



**Approved by the Audit Committee of the
Board of Directors of OJSC Rostelecom
Minutes No. 3 dated October 6, 2008**

**Regulation on receiving, reviewing and retaining complaints and claims related to
accounting, accounting internal control procedures, fraud, audit examinations and
the Code of Ethics compliance at OJSC Rostelecom**

(restated version No. 1)

General provisions

1. This regulation on receiving, reviewing and retaining complaints and claims related to accounting, accounting internal control procedures, fraud, audit examinations and the Code of Ethics compliance (hereinafter, this “Regulation”) has been prepared pursuant to the laws of the Russian Federation, securities acts of the United States, requirements of bodies regulating activities on securities markets of Russia and the United States, New York Stock Exchange listing standards applicable to foreign private issuers, applicable financial (accounting) reporting standards, the Charter of OJSC Rostelecom, or the Company, decisions of General Shareholders’ Meetings and the Board of Directors, the Corporate Governance Code of OJSC Rostelecom and the Code of Ethics of OJSC Rostelecom.
2. In case of a conflict between legal regulations of the Russian Federation and legal regulations of other states, the legal regulations of the Russian Federation prevail, except for issues related to the legal regulation of issuance and circulation of securities of the Company registered in other states. In this case, applicable legal regulations of the state, on whose territory said securities are registered, shall prevail.
3. This Regulation establishes the rules of receiving, reviewing and retaining complaints and claims related to accounting, accounting internal control procedures, fraud, audit examinations and the Code of Ethics compliance (hereinafter, “complaints and claims”) for employees of OJSC Rostelecom.
4. Other persons such as shareholders, investors, clients, suppliers, partners, state bodies, financial institutions and other physical persons and legal entities interested in the activity of OJSC Rostelecom may also forward a complaint or claim pursuant to the rules established by this Regulation.
5. This Regulation is approved by the Audit Committee of the Board of Directors of OJSC Rostelecom.

Terms and definitions

1. For the purposes of this Regulation terms used herein have the same meaning as that given to them by the Corporate Governance Code of the Company, laws and regulations of the Russian Federation as well as requirements of foreign regulatory authorities that are applicable to the Company due to the listing of its securities on foreign stock exchanges (hereinafter, “other regulatory authorities”).
2. The term “financial (accounting) reporting and accounting policy of the Company” includes financial (accounting) reporting and accounting policy of the Company and financial (accounting) reporting and accounting policy of subsidiaries and dependent companies consolidated by OJSC Rostelecom.
3. The term “employees of the Company” is used in respect of employees of the Company as well as its subsidiaries, who are both full time and part time employees, as well as employees working under contract and others – throughout the term of the contract.
4. The term “independent auditor” refers to an audit company engaged to conduct an audit examination and issue an audit opinion or provide other audit and non-audit services in respect of financial (accounting) reports of the Company and reports of the companies consolidated by it.
5. The term “Responsible Officer” is used in respect of the Director of the Internal Audit Department of the Company, appointed by the Board of Directors, who is responsible for receiving, reviewing and retaining complaints and claims, which are forwarded in accordance with this Regulation. In case of temporary absence of the Director of the Internal Audit Department, the Corporate Secretary of the Company fulfills duties of the Responsible Officer.

Main rules of forwarding complaints and claims

1. This Regulation guarantees employees of the Company the possibility to submit, on the basis of confidentiality and anonymity, complaints and claims to the Audit Committee, including complaints and claims related to the following issues:
 - a case involving fraud aimed against shareholders and investors of the Company, including fraud with respect to securities of the Company, the use of electronic mail and postal delivery, banking operations or deliberate misstatement of reports of the Company sent to other regulatory authorities, including the Securities and Exchange Commission of the United States, and reports publicly disclosed to a wide range of investors;
 - a case involving a breach of the rules and other normative acts of other regulatory authorities, including the U.S. Securities and Exchange Commission, compliance with which is mandatory for OJSC Rostelecom, in respect of accounting, accounting internal control procedures, fraud, audit examinations and compliance with the Code of Ethics;
 - a case involving a deliberate error and/or misstatement in financial (accounting) reports of the Company in the process of their preparation, verification and/or audit; and

- a case involving a material weakness in the internal control system and deliberate breach of the requirements of internal control procedures in the Company.
2. When sending a complaint or claim, employees of the Company may require:
 - competent and attentive consideration of the complaint or claim by the Audit Committee;
 - information about the status of the complaint or claim investigation and any remedial measures taken without disclosure of any personal information;
 - protection against wrongful employment actions, such as disciplinary punishment, suspension from duty, harassment, or other forms of discrimination by managers in response to filing complaints or claims.

In the case if during the investigation the Responsible Officer detects deliberate distortion of information contained in the complaint or claim filed by the employee of the Company, the Company may refuse to provide all abovementioned rights to such employee.

