

APPROVED

by General Meeting of Shareholders
minutes № dated on 25th of May, 2002
Chairman of the Meeting
FRANK S.O.

**Statute of the
Audit Committee of JSC “Aeroflot”**

(edition №3)

Moscow, 2002.

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This regulation determines the order of Audit Committee of Joint Stock Company "Aeroflot - Russian Airlines" (the Company) performance.

Article 1. General purposes of the Company's Audit Committee.

1.1. The Company's Audit Committee exercises control over financial and production performance of the Company, its divisions and services, subsidiaries and representatives. The control, exercised by the Audit Committee, includes comprehensive and operative examination and audit of the Company's financial and production performance, analyzing the results with special concern about fairness of accounting and financial reports, efficiency determination and accordance of financial and production operations held in the Company to norms and legal acts of the Russian Federation, decisions of the General Meeting of Shareholders and the Board of Directors of the Company.

The complex of activities on exercising control may include consulting on the questions of financial and production performance organization and control over fulfilling the requirements of Auditing Commission ordering documents on the results of held examination and audit.

The Audit Committee is entitled to exercise complex and operative examination and audit of financial and production performance of subsidiaries and other companies in which the Company by virtue of its prevalent participation in authorized capital or by any other possibility has power to exercise control over the decisions, taken by such companies, pursuant to all the requirements of the Russian Federation legislation.

1.2. The Company's Audit Committee follows the Russian Federation legislation, the Company's Charter, the decisions of the General Meeting of Shareholders and this regulation.

1.3. The Audit Committee is accountable to the Company's General Meeting of Shareholders. On discovering the facts of its unfair work, the Company's General

Meeting of Shareholders is entitled to reelect its members or the whole composition of the Audit Committee ahead of time of suspending its authority.

Article 2. Composition and election order of the Company's Audit Committee.

2.1. The number of Audit Committee members is 5 persons. The Audit Committee is elected for the term to **the next annual General Meeting of Shareholders. Persons, elected in the composition** of the Company's Audit Committee may be reelected for a new term infinite number of times. If one of members of the Auditing Commission leaves ahead of set for his authority term, a new member may be elected by the General Meeting of Shareholders for the rest period.

2.2. The Audit Committee shall not include members of the Board of Directors, members of the Managing Board, General Director, members of the Accounting Commission of the Company.

2.3. The Audit Committee is elected by the General Meeting of Shareholders. A candidate is deemed elected if owners of more than 50 percent of the Company's voting shares, present at the General Meeting of Shareholders, voted for him. If the number of candidates, which are voted by the owners of more than 50 percent voting shares, present at the General Meeting of Shareholders, exceeds the prescribed numerical composition of the Company's Audit Committee, than 5 candidates collected the maximum number of voices are deemed elected.

Shares, possessed by members of the Company's Board of Directors or by persons, filling positions in the managing bodies of the Company, shall not participate in voting on election of members of the Audit Committee.

Article 3. Functions of the Company's Audit Committee.

3.1. The Audit Committee exercises complex and operative examination and audit of the financial and production performance of the Company. Complex and operative examination and audit pursuant to requirements and terms, determined by this Regulation, may be exercised on the instruction of the General Meeting of Shareholders, the Board of Directors, shareholders (a shareholder), possessing totally at least 10 percent of the Company's voting shares, and also pursuant to initiative of the Company's Audit Committee itself.

Operative examination and audit consist of examination and audit of keeping financial and production discipline, efficiency of money and material resources usage, state of bookkeeping and accounting, availability of money resources and values, working out recommendations on liquidating the terms of arising drawbacks in financial and production performance of the Company. Operative examination and audit may be exercised regarding the Company, its structural divisions.

Complex examination of the financial and production performance of the Company is held at least once a year.

The results of held examination and audit are formed by Company's Audit Committee acts and reports, which copies in appropriate cases are forwarded to the executive bodies of the Company, the Board of Directors or the General Meeting of Shareholders. The chairman of the Audit Committee keeps originals of Audit Committee acts and reports.

On results of the Company's financial and production performance examination the Company's Audit Committee works out a report that shall include:

- § confirmation of fairness of the data, given in reports and other financial documents of the Company;
- § information about facts of violating order of bookkeeping and presenting financial reports, imposed by the Russian Federation legislation, and also the Russian Federation norms and legal acts on making financial and production performance by the Company.

3.2. Performing its functions, the Company's Audit Committee may exercise the following activities:

- § examination of financial and bookkeeping documentation of the Company, reports on the property inventory of the commissions, comparison the given documents with the data of original bookkeeping;
- § examination of legality of concluded by the Company agreements, transactions, settlements with contracting parties;
- § analysis of accordance of bookkeeping and accounting to the existing normative regulations;
- § examination of timeliness and correctness of tax deduction and other obligatory payments;
- § examination of timeliness and correctness of charge and payment of dividends per shares, interests on bonds, paying off other liabilities;
- § examination of correctness of composition of the Company's balance sheet, reporting documentation for tax bodies, statistic bodies, government bodies;
- § examination of competence of decisions, taken by the Company's executive bodies, their accordance to the Company's Charter and decisions of the General Meeting of Shareholders.

Article 4. Rights and competence of the Company's Audit Committee.

