

APPROVED  
by the General Meeting of Shareholders of  
Mobile TeleSystems Open Joint Stock Company  
Minutes No.17 dated June 23, 2006

Chairman of the General Meeting of Shareholders

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STATUTE  
ON THE AUDIT COMMISSION  
OF MOBILE TELESYSTEMS  
OPEN JOINT STOCK COMPANY

Moscow  
2006

## 1. GENERAL PROVISIONS

1.1. The Statute on the Audit Commission of Mobile TeleSystems Open Joint Stock Company (hereinafter “MTS OJSC” or the “Company”) is based on the existing law and the Company’s Charter.

1.2. The Statute on the Audit Commission of Mobile TeleSystems Open Joint Stock Company (hereinafter the “Statute”) is the Company’s internal document which determines the legal status, object of activity, competence, formation procedure, basic tasks of and regulations for the Audit Commission (internal auditor) and also determines the rights and responsibilities of the Audit Commission members.

1.3. The Audit Commission shall be an elected body working on a permanent basis. The Audit Commission shall supervise, on a regular basis, the financial and business activities of the Company, the activities of its managerial bodies and officers (including the Company’s stand-alone units, departments, branches and representative offices) by means of documentary and actual verification of:

- legality, feasibility and efficiency (expediency) of the Company’s business and financial operations during the period under audit;
- completeness and accuracy of recognition of business and financial operations in the Company’s management documents;
- legality, feasibility and efficiency of actions of the officers of the Company’s managerial bodies and head executives of its structural units (departments, branches, representative offices) from the point of view of compliance with the law of the Russian Federation, the Company’s Charter, approved plans, programs and other internal documents of the Company.

1.4. In its activity the Audit Commission shall follow the rules established by the Russian law, the Company’s Charter, other internal documents of the Company and this Statute.

1.5. The Audit Commission shall be independent from the officers of the Company’s managerial bodies and shall report only to the General Meeting of the Company’s Shareholders.

1.6. The Audit Commission shall respond to the General Meeting of Shareholders for reliability and neutrality of audit results.

1.7. The Company’s officers, heads of structural and stand-alone units (departments, branches and representative offices) shall provide assistance to the Audit Commission in carrying out the audits.

## 2. FORMATION OF THE AUDIT COMMISSION

2.1 The size of the Audit Commission shall be determined by the resolution of the General Meeting of Shareholders. The Audit Commission shall consist of at least three (3) members.

2.2. Members of the Audit Commission shall be elected at the Annual General Meeting of Shareholders for a period until the next Annual General Meeting of Shareholders from candidates nominated in the established order by Shareholders that have in their ownership at least 2% of the Company’s voting shares and included by the Company’s Board of Directors in the list of candidates put to vote in elections to the Company’s Audit Commission.

2.3. In case the Shareholders have not nominated candidates for election to the Audit Commission or the number of nominees is less than the size of the Audit Commission recommended by the Board of Directors, the Company’s Board of Directors may at its own discretion include candidates in the list of candidates for election to the Audit Commission.

2.4. Candidates who got the majority of votes of Shareholders—owners of voting shares participating in the General Meeting of Shareholders shall be considered elected to the Audit Commission.

2.5. Candidates to the Audit Commission shall confirm in writing their consent for election to the Audit Commission.

2.6. Members of the Audit Commission may not at the same time be members of the Board of Directors or hold other offices in the Company's managerial bodies.

2.7. Information on the candidates to the Audit Commission and information on the existence or lack of their written consent for election to the Audit Commission shall be made available to Shareholders in the course of preparation for the General Meeting of Shareholders.

2.8. Persons elected to the Audit Commission may be reelected unlimited number of times.

2.9. Shares owned by members of the Company's Board of Directors or by persons holding offices in the Company's managerial bodies may not participate in voting in election of members of the Audit Commission.

2.10. The Audit Commission may be reelected at the Extraordinary General Meeting of Shareholders. The Extraordinary General Meeting of Shareholders whose agenda includes an item on the election of the Audit Commission members may not be conducted by way of remote voting.

2.11. Powers of any member of the Audit Commission (all members of the Audit Commission) may be early terminated by a resolution of the Extraordinary General Meeting of Shareholders. The Extraordinary General Meeting of Shareholders is entitled to decide on the early termination of powers of all members of the Audit Commission only in parallel with the election of a new Audit Commission.