3. At the same time, when receiving and considering complaints and claims from other interested parties (other than employees of the Company), OJSC Rostelecom does not guarantee confidentiality and anonymity and is not liable, if, for whatever reason, confidentiality and anonymity of such complaint or claim cannot be preserved by the Company.
4. The rules of receiving, considering and retaining complaints and claims shall be reviewed by the Audit Committee of the Board of Directors of the Company regularly, but at least once a year.
5. OJSC Rostelecom undertakes not to take any action pursuant to the applicable law against those employees of the Company who filed a complaint or claim pursuant to the rules set forth in this Regulation.
6. If a complaint or claim is received from an external interested party, such party and OJSC Rostelecom undertake to follow the rules set forth in this Regulation.

Ways of filing complaints and claims

1. This Regulation provides for two ways of filing complaints and claims:
 - by regular mail; and
 - by sending an e-mail message to the following e-mail address: ethics@rostelecom.ru;
2. Any employee of the Company or other interested party may send a complaint or claim in written form to the following address: 14 1st Tverskaya-Yamskaya Street, 125047, Moscow, Attn: Chairman of the Audit Committee of the Board of Directors of OJSC Rostelecom marked "CONFIDENTIAL."
3. For efficient review of a complaint or claim and consequent investigation, it is desirable that employees of the Company and other interested parties filing complaints or claims provide the following information:

- Personal data, including information on whether the person filing the complaint or claim is an employee of the Company;
 - The text of the complaint or claim containing reasons why it is necessary to consider the given complaint or claim;
 - The date and location of the event which was the reason to forward the complaint or claim to the Company;
 - Indication as to the need for preserving confidentiality and anonymity of the complaint or claim;
 - Any additional information, documentation or other evidence supporting the complaint or claim.
4. Complaints and claims are received directly by the Responsible Officer of the Company.
5. The Responsible Officer shall:
- verify compliance of the complaint or claim received with the requirements of this Regulation within three business days;
 - carry out an independent investigation in respect of the given complaint or claim within 25 business days;
 - prepare an Investigation Report for the Audit Committee of the Board of Directors containing the following information:
 - copies of the complaint or claim (preserving anonymity);
 - detailed description of the situation related to such complaint or claim;
 - status of the investigation related to such complaint or claim;
 - conclusions and results of the investigation;
 - a recommendation to the Audit Committee as to the necessity of applying sanctions to employees and/or officers of the Company as a result of the conducted investigation; and
 - if necessary or admissible, prepare a summary of the complaint or claim for the external independent auditor of the Company.
6. The Audit Committee shall prepare a recommendation to the Board of Directors of the Company and initiate at a meeting of the Board of Directors of the Company a discussion of the issue of allocating a budget for expenses incurred in conducting investigations of complaints and claims to the Responsible Officer.
- Upon the recommendation of the Audit Committee, the amount of such budget is approved by the Board of Directors of the Company at the time of approving a draft annual budget or by adjusting the annual budget.
7. If any complaints and claims are filed, the Responsible Officer of the Company shall report to the Audit Committee at least once a quarter:
- on the status of the investigation related to complaints and claims filed and/or on results of such investigations and recommendations based on the results of investigations for decisions of the Audit Committee ; and

- on complaints and claims that do not meet requirements of this Regulation.

Responsibility of the Company's employees

1. In the case of detecting during the investigation of deliberate distortion of information, presentation of false information or slander by employees of the Company who forwarded complaints and/or claims in accordance with this Regulation, the Company may bring an action against such employees in accordance with Russian legislation.
2. In the case of detecting wrongful employment actions, such as disciplinary punishment, suspension from duty, harassment, or other forms of discrimination by managers in response to forwarding complaints or claims by employees of the Company in accordance with this Regulation, the Company may bring an action against such managers in accordance with Russian legislation.

Retention of information related to complaints and claims filed

1. All information related to complaints and claims filed, results of investigations and measures taken are confidential, and access to them is allowed only to the members of the Audit Committee, the Director of the Internal Audit Department, the Corporate Secretary of the Company and/or an external consultant, who needs such materials for conducting an investigation.

Access to such materials may be granted upon a decision of the Audit Committee of the Board of Directors of the Company.

In the case if the information related to complaints and claims filed, results of investigations and measures taken contains personal data and/or is confidential, access to such information must be provided in accordance with the respective internal regulations of the Company.

2. The investigation, conclusions and results of the investigation and reports to the Audit Committee shall be documented by the Responsible Officer in written form.
3. Results of investigations conducted, reports of the Responsible Officer to the Audit Committee may not be disclosed publicly, except for cases of disclosure of such information pursuant to the requirements of the applicable laws, requests of other regulatory authorities or pursuant to current internal documents of the Company.
4. Information on complaints and claims filed, results of investigations and other information related to this Regulation shall be retained by the Responsible Officer for at least five years.