

2nd edition

**APPROVED BY**  
**the Annual General Meeting**  
**of OAO RBC Information Systems,**  
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**of June 3, 2003,**  
**General Director**

\_\_\_\_\_ **Yury Rovensky**

# **PROVISIONS**

## **on the Audit and Compliance Committee**

### **of OAO RBC Information Systems**

#### **(2<sup>nd</sup> edition)**

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**Moscow, 2003**

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## I. General Provisions

- 1.1 The system of controlling commercial operations that is in place at OAO RBC Information Systems (hereinafter referred to as the Company) is aimed at establishing the confidence of investors in the Company and its managerial bodies. The main goal of this control is the protection of investments of shareholders and the Company's assets.

This goal can be achieved through the accomplishment of the following tasks:

- adoption and implementation of a financial plan;
  - setting and enforcement of efficient internal control procedures;
  - establishment of an efficient and transparent system of management at the Company, including the prevention and foiling of misdeeds by managerial bodies and officials of the Company;
  - prevention, identification and limitation of financial and operational risks;
  - guaranteeing the accuracy of financial information to be used or disclosed by the Company.
- 1.2 The Audit and Compliance Committee is a body that controls financial and commercial operations of the Company, its bodies, officials, departments and services, offices, branches, subsidiaries and other separate divisions.
- 1.3 In its work the Audit and Compliance Committee shall refer to the law of the Russian Federation, the Company's Articles of Association and these Provisions.
- 1.4 The authority of the Audit and Compliance Committee shall be defined by the Federal Law "On Joint-Stock Companies." With respect to issues that are not regulated by the Federal Law "On Joint-Stock Companies," the authority of the Audit and Compliance Committee shall be defined by the Company's Articles of Association.

## II. Roles and Responsibilities

- 2.1 The Audit and Compliance Committee shall do the following:
- promptly inform the General Meeting of Shareholders, the Board of Directors and the Chief Executive about the results of checks (internal audits) conducted in the form of conclusions or a report;
  - give an assessment of the accuracy of data to be included in the Company's annual report and the Company's annual accounting statement;
  - keep commercial secrets, not disclose confidential information that members of the Audit and Compliance Committee have access to during the fulfillment of their duties;
  - during a check (internal audit), require that bodies of the Company, directors of departments and services, offices and branches, and officials provide information (documents and materials), whose analysis is within the authority of the Audit and Compliance Committee ;
  - initiate summoning of meetings of the Board of Directors or summoning of an emergency General Meeting of Shareholders in the event that misdeeds uncovered in financial and commercial operations or a real

threat to the Company's interests require making decisions on issues that are within the authority of these managerial bodies of the Company;

- request written explanations of the Chief Executive, members of the Board of Directors, employees of the Company or any officials, dealing with issues that are within the authority of the Audit and Compliance Committee ;
- record violations of regulations and legal acts, the Articles of Association, charters and instructions by employees of the Company and officials;
- audit the results of financial and commercial operations of the Company during each year, as well as at any time at the request of persons, referred to in the Federal Law "On Joint-Stock Companies," the Articles of Association of the Company and these Provisions;
- when necessary, engage specialists in specific aspects of financial and commercial operations that hold no posts in the Company in its work.

The Company, represented by the Chief Executive, shall make contracts with specialists in specific aspects of financial and commercial operations who hold no posts in the Company.

- 2.2 Members of the Audit and Compliance Committee shall attend the General Meeting of Shareholders and answer questions of participants of the meeting.

### **III. Procedure for internal audits**

- 3.1 A check (internal audit) of the results of financial and commercial operations of the Company shall be conducted every year.

A check (internal audit) of financial and commercial operations of the Company can be conducted during an emergency check. Both a specific commercial transaction of the Company and transactions over a specified time period can be checked during an emergency check.

- 3.2 The Audit and Compliance Committee shall work in accordance with a plan that it approves independently, which shall set the procedure and deadlines for internal audits of operations of the Company and its separate divisions. When necessary, checks of specific aspects of financial operations of the Company and the implementation of the proposals made after the previous checks by separate divisions shall be planned. The working plan, the procedure for internal audits and programs of targeted checks, as well as proposals of the C Committee, based on the results of internal audits and checks, shall be considered at sessions of the Audit and Compliance Committee. Decisions made at such meetings shall be recorded in a protocol.
- 3.3 The Audit and Compliance Committee shall submit recommendations, based on the results of the check (internal audit) of financial and commercial operations of the Company during each year, and conclusions that confirm or deny the accuracy of data to be included in the Company's annual report and data contained in the annual accounting statement of the Company not later than 30 days before the date of the annual General Meeting of Shareholders.
- 3.4 An emergency check of financial and commercial operations of the company shall be started not later than 30 days after the date of receiving a request of shareholders for such a check or a respective protocol of the General Meeting of Shareholders or a meeting of the Board of Directors. The duration of the check shall not exceed 90 days.
- 3.5 A check (internal audit) of financial and commercial operations of the Company shall be conducted at any time on the condition that:

