

APPROVED

by a resolution of the Board of Directors
of Open Joint-Stock Company "Synergy"
Minutes No. 27 dated December 07, 2007

REGULATIONS
On the Audit committee
of the Board of Directors
of Open Joint-Stock Company "Synergy"

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Article 1. Statement on the Audit committee of the Board of Directors

1. Pursuant to the Civil Code of the Russian Federation, the Federal Law of the Russian Federation “On Joint-Stock Companies” of 12/26/1995 No. 208-ФЗ, other laws and regulations of the Russian Federation, and the Articles of association of Open Joint-Stock Company "Synergy" (hereinafter - "the Company") these regulations establish functions and procedure for interaction with the Company’s bodies of the Audit committee (hereinafter – “the Audit committee” or "the Committee") of the Board of Directors of the Company (hereinafter – “ the Board of Directors”).

Article 2. General provisions on the Committee

1. The Audit committee shall ensure actual participation of the Board of Directors in the control of the Company’s financial and economic activities. In its work the Committee recognizes that professional awareness of the members of the Board of Directors concerning financial and economic activity of the Company is necessary for supervising the Company’s budget management by the Board of Directors and overall performance of the internal control system and the Company’s risk management system.

2. The Audit committee shall consist only of members of the Board of Directors that are independent directors, and should it be impossible by virtue of objective causes it shall consist of independent directors and members of the Board of Directors not being the sole executive body of the Company and (or) members of a collegial executive body of the Company. The Audit committee shall be headed by an independent director.

Article 3. Functions of the Committee

1. The exclusive functions of the Committee shall be the estimation of the candidates for the Company’s auditors, Audit report evaluation, the evaluation of the efficiency of the Company’s internal control procedures and preparation of proposals on their perfection.

2. The Committee shall also consider and prepare draft resolutions on the following items of the Board of Directors’ competence:

- preliminary approval of the Company’s annual reports;
- recommendations to the General meeting of shareholders of the Company on the dividend amount per share and procedure for dividend payment;
- recommendations to the General meeting of shareholders of the Company on the Company’s profit and loss distribution on preceding year results;
- determination of the price of property, of equity securities placement and determination of the redemption price of the shares in the cases provided by the Federal Law of the Russian Federation “On Joint-Stock Companies”;
- determination of the amount of payment for the auditor services;
- approval of the Company’s internal procedures on risk management, the performance analysis of such procedures, their enforcement;
- approval of internal Company’s business control procedures, including approval of internal control regulations, documentary check and auditing;
- passing the resolution on the Company’s business activity auditing by the Auditing Commission of the Company.

3. The Chairman of the Board of Directors may authorize the Committee to prepare draft decisions on the other items of the competence of the Board of Directors

4. The Committee shall supervise the completeness and reliability of tax, book-keeping and management accounting of the Company.

5. The Committee shall analyze the accounts of the "Synergy" Group of companies, prepared pursuant to the International financial reporting standards .

6. The Committee shall estimate the auditor services provided to the Company and its observance of auditor independence requirements.

7. The Committee shall supervise the Company's internal financial control procedures and evaluate their efficiency.

8. The Committee shall supervise the efficiency of work of the department performing functions of the Company's internal control.

9. The Committee shall provide constant interaction of the Board of Directors with:

the Company's auditor(s);
independent appraiser;
Auditing commission of the Company;
executive bodies of the Company;
Financial department of the Company;
department performing functions of the Company's internal control.

Article 4. Interaction of the Committee with the Company's Auditor

1. The Committee shall evaluate the Company's Audit report and provide its estimation in the written form to the Board of Directors. The estimation of the Company's Audit report prepared by the Committee on Audit shall be provided as materials to the annual General meeting of the shareholders of the Company.

2. The Committee shall estimate candidates for the Company's auditors during the preparation for making contract for rendering auditing services to the Company.

3. The Committee shall introduce on the Board of Directors' approval requirements observance of which shall allow to consider the auditor as independent in relation to the Company. In particular, the Audit committee shall precisely determine the services which the auditor can render to the Company without any prejudice to his independence towards it.

4. The Committee shall receive the letter of confirmation of compliance to these requirements from the auditor.

5. The Committee shall provide interaction of the auditor with the Company's officers; in particular, it shall organize meetings of the auditor's representatives with employees of the department performing functions of the Company's internal control.