2.12. In case of early termination of powers of any member of the Audit Commission or his resignation from the Audit Commission the powers of remaining members of the Audit Commission shall not be terminated.

2.13. In case the Company's Audit Commission or some of its members are elected at the Extraordinary General Meeting of the Company's Shareholders, the Audit Commission (its members) shall be considered elected till the date of the Annual General Meeting of the Company's Shareholders.

2.14. Members of the Audit Commission during the period of their office may get remuneration and/or compensation for expenses related with performance of their duties. The amount of such remuneration and compensation shall be determined by the resolution of the General Meeting of Shareholders following recommendations of the Company's Board of Directors.

2.15. Organization and management of the Audit Commission activity shall be the responsibility of its Chairman. The Chairman of the Audit Commission shall be elected from among its members at the first meeting and may be reelected at any time by a majority of votes of the total number of elected members of the Company's Audit Commission.

### 3. FUNCTIONS AND TASKS OF THE AUDIT COMMISSION

- 3.1. The Audit Commission, within the scope of its competence determined by the existing law and the Company's Charter, shall:
- 3.1.1. Perform planned documentary audit of financial and business activities of the Company based on results of operations for the year as well as non-planned audits on its own initiative, in accordance with resolutions (instructions) of the General Meeting of Shareholders, Board of Directors or at request of the Company's Shareholder(s) owning in aggregate at least 10% of the Company's voting shares;
  - 3.1.2. Draw up an opinion based on audit results which shall include:
    - information on facts of infringement by the Company of: legal acts of the Russian Federation, accounting and financial reporting procedures established by legal acts of the Russian Federation, approved internal documents of the Company, budgets, cost estimates, plans and programs;
    - confirmation of reliability of data contained in the Company's annual report, annual accounting reports, financial statements and other financial documents of the Company;
    - estimation of expediency and efficiency of financial and business transactions made by the Company;
    - proposals on improvement of the Company's financial and business management systems and internal supervision systems;
    - proposals on measures that will help to strengthen the Company's financial and economic position;
  - 3.1.3. Request the calling of the meeting of the Company's Board of Directors;
  - 3.1.4. Request the calling of the Extraordinary General Meeting of the Company's Shareholders;
  - 3.1.5. Make arrangements for calling the Extraordinary General Meeting of Shareholders in cases provided for by Article 55, paragraph 8 of the Federal Law on Joint Stock Companies;
  - 3.1.6. Elect the Chairman and the Secretary of the Company's Audit Commission;
  - 3.1.7. Develop and approve its work plan for a period until the Annual General Meeting of the Company's Shareholders;
  - 3.1.8. Develop on its own a form and procedure for planned and non-planned inspections (audits) and for the preparation of an opinion based on audit results;
  - 3.1.9. Exercise supervision over the elimination of breaches and drawbacks revealed in the course of audits, over the implementation of the Audit Commission's recommendations and plan of actions aimed at the elimination of breaches and drawbacks;
  - 3.1.10. Take decisions on carrying out non-planned inspections on the initiative of the Company's executive management bodies.
- 3.2. Issues of inspections carried out by the Audit Commission shall be the following:
- 3.2.1. Observance by the Company of legal acts of the Russian Federation in its financial and business operations, accounting and financial reporting; reliability of data contained in reports and other financial documents of the Company; observance by officials of the Company's economic interests and other issues including:
    - completeness and reliability of presentation of the Company's capital, property and transaction parameters in the Company's documents;
    - observance by the Company's officials of the laws in force and of the economic interests of the Company when entering into transactions, especially transactions that require a preliminary approval thereof by the Company's Board of Directors and by the General Meeting of Shareholders (i. e. major transactions and transactions in whose completion