- it is initiated by the Audit and Compliance Committee independently;
  - a respective decision is made at the General Meeting of Shareholders;
  - a respective decision is made by the Board of Directors;
  - a respective request is received from a shareholder(s) in the Company, who own (in total) not less than 10 percent of the voting shares in the Company.
- 3.6 A member of the Audit and Compliance Committee who discovers any misdeeds shall submit a written description of the misdeeds uncovered, which require any decisions by the Audit and Compliance Committee, to the chairman of the Audit and Compliance Committee.
- Within 3 working days after receiving a respective request, the chairman of the Audit and Compliance Committee shall summon a meeting of the Audit and Compliance Committee.
- When the Audit and Compliance Committee makes a decision to conduct a check (internal audit), the chairman of the Audit and Compliance Committee shall organize this check (internal audit) and shall begin the internal audit.
- 3.7 During checks, documents and materials necessary and sufficient for drawing a grounded and undoubted conclusion that a transaction made corresponds with the Company's financial plan and the procedure for making such transactions, adopted by the Company, shall be submitted to the Audit and Compliance Committee. Members of the Committee shall review all existing documents and materials dealing with the subject of the check, as well as new documents that have been received.
- 3.8 Following a check of financial and commercial operations of the Company, the Audit and Compliance Committee of the Company shall prepare and approve its conclusions.
- 3.9 The initiators of a check (internal audit) shall be entitled to recall the request for the check at any moment before the Audit and Compliance Committee makes a decision to conduct the check (internal audit). They shall give a respective written notice to the Committee.

#### **IV. Requesting internal audits by shareholders**

- 4.1 A check (internal audit) of financial and commercial operations of the Company shall be conducted at any time at the request of a shareholder(s) in the Company who controls (in total) not less than 10 percent of the voting shares in the Company.
- 4.2 Shareholders who initiate a check (internal audit) shall submit a written application to the Audit and Compliance Committee, containing the following:
- the full name(s) (corporate name(s)) of the shareholders;
  - information on shares that belong to them (number, category, type);
  - grounded justification for the request.

The request shall be signed by a shareholder or a shareholder's authorized representative. If a request is signed by an authorized representative, a respective proxy shall be attached.

In the event the a request is initiated by a legal entity, the signature of a representative of this legal entity, acting on the basis of the Articles of Association without a proxy, shall be certified by the stamp of this legal entity. In the event a request is signed by a representative of a legal entity, acting on

behalf of the legal entity on the basis of a proxy, the proxy shall be attached to the request.

- 4.3 The request of the initiators of the internal audit shall be sent to the Company's address for the chairman of the Audit and Compliance Committee or shall be submitted to the Company.

The date of submission of a request shall be the date of its receiving by the Company or the date of its submission to the Company.

- 4.4 Within 5 working days after the date of submission of a request, the Audit and Compliance Committee shall make a decision to conduct a check (internal audit) of financial and commercial operations of the Company or give a reasoned refusal to conduct a check.

- 4.5 The Audit and Compliance Committee can refuse to conduct a check (internal audit) under the following circumstances:

- shareholders who submitted the request do not own a sufficient number of voting shares;
- the request does not specify the reason for conducting a check (internal audit);
- facts that are the reasons for the request have already been checked (audited), and respective conclusions have been approved by the Audit and Compliance Committee ;
- the request is not in accordance with law, regulations and legal acts of the Russian Federation or provisions of the Articles of Association of the Company.

- 4.6 A shareholder(s) who submits a request for conducting a check (internal audit) of financial and commercial operations of the Company shall be entitled to submit another request for conducting a check (internal audit) not earlier than one month after the submission of the first of the requests mentioned to the Audit and Compliance Committee.

## **V. Requesting to summon an emergency general meeting**

- 5.1 A request for summoning an emergency General Meeting of Shareholders shall be approved by a majority of members of the Audit and Compliance Committee who were present at the meeting of the Committee.

