

Appendix 6 to the Minutes of the meeting of  
the Board of Directors  
of MOSTOTREST OJSC  
dated 9 July 2010

APPROVED  
9 July 2010  
by Resolution of the Board of Directors  
Minutes 6/n dated 9 July 2010

**REGULATIONS**  
**on the Auditing Committee of the Board of Directors**  
**of MOSTOTREST Open Joint Stock Company**

Moscow  
2010

## **Article 1.**

### **General provisions**

- 1.1. These Regulations on the Auditing Committee of the Board of Directors (hereinafter referred to as "the Regulations") of MOSTOTREST Open Joint Stock Company (hereinafter, "the Company") have been approved in accordance with the effective legislation of the Russian Federation, the Company's Articles of Association and the Regulations on the Convening and Holding of Meetings of the Board of Directors of the Company.
- 1.2. The Auditing Committee of the Company's Board of Directors (hereinafter, "the Auditing Committee") has been created by resolution of the Board of Directors to help exercise control over the Company's business operations.
- 1.3. The Auditing Committee's function is to assist the Board of Directors in monitoring the completeness and accuracy of the Company's financial and other reporting, its preparation and submission, together with the functioning of the corporate compliance system, corporate audit, risk management, compliance with the legislation, the Company's Articles of Association and other corporate documents.
- 1.4. The Auditing Committee reports to the Board of Directors.
- 1.5. The Auditing Committee is governed by the effective legislation of the Russian Federation, the Company's Articles of Association, Regulations on the Convening and Holding of the Meetings of the Board of Directors, resolutions of General Meetings of Shareholders and the Board of Directors of the Company, these Regulations and other Company corporate documents.

### **Article 2. Functions and powers of the Auditing Committee**

- 2.1. The Auditing Committee has the following functions:
  - 2.1.1. To assess candidate Company auditors;
  - 2.1.2. To assess the opinions of the Company auditor;
  - 2.1.3. To assess the efficiency of the Company's corporate compliance and auditing system and to prepare proposals for the Board of Directors on how to improve them.
- 2.2. In accordance with the functions specified in Clause 2.1, the Auditing Committee shall:
  - submit to the Board of Directors its assessments of candidate Company auditors, prepare recommendations for the Board of Directors on the candidate Company auditor and on abandoning the services of such auditor;
  - prepare recommendations for the Board of Directors on the fees to be paid to the Company auditor and the volume of such auditor's services;
  - exercise control over the competitive selection, if any, of the Company's auditor;
  - analyse and discuss with the Company auditor important issues arising in the process of auditing the Company's financial (accounting) reports, prior to publication of such reports;
  - assess the opinion of the Company auditor and analyse comments on the given opinion offered by the Company's management, prior to submitting such opinion to the General Meeting of Shareholders (the assessment of the auditor's opinion prepared by Auditing Committee shall be provided together with other materials intended for the Company's Annual General Meeting of Shareholders);
  - to ensure independence of the external auditor, the Auditing Committee shall annually request from such external auditors official written confirmation of their independence from the Company; discuss with foreign auditors any aspects of relations between the auditors and the Company and their influence on the auditors' independence;
  - analyse annual reports prior to their submission to the Board of Directors and provisional (quarterly) reports prior to their announcement, including assessment

- of their completeness and their conformity with the information known to the members of the Auditing Committee;
- assess the use of proper accounting principles in preparation of the financial reports. Analysing the reports, the Auditing Committee shall pay particular attention to: disclosure of complex and/or unusual operations; issues implying a professional judgement (assessment), such as evaluation of assets and liabilities, disclosure of information on guarantee obligations, environmental protection obligations, reserves against legal proceedings and other conditional obligations;
  - detect unlawful doings, shortfalls in the corporate compliance system and other such issues, also assessing their impact on the reporting;
  - supervise development and implementation of the Company's reporting policy;
  - meet regularly with the management to discuss the essential risks and problems of control and relevant plans of the management;
  - analyse the results and quality of performance of management-developed measures (correcting measures) to improve the corporate compliance system;
  - consider reports from the Company's Corporate Compliance Service, controlling compliance with internal control procedures with respect to the Company's business operations, assess the efficiency of the corporate compliance system, risk management and corporate governance, reporting and assessing any irregularities detected;
  - consider annual reports from the Company's Corporate Compliance Service;
  - assess the Company's internal control and risk management procedures, develop proposals and recommendations for improving these procedures, submit them to the Board of Directors;
  - analyse and develop proposals to the Board of Directors for improving the system for coordinating the Company's non-standard operations;
  - prepare opinions, either at the request of the Board of Directors or on its own initiative, on certain issues within its terms of reference, also submitting annual reports on the performance of the Auditing Committee to the Board of Directors;
  - consider reports, opinions and other documents of the Company's Internal Audit Commission on irregularities uncovered during the relevant period of the Company's performance;
  - present opinions on irregularities uncovered during the relevant period for consideration at meetings of the Board of Directors, as well as on ways and methods for remedying and preventing them;
  - prepare proposals on amendments to these Regulations;
  - coordinate the work schedule of the Corporate Compliance Service;
  - if necessary, develop special assignments and projects for the Corporate Compliance Service;
  - analyse the activities and organisational structure of the Corporate Compliance Service and take steps to prevent (liquidate) unjustified restrictions on the activities of the Corporate Compliance Service on the part of Company's governing bodies, officers and other employees;
  - hold regular closed meetings involving the Corporate Compliance Service to discuss problems and issues requiring special consideration;
  - exercise other powers required for the Auditing Committee to implement its functions.