- there is an interest) as well as other transactions that require a preliminary approval by the Board of Directors, including transactions not provided for by the Company's financial and business plan (budget);
- implementation of approved plans, budgets, cost estimates; observance of established limits;
  - safety of monetary funds and property, integrity of property and non-property rights, efficiency of use of assets and other resources of the Company, identification of nonproductive expenses and losses;
  - compliance of prices for the property acquired/sold by the Company with market prices;
  - soundness of the Company's accounts receivable and timeliness of recovery thereof;
  - results of inventory auditing, compliance between results of physical inventory count and primary accounting data;
  - soundness of posting expenses to the cost of products (works, services);
  - soundness of penalties applied to the Company;
  - audit of correctness of forming the Company's financial results and reflection thereof in the Profit and Loss Statement;
  - audit of document processing, management and storage.
- 3.2.2. Evaluation of the Company's current financial status and financial status indicators, identification of symptoms of bankruptcy;
- 3.2.3. Fulfillment of resolutions of the General Meeting of Shareholders and of the Board of Directors;
- 3.2.4. Verification of competence of resolutions adopted by the Company's Board of Directors, their compliance with resolutions of the General Meeting and the Company's Charter;
- 3.2.5. Verification of compliance of resolutions adopted by the Company's executive management bodies in respect of financial and business activities with resolutions of the Board of Directors, General Meeting and with the Company's Charter;
- 3.2.6. Elimination by the Company's executive management bodies of drawbacks indicated in previous audit reports;
- 3.2.7. Other issues depending on specific aspects of financial and business activities of the Company whose auditing would allow to reduce risks in financial and business operations of the Company and to improve its financial indicators.

#### 4. RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE AUDIT COMMISSION

- 4.1. The Audit Commission, when performing its functions, shall have the right:
- 4.1.1. To enter without hindrance into all office premises of the Company, to inspect storage areas and to check the existence and safety of the Company's property, monetary funds and documents; to get an access to all documents of the Company (accounting and financial documents, plans, reports, references, cost estimates etc.);
- 4.1.2. To receive from heads of the Company's managerial bodies, heads of structural divisions (departments, branches and representative offices), materially-responsible persons and the Company's employees verbal and written explanations and information in respect of questions that may arise in the course of inspection;
- 4.1.3. On the basis of power of attorney issued by the President of the Company, to verify settlements with the Company's debtors and creditors, to get familiarized with the Company's banking documents at the place of their keeping in banks (if necessary and if possible);
- 4.1.4. To exercise supervision over the existence, flow, completeness and reliability of recognition in accounting and reporting documents of the property and monetary funds, formation of expenses and revenues, production volumes, works carried out and services provided;

- 4.1.5. To give instructions to officers of the Company's executive management bodies, to heads of structural divisions (departments, branches and representative offices), materially-responsible persons on taking immediate measures with respect to revealed breaches if a failure to take such measures may result in loss of valuables, documents or give way to further abuses;
- 4.1.6. To be present at inventory taking and to request the Company's executive management bodies to carry out a non-planned general or partial inventory check of the Company's property and transactions (fixed assets, inventories, settlements with customers and suppliers, securities, monetary funds etc.);
- 4.1.7. To receive from officers of the Company's management bodies, heads of the Company's structural divisions and its materially-responsible persons the documents needed by the Audit Commission in connection with the subject of the audit (created in the process of the Company's operations or in the process of work of its management bodies or connected with (related to) the Company's operations or the work of its management bodies, including but not limited to, the following documents:
- foundation, registration, constitutive, planning, reporting, accounting, financial, managing and other documents;
  - minutes of meetings of the Company's management bodies (General Meeting of Shareholders, Board of Directors), business correspondence, reports of the Company's auditors, documents relating to inspections of the Company carried out by government and municipal financial and tax authorities.
- Requested documents shall be submitted to the Commission no later than within two (2) days from the date of request.
- 4.1.8. To propose for consideration by the officers of the Company's management bodies the issue of application of measures of disciplinary and material liability to the Company's employees (including officers of the Company's executive management bodies) in case of revealing the facts of their failure to comply with the Company's Charter, job description and other internal documents of the Company;
- 4.1.9. To receive time schedules and agendas of planned meetings of the Company's Board of Directors and General Meetings of Shareholders, to ask the Company's Board of Directors about the participation of the Commission representatives in the meetings of the Board of Directors and, on the invitation of the Board of Directors Chairman, to attend the meetings of the Company's Board of Directors; to participate in the meetings of the Company's Board of Directors in advisory capacity when information presented by the Audit Commission is discussed;
- 4.1.10. To give proposals on improvement of internal supervision procedures, upgrade of the Company's operations efficiency, reduction of risks in financial and business operations;
- 4.1.11. To offer proposals with respect to work plans of the Company's management bodies, to request in the established order the calling of a meeting of the Company's Board of Directors and/or of the General Meeting of the Company's Shareholders (in accordance with the procedure established by the law of the Russian Federation and the Company's Charter) in cases when infringements revealed in the course of audit or operations have resulted or may result in a substantial damage to economic interests of the Company's shareholders and adoption of appropriate decisions is within the competence of the said management bodies of the Company;
- 4.1.12. If necessary, to invite, upon co-ordination with the Company's President, for participation in the project on a contractual basis (provided that the Commission's budget has the required funds and the conditions of confidentiality and commercial secret are observed) independent experts in respective areas (law, economics, finance, accounting, management, economic security, construction etc.), including specialized organizations.

