of the year (including polished diamonds transferred to other organizations)	20	
7. Received from suppliers–total	21	
8. Polished diamonds manufactured over the reporting period–total	22	
including:		
a) at own production facilities	23	
b) on consignment basis	24	
9. Polished diamonds sold over the reporting period–total	25	
including:		
c) used for jewelry manufacture	26	
10. Polished diamonds balance as of the end of the reporting period (including polished diamonds transferred to other organizations)	27	

(signature, full name, position of the authorized person, seal of the business entity)

²⁵ This Section is not filled in by the business entity that intends to participate in auctions/collection of competitive bids or effect single non-competitive transactions for the sale of rough diamonds.