### **Article 3. Composition and formation of the Auditing Committee**

- 3.1. The Auditing Committee shall consist of 3 (three) Board Directors of the Company.
- 3.2. The Auditing Committee shall be chaired by the Chairperson of the Auditing Committee, who shall meet the requirements specified in Clause 3.3 hereof.

- 3.3. The Chairperson of the Auditing Committee shall meet the criteria established for independent directors on the Board of Directors in line with the requirements specified by the federal executive body for the securities market for including and maintaining Company securities on the quotation lists of Russia's stock exchanges of the appropriate level, as well as Company corporate documents.
- 3.4. The other members of the Auditing Committee shall not be persons performing the functions of the Company's sole executive body.
- 3.5. The Chairperson and other members of the Auditing Committee shall be elected by the Board of Directors by three quarters of the votes of the elected Board Directors.
- 3.6. The members of the Auditing Committee shall be elected for the period until the next Board of Directors is elected, according to a resolution of the Board of Directors passed by three quarters of the votes of the elected Board Directors. The powers of all or some of the members of the Auditing Committee may be terminated early.
- 3.7. The Chairman of the Auditing Committee shall organise the work of the Auditing Committee, among other things:
  - 3.7.1. convene and chair meetings of the Auditing Committee;
  - 3.7.2. organise discussion of issues at meetings of the Auditing Committee and hearing of the opinions of people invited to take part in the meeting;
  - 3.7.3. organise preparation of and sign the Minutes of the Auditing Committee's meeting;
  - 3.7.4. distribute duties among the members of the Auditing Committee;
  - 3.7.5. sign documents developed and approved by the Auditing Committee in performance of its functions;
  - 3.7.6. submit to the Board of Directors written reports on the performance of the Auditing Committee, providing the necessary explanations on its contents;
  - 3.7.7. if necessary, ensure the presence of Board Directors, members of the Company's executive bodies, heads of the Company's structural departments, a representative of the external auditor, and other persons at meetings of the Auditing Committee;
  - 3.7.8. if necessary, invite external consultants on legal, accounting and other matters;
  - 3.7.9. perform other functions envisaged by the effective legislation, the Company's Articles of Association, these Regulations and other Company corporate documents.
- 3.8. Members of the Auditing Committee shall have unhindered access to any Company documents and information, subsidiaries and affiliates through the body or person authorised to represent the Company's interests as a participant (shareholder) in such subsidiaries and affiliates, unless otherwise provided for by law or other regulatory and non-regulatory acts binding on the Company.

#### **Article 4. Meetings of the Auditing Committee, the procedure for passing resolutions of the Auditing Committee**

- 4.1. The Auditing Committee shall meet regularly, at least once a quarter. The decision on convening the Auditing Committee's meeting shall be made by the Chairperson of the Auditing Committee either on his/her own initiative or on the basis of proposals from Auditing Committee members, Board Directors, the Company auditor, the Internal Audit Commission, the person performing the functions of the Company's sole executive body (including management organisation or manager), and the Corporate Compliance Service.
- 4.2. A decision of the Auditing Committee may be passed by absentee voting (by poll). Written opinions of the Auditing Committee members may be sent by post, telegraph, teletype, fax, and electronic communications using a digital signature, or any other means of communications ensuring the authenticity of the written opinions of the Auditing Committee members and their documented confirmation.
- 4.3. A meeting of the Auditing Committee shall be considered valid (to have a quorum) if most of the Auditing Committee members are present (or if their written opinions are received before the meeting begins).

- 4.4. The interest of the Auditing Committee members in considering certain issues shall be voiced thereby at the meeting the Auditing Committee, of which the Board of Directors shall be duly notified.
- 4.5. Each member of the Auditing Committee shall have one vote. Resolutions of the Auditing Committee shall be passed by a majority of the votes of the Auditing Committee members present at the meeting, which shall also be reflected in the Minutes.
- 4.6. The Minutes of the Auditing Committee shall specify:
- the date, time and venue of the meeting (the date of a meeting in absentia);
  - the agenda;
  - the list of Auditing Committee members who took part in the meeting (meeting in absentia);
  - issues put to the vote and voting results (including voting results for each Auditing Committee member who took part in the meeting);
  - resolutions passed.
- Materials, opinions, proposals, and recommendations prepared by the Auditing Committee shall be attached to the Minutes, as well as special opinions of the Auditing Committee members.
- 4.7. The Company's officers and employees may be invited to attend Auditing Committee meetings to deliver reports and provide explanations, including the person performing the functions of the Company's sole executive body, representatives of the Company auditor, experts invited by the Auditing Committee, and other persons.

#### **Article 5. Financing the Auditing Committee**

- 5.1. To provide for the activities of the Auditing Committee, the Company's budget may allocate financing for the Auditing Committee's activities, including funds to cover the Committee's expenses in organising meetings within the Auditing Committee's terms of reference.

#### **Article 6. Final provisions**

- 6.1. The provisions of these Regulations shall be binding on the Company, its shareholders, Board Directors and other officers and employees of the Company.
- 6.2. These Regulations, as well as any amendments hereto, shall be approved by the Board of Directors by three-quarters of the votes of the elected Board Directors. If any provisions hereof come into conflict with the effective legislation as a result of the changes thereto, such provisions become invalid, with the respective legislation prevailing. Provisions of these Regulations running counter to the effective legislation shall not have any impact on the legal nature of the remaining provisions hereof, while the Company shall apply its best endeavours to replace such invalid provisions with new articles in compliance with the effective legislation.
- 6.3. If these Regulations and the Articles of Association do not contain any provisions regulating certain aspects of the Auditing Committee's activities, preference shall be given to the effective legislation and resolutions of the General Meeting of Shareholders and the Board of Directors, and other Company corporate documents.