- 4.2. The Audit Commission of the Company is obliged:
- 4.2.1. To perform audits of the Company's financial and business activities based on results of the Company's operations for the year and also at any time on the initiative of persons mentioned in the Federal Law on Joint Stock Companies, the Company's Charter and this Statute;
  - 4.2.2. To draw up an Opinion based on results of the audit of the Company's financial and business activities;
  - 4.2.3. To reflect in an unbiased manner in audit materials the revealed drawbacks, facts of breaches and abuses with indication of causes thereof, guilty persons, the amount of caused damage;
  - 4.2.4. To insure in the course of its activity the observance of established within the Company procedures for the work with documents as well as observance of commercial secret and confidentiality of information disclosed to members of the Commission in the course of audit;
  - 4.2.5. In case of revealing the facts of abuse of powers by heads of the Company's structural departments, facts of defalcation, misappropriation, deficiencies and unlawful spending of monetary funds and tangibles to draw up an interim act and to inform the President of the Company about such facts;
  - 4.2.6. In case the audit reveals the facts of financial or administrative infringements that carry a substantial threat to the Company's economic interests, to present the issue for discussion at the meeting of the Audit Commission with the request to call a meeting of the Board of Directors and/or an extraordinary Meeting of the Company's Shareholders if resolutions on such issues are within the competence of the said management bodies of the Company;
  - 4.2.7. To inform without delay the Board of Directors and to report to the General Meeting of the Company's Shareholders about results of planned and non-planned audits of the Company's financial and business activities, about revealed facts of low efficiency and/or unsoundness of financial and business transactions, infringements of the law of the Russian Federation, the Company's Charter and the Company's internal documents committed by the Company's officials and by heads of the Company's structural divisions (departments, subsidiaries, representative offices) and about other financial and administrative infringements;
  - 4.2.8. In case of audit carried out at the request of the Company's Shareholder(s) owning in aggregate at least 10% of the Company's voting shares, to inform such Shareholders about the results of the audit.
  - 4.2.9. To supervise over the elimination of faults and infringements revealed in the course of previous audits and over the implementation of measures aimed at the elimination of such faults and infringements.
- 4.3. Members of the Audit Commission shall be held liable for the performance of their duties not in good faith.
- A member of the Audit Commission at the request of the Company's shareholder(s) who own in aggregate at least 10% of the Company's voting shares and voted for his election shall submit to such shareholders a report on his work.

## 5. REGULATIONS FOR THE AUDIT COMMISSION

- 5.1. The Chairman of the Audit Commission shall be responsible for:
- 5.1.1. Planning the work of the Company's Audit Commission;
  - 5.1.2. Calling and conducting the meetings, solving issues relating to the preparation for and conducting of the meetings of the Company's Audit Commission, approving agendas for the meetings of the Company's Audit Commission;

- 5.1.3. Managing the everyday work of the Company's Audit Commission, including such issues as audit procedures, subjects of audit and the distribution thereof between the Commission members;
- 5.1.4. Representing the Audit Commission at the General Meeting of the Company's Shareholders and at the meetings of the Company's Board of Directors;
- 5.1.5. Signing the minutes of the Audit Commission meetings and other documents issued by the Audit Commission;
- 5.1.6. Performing other functions required for supervision over the Company's financial and business activities, managerial activities of the Company's management bodies and the Commission's reporting to shareholders.