4.1. The Audit Committee with aim to perform its functions appropriately has the right:

- § to request and receive from the Company's Managing bodies, its divisions and services **and also from** persons, exercising managing functions in the Company all the documents and materials, which are necessary to the Audit Committee, in term of at least 5 days after submitting an appropriate **letter of inquiry**;

- § to request pursuant to the order, set by the Russian Federation legislation, from empowered persons and bodies of the Company to call the meetings of Managing board, the Board of Directors, the General Meeting of Shareholders in cases, which request the decisions on the questions that are in competence of given Company's managing bodies;
- § to request personal explanations from the Company's employees, including persons, exercising managing functions in the Company, on questions that are in competence of the Audit Committee;
- § to engage specialists and experts to perform its work, that are not in the staff , concluding contracts with them at the expense of the Company;
- § to inform the Board of Directors in the written form about all the cases of refusal of the Company's employees, including persons, exercising managing functions in the Company, to submit requested documents, materials and personal explanations;
- § to bring up a question to the Board of Directors and executive bodies of the Company about responsibility of employees, including persons, exercising managing functions in the Company, in the case of violating Russian Federation legislation, the Company's Charter and internal administrative documents.

In a case of proved violation the Company's Audit Committee is entitled to demand that the Company's Board of Directors and executive bodies should take relevant measures to remove the violations in certain terms.

4.2. The Audit Committee does not have the right to cancel the decisions of the Company's Board of Directors and executive bodies, however it is entitled in a case of arising a considerable threat to the Company's interests or revealing serious abuses, made by persons, exercising managing functions in the Company, to demand that an extraordinary General Meeting of Shareholders should be called in the order, imposed by the Russian Federation legislation and the Company's Charter.

In a case of revealing such serious violations in the Company's General Director activities the Audit Committee shall inform the Board of Directors that is entitled to suspend the authority of the Company's General Director until calling an extraordinary General Meeting of Shareholders at the request of the Audit Committee.

4.3. The Company's Audit Committee has its own form with its requisite.

4.4. Members of the Auditing Commission **shall** participate in the Company's General Meeting of Shareholders and **have the right** to participate in the Board of Directors and Managing board meetings on deeming the questions, belonging to their competence.

4.5. The Company's Board of Directors, executive bodies shall render all the necessary assistance to the Auditing Commission activity.

Article 5. Duties of the Company's Audit Committee.

5.1. On conducting examination and audit members of the Company's Audit Committee shall study properly all the documents and materials related to the subject of examination and audit. If the facts, reflected in acts, reports or other documents, do not answer the truth, members of the Audit Committee are brought to account in the order, provided for by the Russian Federation legislation.

5.2. The Company's Audit Committee shall:

§ inform the General Meeting of Shareholders, the Board of Directors, the Company's executive bodies in proper time about the results of conducted examination an audit in form of conclusions, acts written reports, reporting notes, statements at the Company's managing bodies meetings;

§ request to call an extraordinary General Meeting of Shareholders in a case and order, imposed by the Russian Federation legislation, the Company's Charter and **p.4.2.** of this Regulation.

5.3. The Audit Committee shall at least 2 months prior to the date of holding the annual General Meeting of Shareholders of the Company start examining financial and production performance of the Company, auditing the data, including in the annual accounting report, profit and loss account and other documents, concerning financial and production performance, intended to submission at the annual General Meeting of Shareholders of the Company. The Audit Committee submits to the Company's Board of Directors its report on the results of examining financial and production activities of the Company at least **40** days prior the date of holding the annual General Meeting of Shareholders. Annual accounting reports, profit and loss accounts of the Company shall not be submitted to the General Meeting of Shareholders approval without the Audit Committee report.

5.4. Members of the Company's Audit Committee shall keep the commercial secrets, information which are confidential and to which members of the Audit Committee get access on exercising their functions.

Article 6. Meetings of the Company's Audit Committee.

6.1. Consideration of the questions of the Audit Committee activity takes place at its meetings. The Company's Audit Committee meetings are held pursuant to the approved plan and also before starting examination or audit and on their results.

6.2. The Audit Committee meetings are called at the initiative of the Audit Committee Chairman or a person, empowered by the Audit Committee Chairman. A member of the Company's Audit Committee may request to call an extraordinary Audit Committee meeting in a case of revealing violations which request immediate decisions of the Company's Audit Committee.

6.3. The Audit Committee meetings are authorized if at least one have of its members are present.

6.4. Decisions, acts, reports of the Company's Audit Committee are taken and approved by a majority voting of its members, present at the meeting. If the number of votes of members of the Audit Committee the Chairman's vote is deemed casting.

At the Audit Committee meetings the minutes of a meeting are kept. A member (members) of the Audit Committee in a case of his disagreement is entitled to put his special opinion in the minutes of a meeting. Minutes of the Audit Committee meetings shall be available for shareholders to be considered.

6.5. The Audit Committee elects a chairman and a secretary from its composition.

The Chairman of the Audit Committee forms agendas of the Audit Committee meetings and represents the Audit Committee at the Company's General Meetings of Shareholders, the Board of Directors, Managing board meetings and other instances, signs documents on behalf of the Audit Committee.

The Secretary of the Audit Committee keeps records of the Commission, organizes keeping minutes and meetings, informs addressees of the decisions, acts, reports, attests copies of the Company's Audit Committee documents.

Article 7. Concluding regulations.

7.1. Activities, conducted by the Company's Audit Committee are financed at expense of resource, allocated for these purposes by the Company.

7.2. An order and amount of remuneration and compensation, paid to members of the Audit Committee **in a period of performing their obligations**, are set by a decision of the Company's General Meeting of Shareholders.