This request shall be signed by the chairman of the Audit and Compliance Committee.

- 5.2 The Audit and Compliance Committee 's request for summoning an emergency General Meeting of Shareholders shall be sent to the Company in writing by registered mail with a return receipt or shall be submitted to the Company.

The date of receiving such request shall be the date of receiving this request by the Company or the date of its submission to the Company.

The Audit and Compliance Committee's request shall contain the following:

- suggested questions on the agenda and drafted decisions on them;
- clearly formulated reasons for adding these questions to the agenda;
- suggested form of the meeting.

## **VI. Decisions by the Audit and Compliance Committee**

- 6.1 The Audit and Compliance Committee shall make decisions on issues that are within its authority in accordance with the Federal Law "On Joint-Stock Companies" and the Articles of Association of the Company at its meetings.

The minutes of each meeting of the Audit and Compliance Committee shall be signed by all members of the Audit and Compliance Committee that attended the meeting.

Meetings of the Audit and Compliance Committee shall be held before the beginning of a check (internal audit) and upon its completion. A member of the Audit and Compliance Committee shall be entitled to request summoning of a meeting of the Committee in the event any misdeeds are uncovered that require an urgent decision.

- 6.2 Meetings of the Company's Audit and Compliance Committee shall be jointly attended by members of the Committee for discussing questions on the agenda and making decisions on questions on the voting list.

- 6.3 The quorum for holding meetings of the Audit and Compliance Committee shall be not less than a half of all elected members of the Audit and Compliance Committee.

Decisions at a meeting of the Audit and Compliance Committee shall be approved by a majority of members of the Audit and Compliance Committee who are present at the meeting. The reassignment of the votes from members of the Audit and Compliance Committee to any other person, including any other member of the Audit and Compliance Committee, is not allowed.

- 6.4 Conclusions of the Audit and Compliance Committee shall be signed by all members of the Audit and Compliance Committee personally. Any member of the Audit and Compliance Committee who disagrees with any conclusion of the Audit and Compliance Committee shall be entitled to prepare a personal opinion, which shall be attached to the conclusions of the Audit and Compliance Committee and shall be their intrinsic part.

If a member of the Audit and Compliance Committee does not sign the conclusion and gives no personal opinion, reasons for that shall be specified in the conclusion.

- 6.5 It is recommended to submit the conclusion of the Audit and Compliance Committee dealing with the results of an emergency check of financial and commercial operations of the Company to the Audit Committee within 3 days after the end of the check.

- 6.6 The approved conclusions of the Audit and Compliance Committee, based on the results of a check of financial and commercial operations of the Company at the request of a shareholder(s) shall be sent to this shareholder(s) within 3 days after the date of approval of the conclusions.

## **VII. Members of the Audit and Compliance Committee**

- 7.1 Members of the Audit and Compliance Committee of the Company shall be elected at the Annual Meeting of Shareholders in the Company.

- 7.2 The Audit and Compliance Committee shall consist of three people. A member of the Audit and Compliance Committee cannot be a shareholder in the Company. Members of the Audit and Compliance Committee shall be considered elected if a majority of common stock holders who were present at the meeting voted for them. Shares that belong to members of the Board of

Directors of the Company or persons who hold posts in any managerial bodies of the Company cannot participate in the election of members of the Audit and Compliance Committee.

- 7.3 Not less than two thirds of the members of the Audit and Compliance Committee shall have a degree in economics (finances) or law.
- 7.4 The personal characteristics of members of the Audit and Compliance Committee shall give no reason to doubt that they will work in the interests of the Company, and therefore, it is recommended to elect to the Audit and Compliance Committee people who have stainless reputations. The fact of a person committing a crime in the economic sector or a crime directed against the state government, against the interests of civil service and local-self government, as well as a violation of administrative regulations, first of all, dealing with entrepreneurial activities, finances, payments of taxes and duties, and the securities market, shall be considered a factor that undermines this person's reputation.

## **VIII. Chairman of the Audit and Compliance Committee**

- 8.1 The Audit and Compliance Committee shall elect a chairman of its members. The chairman of the Audit and Compliance Committee shall be elected at a meeting of the Audit and Compliance Committee by a majority of all elected members of the Committee.

The Audit and Compliance Committee shall be entitled to elect a new chairman by a majority of votes of all elected members of the Committee, except the votes of members of the Audit and Compliance Committee who had been excluded from the Committee.