5.2. The Secretary of the Company's Audit Commission shall be responsible for:

- 5.2.1. Taking minutes of the Audit Commission's meetings;
- 5.2.2. Duly informing the Company's management bodies about the results of carried out audits, delivery of copies of the Company's Audit Commission opinions;
- 5.2.3. Executing and signing, together with the Chairman of the Audit Commission, the minutes of the Company's Audit Commission meetings and extracts from the minutes;
- 5.2.4. Processing, management and storage of the Company's Audit Commission documents;
- 5.2.5. Duly notifying (no later than 5 days in advance) the Company's Audit Commission members of the Audit Commission meetings to be held, planned and non-planned audits to be carried out;
- 5.2.6. Performing other functions required for organizational support of the Audit Commission activities and workflow.

5.3. Planning of the work of the Company's Audit Commission.

- 5.3.1. Planned audits of the Company's activities shall be carried out and meetings of the Audit Commission shall be held in accordance with the approved annual Work Plan of the Audit Commission.
- 5.3.2. The Work Plan of the Audit Commission shall be approved at the first organizational meeting of the Audit Commission.
- 5.3.3. The Work Plan of the Audit Commission shall include:
  - subjects of audit (types of the Company's financial and business activities, areas of the Company's activity);
  - determination of audit form per subject of audit;
  - time schedule for auditing the Company's activities, approximate dates for audits (annual, quarterly);
  - time schedule of the Audit Commission meetings dealing with the issues of preparation for and carrying out of audits of the Company's activities and approval of opinions based on audit results;
  - a tentative list of financial and/or business documents needed for carrying out the audits of subjects outlined in the audit plan;
  - distribution of responsibilities (issues) between the Commission members when carrying out the audits;
  - other issues related to making arrangements for the Company's Audit Commission meetings to be held and audits to be carried out.

5.4. Meetings of and adoption of resolutions by the Audit Commission.

- 5.4.1. The Audit Commission shall perform its work on a collegial basis, i. e. the Audit Commission shall adopt its resolutions at its meetings by the majority of votes of members present at the meeting;

- 5.4.2. At the Audit Commission meetings the quorum shall be determined, agenda issues shall be announced, reports of Commission members shall be read, a draft resolution (opinion) shall be drawn up, voting shall be carried out and results shall be summed up.
- 5.4.3. The meeting of the Company's Audit Commission is legally competent (quorum is satisfied) if more than a half of the total number of elected members of the Company's Audit Commission are present at the meeting. In case the quorum is not satisfied and the absent members have good reasons for not attending the meeting, the Audit Commission meeting shall be postponed till a later date but no later than 10 days after the target date.
- 5.4.4. Resolutions on issues on the agenda of the Audit Commission meeting shall be adopted by a majority of votes of the Company's Audit Commission members participating in the meeting. A vote of the Audit Commission member may not be transferred to another person including another member of the Audit Commission.  
When taking decisions at the meeting of the Audit Commission every member of the Commission shall have one vote. In case of equal numbers of votes the vote of the Audit Commission Chairman shall be decisive.
- 5.4.5. Meeting of the Audit Commission may be held in direct form (joint presence of the Commission members when discussing and adopting resolutions on issues put to vote) and remote form (without joint presence, with voting by polling). The form of the meeting and dates for non-planned meetings shall be determined by the Commission Chairman. An absent member of the Audit Commission may present his written opinion with respect to an issue under consideration which will be taken into account when determining the quorum and summarizing voting results.
- 5.4.6. The first (organizational) meeting of the Audit commission elected by the General Meeting of Shareholders shall be held no later than 15 days after the date of the General Meeting of Shareholders that had elected a new Audit Commission.
- 5.4.7. Meetings of the Company's Audit Commission shall be held within time limits set in the Audit Commission Work Plan and also before every audit and after every audit to sum up its results.
- 5.4.8. At the meeting of the Company's Audit Commission that is held before each audit the following issues related to the preparation for and carrying out the forthcoming audit shall be discussed:
- determination of subjects of audit;
  - procedure, time schedule and scope of audit;
  - determination of a list of materials and information required for carrying out the audit, ways and sources for obtaining thereof;
  - determination of a list of persons that shall be engaged in the audit (to give explanations, to clarify some issues);
  - setting the date for the Audit Commission meeting to sum up audit results;
  - appointment of participants of the audit, distribution of audit items between them;
  - other issues.