6. The Committee shall bring to the notice of each member of the Board of Directors the contents of the Audit report.

7. The Committee shall preliminary consider the auditor's requirements on convocation of an extraordinary General meeting of shareholders.

8. The Committee shall provide to the Board of Directors the recommendation on the amount of payment for the auditor's services.

9. The Committee shall preliminarily consider the draft of the contract going to be concluded by the Company with the auditor, and provide recommendations concerning terms and conditions of the contract to the Board of Directors.

10. The Committee has the right to hold meetings with the Company's auditor twice a year.

Article 5. Interaction of the Committee with the Auditing commission of the Company

1. The Committee shall conduct joint meetings with the members of the Auditing commission of the Company. Such meetings shall be conducted mandatory for consideration of:

the report of the Auditing commission of the Company based on the results of the Company's financial and economic activities audit for a year;
the report of the Auditing commission of the Company based on the results of annual accounts audit;
the report of the Auditing commission of the Company on reliability of the data contained in the annual report and annual accounts of the Company.

2. The Committee shall recommend the Board of Directors to pass a resolution on the Company's financial and economic activities audit by the Auditing commission of the Company.

3. The Committee shall preliminary consider the requirements of the Auditing commission of the Company on convocation of an extraordinary General meeting of shareholders of the Company.

4. The Committee shall work out recommendations on alterations and amendments to the internal documents of the Company regulating the Auditing commission's work.

Article 6. Interaction of the Committee with the executive bodies of the Company

1. Executive bodies of the Company should provide the Committee with the necessary information, ensure completeness of the specified information and timeliness of its provision, in view of the restrictions brought forward by the laws and regulations of the Russian Federation, the Articles of association and internal documents of the Company.

Article 7. Interaction of the Committee with the department performing functions of the Company's internal control

1. The department performing functions of the Company's internal control should report to the Committee on the revealed infringements at performing business transactions.

2. The head of the department performing functions of the Company's internal control should submit to the Committee information (reports) on results of auditing including the information on performance of the Company's financial and economic plan and deviations from it.

3. The Committee has the right to hold meetings with employees of the department performing functions of the Company's internal control twice a year.

4. The Committee shall:

develop procedures of the internal control in the Company together with the executive bodies of the Company and the department performing functions of the Company's internal control;

analyze the Company's financial and economic activities, including that in divisions, branches and representative offices of the Company together with the Financial department of the Company and the department performing functions of the Company's internal control;
estimate, classify and minimize the possible risks arising during the Company's activity, including that in divisions, branches and representative offices of the Company, together with the executive bodies of the Company and the department performing functions of the Company's internal control;
analyze the results of complex auditing, revisions and examinations of the Company's production, financial and economic activities, including that in divisions, branches and the representative offices of the Company conducted by the department performing functions of the Company's internal control;
analyze the results of the subject auditing, revisions and examinations of the certain aspects of the Company's production, financial and economic activities, including that in divisions, branches and the representative offices of the Company conducted by the department performing functions of the Company's internal control;
jointly consider together with the department performing functions of the Company's internal control of proposals and development of recommendations on crisis management;
develop together with the department performing functions of the Company's internal control the recommendations on approval of the operations that are beyond the framework set by plans of the Company's financial and economic activities (non-standard operations).

Article 8. Interaction of the Committee with the Financial department of the Company

1. The Committee together with the Financial department of the Company shall develop standards of financial, tax, book-keeping and management accounting in the Company.
2. The Committee together with the Financial department of the Company shall control the completeness and reliability of financial, tax, book-keeping and management accounting of the Company.

Article 9. Interaction of the Committee with the Board of Directors

1. The Committee shall provide the Board of Directors with information on the revealed infringements at business transactions in the form of reports that contain comprehensive information on the specified infringements, including data on people guilty of their fulfillment, and also on the reasons and the conditions that contributed to their occurrence.
2. The Committee shall provide the Board of Directors with recommendations developed together with the department performing functions of the internal control on approval of the operations that are beyond the framework set by plans of the Company's financial and economic activities (non-standard operations).
3. The Committee shall submit to the Board of Directors the results of consideration of the issues within the competence of the Committee in a form of minutes, reports, comments of the Chairman and members of the Committee at the Board meetings.