

APPROVED
by the Annual General Shareholders Meeting
on 1 June 2002
Minutes No. 1, dated 10 June 2002
Chairman of the General Shareholders Meeting

REGULATIONS
on the General Director of
the Open Joint Stock Company
Long-Distance and International Telecommunications Rostelecom
(restated version No. 1)

Moscow
2002

1. General Provisions

1.1. The General Director of the Company, hereinafter referred to as "the General Director", shall manage the current activities of the Company within the competence determined by the Company's Charter, these Regulations and resolutions of the General Shareholders Meeting and the Board of Directors.

The General Director shall perform the functions of the Chairman of the Management Board of the Company.

1.2. The purpose of the General Director's activity is to ensure the Company's profitability, competitiveness and financial and economic stability. In addition, the General Director is to ensure the rights of the shareholders and the social guarantees of the Company's employees.

The General Director shall arrange for execution of the resolutions of the General Shareholders Meeting and the Board of Directors of the Company.

2. Appointment of the General Director

2.1. Any citizen of the Russian Federation (including a person who is not a shareholder of the Company) who has full legal capacity and who is not barred under applicable law from holding the relevant position may be elected as the General Director.

The General Director shall be a person with a higher education and with work experience in the communications industry.

2.2. The General Director shall be appointed by the Board of Directors by a simple majority of votes of the directors present at the meeting for a term of not more than 5 (five) years or for a shorter term and may be re-elected an unlimited number of times.

The Board of Directors may at any time prematurely terminate the General Director's powers.

2.3. Candidates for the position of the General Director may be nominated by members of the Board of Directors.

2.4. The rights, duties and liability of the General Director shall be determined pursuant to the Law "On Joint Stock Companies," other legal acts of the Russian Federation, the Charter, these Regulations and the agreement between the General Director and the Company stating the terms of compensation for the General Director. On behalf of the Company, the agreement with the General Director shall be signed by the Chairman or a person authorized by the Board of Directors.

3. The Term of Office of the General Director and Procedure for Its Termination

3.1. The General Director shall exercise his/her powers during the term, for which he/she was elected, until his/her successor is elected and takes office, with the exceptions specified in Section 3.2 hereof.

3.2. The powers of the General Director may be prematurely terminated in case of:

- physical inability to perform the duties (death or being declared dead);
- voluntary resignation accepted by the Board of Directors;
- upon the decision of the Board of Directors in accordance with applicable legislation of the Russian Federation.

In cases specified above the Board of Directors shall appoint a new General Director.

4. Powers of the General Director

4.1. The General Director shall perform the current management of the Company and shall have the relevant powers.

4.2. The General Director shall, without a power of attorney and within his/her authority, perform any actions on behalf of the Company, including the following:

- represent the Company in all organizations, bodies and institutions of the Russian Federation and abroad;
- preside at the General Shareholders Meeting in accordance with the Regulations on the General Shareholders Meeting;
- arrange for execution of the resolutions of the General Shareholders Meeting and the Board of Directors;
- draft the proposals on the composition of the Management Board of the Company and present them to the Board of Directors for approval;
- assign duties between the members of the Management Board;
- organize work of the Management Board, preside at its meetings and draw-up their minutes;
- supervise the Directorate General of the Company, approve the Regulations on the Directorate General (the Company's central apparatus) and determine the structure and number of the Company's Directorate General, as well as the amount, procedure for and forms of compensation;
- perform the general management of the Company's branches (representative offices) and approve the Regulations on Branches (Representative Offices) and amendments and additions thereto in accordance with the Model Regulations on a

Branch (Representative Office) approved by the Board of Directors of the Company;

- appoint and dismiss branch directors, enter into and terminate employment agreements (contracts) with them;
- adopt and approve the Company's internal governing documents except those to be approved, pursuant to the Company's Charter, by the General Shareholders Meeting and the Board of Directors;
- issue orders, resolutions and instructions binding on all the Company's employees;
- approve the staff schedule and the regulations on the structural subdivisions of the Company's Directorate General;
- approve by its order the staff schedule of employees in the branch offices to be appointed (dismissed) directly by the General Director based on employment agreements (contracts);
- perform any transactions on behalf of the Company within the limits established by the Law "On Joint Stock Companies" and the Company's Charter;
- have the right to affix the first signature on financial documents;
- issue powers of attorney on behalf of the Company;
- open the Company's bank accounts;
- determine the list of issues constituting business secrets or confidential information of the Company;
- decide on matters of the Company's cooperation with organizations in which the Company participates, including decision-making on the agenda of the general meeting of participants of those subsidiaries (or the highest governing bodies of legal entities of other organizational and legal forms) in which the Company is the sole participant.

5. Liability of the General Director

5.1. The General Director shall be personally liable for the performance of his/her duties on the terms of his/her agreement pursuant to the Law "On Joint Stock Companies," other legal acts of the Russian Federation, the Charter and these Regulations.

6. Compensation to the General Director

6.1. The amount of the General Director's compensation shall be determined in the agreement concluded between the General Director and the Board of Directors on behalf of the Company.