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GEOLEADER LTD. STANDARD

CONFIDENTIAL DATA SECURITY

Moscow
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INTRODUCTORY PROVISIONS

INTRODUCTION

Geoleader Ltd. Standard “Confidential data security” (hereinafter – Standard) governs the actions associated with labeling data as confidential and transferring such information, defines the procedure of working with confidential data for all the employees of Geoleader Ltd. (hereinafter – Company), as well as privacy security measures in order to prevent access to such data for the third parties without the consent of the Company.

OBJECTIVES

Standard aims to:

- define a common procedure of registration, storage, usage and destruction of the confidential data for Company;
- define legal, managerial, technical and other security measures in order to protect confidential data and prevent economic or material damage of Company from legal or physical parties resulting from the wrong or reckless act thereof by acquisition or disclosure of the confidential data.

TASKS

The tasks of the Standard are the following:

- to define the lists of information that comprise commercial confidentiality, professional secrecy for office use only and personal data;
- to limit access to the confidential information, which is constituting commercial secret, by establishing the order of handling such information and control over maintenance of such order;
- to establish the recordkeeping of bodies who received access to the commercial secret and/or bodies who this information was disclosed or passed to;
- to regulate the use of the commercial secret information by the employees under the labor agreements and by contractors under the civil law contracts;
- to define the order of putting Commercial secret designation with owner’s name thereof on the tangible media that comprises commercial confidentiality or adding document details, that do so.

SCOPE OF APPLICATION

This Standard shall be subject to compulsory implementation by the employees of:

- all Geoleader Ltd. business units, that use the confidential data.

Administrative, local regulatory and other internal documents must not be inconsistent with this Standard.

2. GENERAL TERMS

2.1 INTRODUCTORY PROVISIONS

2.1.1. This Standard was composed under the Federal law of July 29, 2004, No. 98-FZ On Commercial secret, Federal law of July 27, 2006, No. 149-FZ On information, informational technologies and protection of information, Federal law of July 27, 2006, No. 152-FZ On personal data, Decree No. 188 of March 6, 1997, of the President of the Russian Federation On Approval of the list of confidential information, Decree No. 1233 of November 3, 1994, of the Government of the Russian Federation On Approval of the statute on procedures for handling classified information in federal executive authorities, Order No. 90 of March 26, 2001 of the Ministry of Energy of the Russian Federation, Geoleader ltd. charter.

2.1.2. Standard regulates the relations associated with labeling the information as confidential and transferring such information, and defines a common procedure of work with confidential information for all Geoleader ltd. employees as well as security measures of confidential information in order to prevent access to thereof of third parties without the consent of the Company.

2.1.3. The terms of the Standard extend to confidential information regardless of the media type, which it is stored in.

2.1.4. The Company organizes the protection of the confidential information according to the legislation of the Russian Federation, company charter and this Standard.

2.1.5. The necessity of publication of the commercial secret, as well as the volume, form and time is determined by director general of the Company, or by third person responsible for media relations at the instruction of director general of the Company.

2.1.6. The information is the propriety of the Company.

2.1.7. The publication of the information received under the agreement or authorization, or as a result of cooperation is allowed only upon mutual consent of the partners, unless otherwise provided for by the contract.

2.1.8. Transferring the information to third parties is subject to contractual relationship (contract). The contract shall include the list of confidential information, security standards, including the instances of reorganization or termination of the contract by one of the parties, and the contractor's obligation to compensate the losses in case of disclosure of the confidential information in violation of the contract.

2.1.9. The information may be presented to the governmental authorities, bodies of local self-government within their rights and powers and in the manner prescribed by applicable law.

2.2. PROCEDURE FOR LABELING THE INFORMATION AS CONFIDENTIAL

The procedure for separating the most valuable parts from the entire volume of the Company's own information for subsequent protection is closely related to the production process and implied by the practice of competition. In order to make a decision on labeling the information as a commercial secret of the Company, it is advisable to first determine possible negative consequences in the event of disclosure thereof. These may include:

- termination of business relations with the partners of the Company;
- breakdown of negotiations, loss of profitable contract;
- non-fulfillment of contractual obligations;
- the necessity to conduct additional market research;
- use of information obtained by competitors to increase the effectiveness of economic rivalry;
- product price lowering or sales dip;
- damage to the authority of the Company;
- lowering the level of economic security;
- deterioration of the conditions for raising funds for the development of the Company;
- difficulties in the procurement of equipment;
- dismissal of the Company's employees, etc.

The commercial secret of Geoleader Ltd. is subject to its exclusive rights and its property in the part provided for by the current legislation.

Should a commercial secret be a result of the activities of several persons on a contractual basis, the rights to it are distributed between these persons in accordance with the terms of the agreement concluded between them regarding the distribution of such rights, and by law in the absence of such conditions. The holder of confidential information is required to take the necessary action to prevent discrepancies regarding the holders of rights to a commercial secret resulting from the activities of several persons.

The following information shall be considered to be information which cannot constitute a commercial secret of the Company:

- a) information contained in the Company's constitutive documents, documents confirming making an entry of legal entities to the corresponding state registers;
- b) information contained in the documents giving a right to conduct business;
- c) information on environment pollution, fire safety, sanitary and epidemiological and radiation situation, food safety and other factors negatively affecting the safe operation of production facilities, safety of each person and general population;
- d) information on number, employees, remuneration system, employment terms including labour safety, rates of accidents at work and occupational illness, job vacancies;
- e) information on employers' debts on payment of salary and other social benefits;
- f) information on violation of legislation of the Russian Federation and bringing to responsibility for such violations;
- g) information on terms of privatization auctions of state or municipal ownership;
- h) information on the list of persons authorized to act on behalf of the legal person without power of attorney;
- j) obligation of disclosure or impossibility of access restriction is stipulated by other federal laws.