The Audit Commission meeting dealing with preparation for and carrying out the audit may be held in remote form (by polling), without joint presence of the Audit Commission members.

- 5.4.9. At the Company's Audit Commission meeting dealing with audit results the following issues shall be discussed:
- discussion of information obtained in the course of audit and the sources for obtaining such information;
  - summarizing the results of audit;
  - drawing up general conclusions and proposals based on audit results;
  - approval and signature of the Audit Commission opinion based on results of audit;
  - determination and analysis of reasons for revealed infringements and discussion of possible ways for their elimination and preventive measures for the future;

- adoption of a resolution addressed to the Company's management bodies, its officials and to heads of structural divisions of executive bodies that points to the necessity of elimination of infringements revealed in the course of audit as well as to the necessity of application of liability measures to persons who had committed infringements;
  - other issues related to summarizing the results of audit.
- 5.4.10. A request to call an extraordinary General Meeting of the Company's Shareholders shall be adopted by a majority of votes of the Audit Commission members present at the meeting.  
The request shall be signed by the Chairman of the Audit Commission.  
The request of the Audit Commission to call an extraordinary General Meeting shall be forwarded to the Chairman of the Company's Board of Directors.  
The request of the Audit Commission to call an extraordinary General Meeting shall contain:
- agenda issues and resolutions on them;
  - reasons for including such issues in the agenda;
  - proposals on the form of the meeting.
- 5.4.11. The Commission meeting that has to approve the Commission's Opinion on the Company's Annual Report, Balance Sheet, Profit and Loss Statement shall be held no later than 115 days after the end of the Company's financial year.
- 5.4.12. In the course of preparation for the Audit Commission meeting the Chairman of the Company's Audit Commission shall:
- determine the date, time and place for holding the meeting and the form of the meeting;
  - approve an agenda for the meeting;
  - approve a list of materials and documents required for discussion of issues on the agenda of the Audit Commission meeting;
  - determine a list of persons to be invited to participate in the meeting of the Audit Commission (in case of joint presence);
  - decide on other issues related to preparation for the meeting of the Company's Audit Commission.
- 5.4.13. In case the Company's Audit Commission receives any information about infringements of the law of the Russian Federation, the Company's Charter or other internal documents of the Company, about financial or administrative infringements that carry a substantial threat to economic interests of the Company's shareholders, the Chairman of the Audit Commission shall call a meeting of the Audit Commission to decide on carrying out a non-planned audit.
- 5.4.14. A member of the Audit Commission, when revealing above mentioned infringements, shall forward to the Audit Commission Chairman a written notification containing a description of infringements and the names of persons who had committed the infringements no later than three (3) working days from the date of revealing the infringements.
- 5.4.15. At the meeting of the Audit Commission the Secretary of the Audit Commission shall take minutes of the meeting.  
Members of the Audit Commission, in case of their disagreement with decisions of the Commission, shall lay out in writing their special opinion which shall be attached to the minutes of the meeting. The Board of Directors and the General Meeting of Shareholders shall be informed about such special opinions.  
The minutes of the meeting of the Company's Audit Commission shall be made in two copies no later than three working days following the meeting (summarizing results of remote voting) and shall be signed by the Chairman and the Secretary of the Company's Audit Commission. The Company shall be responsible for the storage of minutes of the

Audit Commission meetings and shall make such minutes available at the request of the Company's shareholders.

5.5. Audit procedure.

5.5.1. A planned audit of the Company's financial and business activities shall be carried out in accordance with the approved annual Work Plan of the Audit Commission.

5.5.2. A non-planned audit carried out at the request of a shareholder, according to instructions of the Board of Directors or resolution of the General Meeting of Shareholders shall be started no later than 30 days following the date of receipt of a written request or a resolution. The time period of audit may not exceed 90 working days.

5.5.3. Shareholders-initiators of audit shall forward to the Audit Commission a written request including:

- names (trade names) of shareholders;
- information on shares owned by them (number, category, type);
- grounds for request.

The request shall be signed by a shareholder or his attorney in fact. If the request is signed by an attorney in fact, a letter of attorney shall be attached.

In case the audit is initiated by shareholders that are legal entities, the signature of a representative of the legal entity acting on the basis of its Charter without any letter attorney shall have a company stamp of such legal entity affixed thereto. In case the request is signed by a representative of a legal entity acting on its behalf by proxy, a letter of attorney shall be attached to the request.