- 8.2 The chairman of the Audit and Compliance Committee shall do the following:
- summon and preside over its meetings;
  - organize the work of the Audit and Compliance Committee;
  - represent the Audit and Compliance Committee at meetings of the Board of Directors (on invitation) and at the General Meeting of Shareholders;
  - sign documents on behalf of the Committee.
- 8.3 When the chairman of the Audit and Compliance Committee is absent, its duties shall be carried out by some other member of the Audit and Compliance Committee, authorized by a majority of members of the Audit and Compliance Committee who were present at the meeting.

## **IX. Remuneration and compensations to members of the Audit and Compliance Committee**

- 9.1 Shareholders at their General Meeting may choose to remunerate members of the Audit and Compliance Committee during the period when they fulfill their duties and (or) compensate them for expenses related to the fulfillment of their duties. The total amount of such remuneration and compensations shall be set by shareholders at a General Meeting.
- 9.2 At their General Meeting shareholders may consider the possibility of remunerating members of the Audit and Compliance Committee and compensating them for the fulfillment of their duties as a separate issue on the

agenda of the General Meeting of shareholders or within the discussion of the procedure for distributing profits derived during the previous financial year.

- 9.3 Remuneration shall be provided on the basis of a decision made by shareholders at their General Meeting, depending on the results of the Company's operations over the previous year.

## **X. Documents of the Audit and Compliance Committee**

- 10.1 Documents of the Audit and Compliance Committee comprise the following:
- protocols of the Audit and Compliance Committee;
  - reports of the Audit and Compliance Committee on the results of checks (internal audits);
  - conclusions of the Audit and Compliance Committee.
- 10.2 The protocol of a meeting of the Audit and Compliance Committee shall be prepared not later than 3 days after the meeting.
- the following shall be specified in the protocol:
  - place and time of the meeting;
  - persons who were present at the meeting;
  - persons who declared their personal opinions with respect to decisions made;
  - the agenda of the meeting;
  - questions that were voted on and the results of the voting;
  - decisions made.
- 10.3 Reports of the Audit and Compliance Committee of the results of checks (internal audits) shall specify the following:
- place and time of the check (internal audit);
  - members of the Audit and Compliance Committee who took part in the check (internal audit);
  - the reason for the check (internal audit);
  - a description of violations of law, legal regulations, provisions of the Articles of Association and internal regulations of the Company that have been uncovered;
  - the names of persons responsible for the violations of law, legal acts, provisions of the Articles of Association and internal regulations of the Company;
  - references to legal norms, legal acts, the Articles of Associations and internal regulations of the Company, whose violation has been uncovered during the check (internal audit).
- 10.4 The Audit and Compliance Committee 's conclusions shall specify the following:
- Conclusions about compliance with or violation of law, legal acts, the Articles of Association and internal regulations of the Company;
  - An assessment of the accuracy of data contained in the annual report of the Company and the annual financial statement of the Company;

- Requests for information (documents and materials) that were submitted to bodies of the Company, the heads of departments and services, offices and branches, and officials during the check;
  - Refusals to provide information (documents and materials) that had been received;
  - Information on requests for summoning a meeting of the Board of Directors and an emergency General Meeting of shareholders, submitted by the Audit and Compliance Committee;
  - Information on written explanations given by the Chief Executive, members of the Board of Directors, officials and employees of the Company;
  - A description of violations of law, legal acts, the Articles of Association, charters, rules and instructions of the Company by employees of the Company and its officials;
  - Information on the engagement of specialists in specific aspects of financial and commercial operations, who hold no posts in the Company, in the Audit and Compliance Committee 's work and the execution and fulfillment of contracts with them.
- 10.5 Documents of the Audit and Compliance Committee shall be signed by members of the Audit and Compliance Committee, and they do not need to be certified by the Company's seal.
- 10.6 The chairman of the Audit and Compliance Committee shall hand over the original documents of the Audit and Compliance Committee to the Chief Executive of the Company for storage, and a respective memorandum on this shall be prepared.
- 10.7 The chairman of the Audit and Compliance Committee shall keep the following documents:
- requests for checks (internal audits);
  - the Audit and Compliance Committee 's refusals to conduct a check (internal audit);
  - written refusals by officials of the Company to provide information.
- 10.8 The Company, represented by the Chief Executive, shall give shareholders access to documents of the Audit and Compliance Committee.

At the request of a shareholder, the Company shall provide copies of documents of the Audit and Compliance Committee on a paid basis. The amount of the fee for this service shall be set by the Company, and it shall not exceed the cost of production of copies of the documents and postal charges for mailing the documents.