Information which constitutes personal data shall be any information related to a physical party directly or indirectly defined or defined on the basis of such information (personal data subject).

3. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

3.1. PROCEDURE FOR DISCLOSURE OF CONFIDENTIAL INFORMATION

Confidential information received on a contractual or discretionary basis or being a result of joint activity shall be disclosed only with the contractor's consent.

Personal data shall be distributed or processed upon the consent of the personal data subject or without consent in cases stipulated by the legislation of the Russian Federation.

3.2. PROCEDURE FOR PROVISION OF CONFIDENTIAL DATA

Confidential information shall be provided to the state and local authorities as well as to other state bodies upon a reasonable request on a non-reimbursable basis.

A reasonable request shall be signed by an authorized officer, shall contain the purpose and legal ground for request of confidential information and its submission period unless otherwise provided by federal law.

Moreover, this information can be also provided upon request of courts, procuracy authorities, pretrial investigation authorities, investigation agencies on cases being considered by them in accordance with and on the basis of Russian legislation.

Documents provided to the above-mentioned bodies and containing confidential information shall be designated as confidential.

In accordance with the current legislation of the Russian Federation, officials of state authorities, other state agencies, local authorities, public employees of mentioned bodies may not disclose or transfer confidential information, which they received when executing their official duties, to other persons, state authorities, other state agencies, local authorities without consent of the owner of such information, except as required by the applicable legislation, as well as may not use this information for lucrative purposes or other personal goals.

Confidential information in electronic form via LAN and communication channels shall be transferred using secure data channels only in accordance with the legislation of the Russian Federation.

3.3. PROCEDURE OF CONFIDENTIAL INFORMATION TRANSFER

Confidential information shall be transferred based on the written instruction of the Director General of the Company.

Documents shall be transferred to employees upon signature in the log book.

Confidential information shall be transferred to third legal or physical party by the delivery-acceptance act.

A notification of receipt shall be a confirmation of delivery when transferring confidential information by post.

4. CONFIDENTIAL ACCESS PROCEDURE

4.1. ACCESS OF COMPANY EMPLOYEES TO CONFIDENTIAL INFORMATION

Company's employees shall access the confidential information after examining the present STANDARD, assumption of non-disclosure obligation, compliance with the requirements of confidentiality and signing the consent to personal data processing by employees.

The employee's access to confidential information shall be based on his consent unless provided by its employment duties.

The employee having access to confidential data:

- 1) shall sign and fully comply with the obligation of confidential information non-disclosure and compliance with the requirements of confidentiality;
- 2) shall comply with the requirements of confidentiality;
- 3) shall not disclose Company's and its contractors' confidential information and shall not use this information for personal purposes without their consent;
- 4) upon termination or cancellation of employment agreement shall transfer to the Director General of the Company all the available employee's tangible media containing confidential information;
- 5) shall examine the documents and execute works he is authorized to;
- 6) shall not allow the third parties including other employees of the Company who are not directly connected with the information to examine confidential information;
- 7) shall ensure access to a minimum scope of information required for successful completion of negotiations with third parties or private individuals;
- 8) in case of confidential information disclosure, loss of documents or inappropriate use of information shall take measures to prevent further disclosure, loss, misuse and immediately inform the manager.

The employee who got access to confidential information in connection with performance of employment duties shall be liable in accordance with the legislation of the Russian Federation in the event of deliberate or reckless disclosure of the information in the absence of criminal elements in his actions.

5. REFERENCES

1. Civil Code of the Russian Federation (part 1) dated November 30, 1994, No. 51-FZ.
2. Civil Code of the Russian Federation (part 2) dated January 26, 1996, No. 14-FZ.
3. Civil Code of the Russian Federation (part 3) dated November 26, 2001, No. 146-FZ.
4. Civil Code of the Russian Federation (part 4) dated December 18, 2006, No. 230-FZ.
5. Federal law of July 29, 2004, No. 98-FZ On Commercial secret.
6. Federal law of July 27, 2006, No. 149-FZ On information, informational technologies and protection of information.
7. Federal law of July 27, 2006, No. 152-FZ On personal data.
8. Federal law of July 27, 2010, No. 224-FZ On counteraction to unauthorized use of insider information and to market manipulation and about modification of separate legal acts of the Russian Federation.
9. Federal law of December 06, 2011, No. 402-FZ On accounting.
10. Federal law of April 22, 1996, No. 39-FZ On securities market.
11. Federal law of December 26, 1995, No. 208-FZ On joint-stock companies.
12. Federal law of July 18, 2011, No. 223-FZ On purchases of the goods, works, services by separate types of legal entities.
13. Decree No. 188 of March 6, 1997, of the President of the Russian Federation On Approval of the list of confidential information.
14. Decree No. 1233 of November 3, 1994, of the Government of the Russian Federation On Approval of the statute on procedures for handling classified information in federal executive authorities and authorized state body in atomic energy use.
15. Order of the FFMS of Russia dated 12.05.2011 No. 11-18/pz-n On Approval of the list of information related to insider information of the persons specified in clauses 1 – 4, 11 and 12, Article 4 of Federal Law On Counteracting illegal use of insider information and market manipulation and on introduction of amendments into individual legislative acts of the Russian Federation’ as well as the procedure and time of such information disclosure.
16. Order No. 90 of March 26, 2001 of the Ministry of Energy of the Russian Federation On Approval and enforcement of the list of information of the RF Ministry of Energy which is for official use only.

Director General
Geoleader LLC
A.N. Smirnov