Shareholders whose ownership rights to shares are registered with a depository shall attach to the request an extract from the depo account.

5.5.4. A request of audit initiators shall be sent to the Company's address for the name of the Chairman of the Audit Commission or shall be delivered to the Company by hand.

The date of submission of request shall be the date of its delivery/handing over to the Company.

5.5.5. The Audit Commission, within five (5) working days from the date of submission of request, shall take a decision to carry out an audit of the Company's financial and business activities or reasonably refuse from carrying out an audit.

In case the Audit Commission decides to carry out an audit the Chairman of the Audit Commission shall make arrangement for the audit and commence it.

5.5.6. The Audit Commission may refuse from carrying out an audit in the following cases:

- shareholders who submitted a request do not have in their ownership the required number of voting shares;
- reasons for the audit to be carried out are not indicated in the request;
- an audit has been carried out with respect to facts that were indicated as reasons for carrying out an audit, and an opinion has been approved by the Audit Commission;
- the request does not comply with the law and normative legal acts of the Russian Federation or with provisions of the Company's Charter.

5.5.7. Initiators of an audit of the Company's financial and business activities, at any time before the Audit Commission adopts a decision to carry out an audit of the Company's financial and business activities, may withdraw their request by sending a written notice to the Audit Commission.

5.5.8. The Chairman of the Audit Commission, before starting an audit, shall notify the Company's President thereof.

5.5.9. The Audit Commission shall make up an act based on audit results and shall approve its Opinion.

5.5.10. The Opinion of the Audit Commission shall be made in three copies.

A member of the Audit Commission who has stated his disagreement may draw up his special opinion which shall be attached to the Opinion of the Audit Commission and shall make its integral part.

One copy of the Opinion shall be kept in the files of the Audit Commission, one copy shall be forwarded to the Company's President and one copy shall be delivered to the Board of Directors.

5.5.11. The President of the Company, within 10 working days following the receipt of the Opinion, shall get familiarized with materials of audit and, in case there are reasonable objections, shall hand such objections in writing to the Chairman of the Audit Commission with supporting documents attached.

5.5.12. The Chairman of the Audit Commission shall check (carry out a repeated audit in respect of disputable issues, if necessary) the soundness of presented objections (comments, additions) and in case of confirmation thereof shall make appropriate adjustments to the Opinion.

In case of controversies the objections of the Company's President (or Controversy Report) shall be attached to the Opinion.

5.5.13. In case the audit was carried out at the request of the Company's shareholder(s) owning in aggregate no less than 10% of the Company's voting shares an additional copy of the Opinion shall be made and forwarded to such shareholder(s) within three (3) days following the date of its approval.

Shareholder(s) who requested to carry out an audit of the Company's financial and business activities may submit another request to carry out an audit no earlier than ninety (90) days after the submission to the Audit Commission of the first of the said requests.

5.5.14. The Company shall file all acts and opinions of the Audit Commission and shall make them available on demand of the Company's shareholders.

5.5.15. The Company's President shall be responsible for the preparation of a Plan of Measures for elimination of revealed infringements (drawbacks) where time limits for elimination of infringements and persons responsible for elimination of infringements shall be mentioned. The Audit Commission shall provide procedural assistance in drawing up the Plan of Measures and shall supervise over its implementation.

## 6. DOCUMENTS OF THE AUDIT COMMISSION

6.1. Documents of the Audit Commission shall include:

- minutes of the Audit Commission meetings;
- the Audit Commission Acts based on audit results;
- the Audit Commission Opinions;
- copies of requests to call an extraordinary General Meeting.

6.2. Minutes shall include the following:

- date, time, place and form of the meeting (summarizing the results of voting);
- list of members of the Audit Commission and persons present at the meeting (participating in polling);
- information about quorum at the meeting
- issues on agenda of the meeting;
- main theses of speeches and reports relating to agenda issues (only in case of a meeting in the form of joint presence);
- voting results with indication of Commission members who have declared their special opinion;
- resolutions adopted by the Audit Commission.

6.3. Audit Commission acts based on audit results shall include:

- place, date and time of the audit;

- members of the Audit Commission participating in the audit;
  - grounds for the audit;
  - information about the requests to provide data (documents and materials) presented by the Audit Commission in the course of audit to the Company's bodies, heads of divisions, departments, subsidiaries and representative offices;
  - information on received refusals in provision of data (documents and materials);
  - information about revealed infringements of law, normative legal acts, provisions of the Charter and internal documents of the Company;
  - information on written explanations presented by the Company's President, members of the Board of Directors, the Company's officials and employees;
  - names of persons who have committed breaches of the law, normative and legal acts, provisions of the Charter and internal documents of the Company;
  - references to provisions of the law, normative and legal acts, the Company's Charter and internal documents of the Company whose violation was revealed in the course of audit.
- 6.4. The Opinion of the Audit Commission, as a rule, consists of three parts: Introduction, Analytical Part and Conclusions.  
Introduction shall include:
- 1) name of the document as a whole – *Opinion of the Audit Commission of Mobile TeleSystems Open Joint Stock Company*;
  - 2) place and time of drawing up the Opinion;
  - 3) date (time period) of audit;
  - 4) grounds for audit (resolutions of: the Audit Commission, General Meeting of Shareholders, Board of Directors, the Company's shareholder(s) and otherwise);
  - 5) purpose of audit;
  - 6) subject of audit;
  - 7) list of normative and legal documents, internal and other documents and materials that were used in the course of audit.
- Analytical Part shall contain an unbiased estimation of the status of audit subjects relating to audit items listed in the Plan of Audit.  
The final part of the Audit Commission Opinion shall contain well-founded conclusions of the Audit Commission with respect to the issue(s) of audit (confirmation of reliability of data contained in reports and other financial documents of the Company, information about facts of breaches of the RF legal acts, the Charter and internal documents of the Company in the course of financial and business operations, about infringements, drawbacks etc.) as well as recommendations and proposals on the elimination of causes and consequences of revealed breaches and drawbacks in the Company's operations.  
Conclusions of the Audit Commission shall include, but not be limited to:
- conclusions about compliance or non-compliance with the law, normative legal acts, the Charter and internal documents of the Company;
  - evaluation of reliability of data included in the Company's annual report and contained in the Company's annual financial statements;
  - information about the Audit Commission requests to call a meeting of the Board of Directors and/or an extraordinary General Meeting;
  - description of breaches of the law, normative legal acts, the Company's Charter, regulations, rules and instructions committed by the Company's officials and employees;
  - information about engagement in the Audit Commission of specialists in some areas of financial and business activity which do not hold any offices in the Company.
- 6.5. Documents of the Audit Commission shall be signed by its Chairman and do not need the Company stamp to be affixed thereto.

- 6.6. The Chairman of the Audit Commission shall hand over original copies of the Audit Commission documents to the Company's archive for storage, and an appropriate act shall be made up in this respect.
- 6.7. The Chairman of the Audit Commission shall keep the following documents;
- requests to carry out an audit;
  - refusals of the Audit Commission to carry out an audit;
  - written refusals of the Company's officials to provide information.
- 6.8. The Company in the person of its President shall make the Audit Commission documents available to shareholders.
- At the request of a shareholder the Company shall provide to such shareholder, for remuneration, copies of the Audit Commission documents. The amount of remuneration shall be set by the Company and shall not exceed the cost of making the copies and costs related to mailing the documents.

## 7. FINAL PROVISIONS

- 7.1. This Statute shall be approved by the General Meeting of Shareholders by a majority of votes of shareholders-owners of the Company's voting shares participating in the meeting.
- 7.2. A resolution on making addenda or amendments to the Statute shall be adopted by a majority of votes of shareholders-owners of the Company's voting shares participating in the meeting.
- 7.3. Proposals on making amendments and addenda to the Statute or on the approval of a restated version of the Statute shall be handed in by the Company's shareholders in accordance with procedure stipulated by the law and the Charter with respect to proposals on agenda for the General Meeting of the Company's Shareholders.
- 7.4. If due to any changes in the law of the Russian Federation or in the Company's Charter some provisions of this Statute become inconsistent with the law or the Charter, such provisions shall become null and void and, until amendments are made to the Statute, the Statute shall be applicable in its part that is not in controversy with the existing law of the Russian Federation and the Company's Charter.