

APPROVED  
by the General Shareholders' Meeting  
of Mobile TeleSystems Open Joint Stock  
Company  
\_\_\_\_\_, 2009, Minutes No. \_\_\_\_

**MOBILE TELESYSTEMS**  
**Open Joint Stock Company**

**RULES AND REGULATIONS OF**  
**THE COMPANY EXECUTIVE BOARD**

**(VERSION No. 3)**

Moscow  
2009

## **1. General Provisions**

1.1. The Executive Board of the Mobile TeleSystems Open Joint Stock Company (hereinafter referred to as the “Executive Board” and the “Company”) is a collegial executive body of the Company.

These Rules and Regulations on the Executive Board of the Company (hereinafter – “These Rules and Regulations”) determine the procedure for formation, rights, obligations and liability of the Executive Board members, procedure for planning, preparation, convening and conduct of Executive Board meetings, procedure for making decisions and the rules for formalization of the decisions and their implementation, procedures for keeping and submission of the minutes (extracts from the minutes) of Executive Board meetings.

These Rules and Regulations were drawn up in compliance with the Civil Code of the Russian Federation, the Federal Law on Joint Stock Companies, the Company Charter.

1.2. The activities of the Executive Board shall be governed by the current legislation, the Company Charter and these Rules and Regulations.

1.3. The Executive Board is accountable to the General Shareholders’ Meeting and the Board of Directors of the Company.

The Executive Board shall be fully liable within its terms of reference towards the shareholders for efficient implementation of the Company operations, financial, business, technological, HR and social policies.

## **2. Formation and Members of the Executive Board**

2.1. The number of members and candidacies to the Executive Board shall be approved by the Board of Directors upon the motion of the President of the Company. The President of the Company shall be the Chairman of the Executive Board. The Executive Board members shall be elected for the period till the date of expiry of the powers of the Company President, being the Chairman of the Executive Board. The members of the Executive Board can be re-elected an unlimited number of times.

2.2. The Company shall provide all its shareholders and all other parties concerned with access to the information about the Executive Board members, their positions in the Company and other organizations, the number of the shares of the Company and its subsidiaries and dependent companies that are held by the Executive Board members, by placing this information on the Company Internet site.

2.3. The Board of Directors shall have the right to take at any time a decision on termination of the powers of an Executive Board member or all Executive Board members, as well as a decision on the change of the number of Executive Board members and election of new Executive Board members.

The Board of Directors shall make a decision on the termination of the powers of an Executive Board member at his/her written request.

The powers of the Executive Board members shall arise and be terminated on the date of the relevant decision made at a Board of Directors meeting.

The termination of the powers of an Executive Board member, who has an employment contract with the Company, which envisages performance of other functions, shall not be deemed the grounds for the termination of the employment contract.

2.4. The Board of Directors shall specify qualification and other requirements for Executive Board members. An Executive Board member shall have higher education, be a highly qualified specialist in his/her field, have flawless reputation, have no previous convictions for economic crimes or crimes against the state and morality.

2.5. An Executive Board member can be either a staff member of the Company or a person who is not a Company employee. The members of the Company Auditing Commission cannot be elected the members of the Executive Board.

2.6. Each member of the Executive Board shall sign a contract, which shall define the additional terms and conditions of the work, procedure for determining the compensation, the terms and conditions of reimbursement of the costs relating to the execution of the duties of an Executive Board member, procedure for the contract termination. On behalf of the Company the contract shall be signed by the Chairman of the Company Board of Directors or a person authorized by the Company Board of Directors. The Board of Directors shall have the right to terminate the contract with an Executive Board member at any time. The terms and conditions of the contract shall be approved by the Company Board of Directors.

### **3. Terms of Reference of the Executive Board. Rights, Obligations and Liability of the Executive Board Members**

3.1. The terms of reference of the Executive Board are stipulated in the Company Charter.

3.2. Under instructions of the Board of Directors, the Executive Board shall prepare and submit for consideration of the Company Board of Directors the reports on implementation of the business plan, Company budget, reports on financial and operational results, key risks and competitive environment of the Company, efficiency of the internal control process and significant transactions, and other reports on the activities of the Company. Information on the instructions given by the Company Board of Directors shall be provided to the Secretary of the Executive Board by the Secretary of the Board of Directors.

3.3. When performing their functions the Executive Board members shall have the right:

- to participate in the Executive Board meetings, to openly express their opinions, to vote on all items of the agenda, to request to attach to the minutes of the Executive Board meeting their separate opinion in writing;
- to request and to receive from the Company's structural divisions documents and information on the Company activities relating to the issues within the terms of reference of the Executive Board;
- to propose items for putting on the agenda of Executive Board meetings, to request to convene extraordinary meetings.

3.4 Members of the Executive Board may attend General Shareholders' Meetings of the Company, answer the questions of the participants of the meeting related to the Company activities.

3.5. The Executive Board members shall:

- implement the resolutions adopted by the General Shareholders Meeting, the Board of Directors and the Executive Board;
- act in the interests of the Company, exercise their rights and fulfill their obligations with respect to the Company reasonably and in good faith;
- ensure the confidentiality of information, which became accessible to an Executive Board member during the performance of his/her duties,
- not use insider information for personal purposes, not disclose insider information to any third parties, not conclude any transactions based on the use of insider information;

- timely familiarize themselves with internal normative documents of the Company and comply with the requirements of such documents;

3.6. Executive Board members shall abstain from actions that may lead to conflicts of his/her and the Company interests, and in case such conflict arises – immediately inform the Company Board of Directors of this fact.

3.7. Executive Board members have no right to set up or participate (purchase shares, stakes, units) in the entities that are Company's competitors.

3.8. Executive Board members shall disclose the following information:

3.8.1. About himself/herself and his/her affiliated parties and any other information, data and documents required by the Company to comply with the requirements of the Russian Federation Legislation and to achieve his/her objectives in accordance with Annex No.1 to these Rules and Regulations. In case of changes in submitted information, the Executive Board members shall inform the Company Board of Directors about these changes.

3.8.2. About Company securities they own, on sale/ purchase of Company securities.

3.8.3. On legal entities in which they personally or together with their affiliated parties own 20 and more percent of voting shares (stakes, units).

3.8.4. On legal entities where Executive Board members hold offices in executive bodies.

3.8.5. On any known concluded or implied transaction of the Company in conclusion of which the Executive Board members may be recognized as interested parties in accordance with the norms of the Russian Federation Legislation.

3.8.6. Any other information on existing or potential conflict of interests of the Executive Board members and the Company.

In accordance with this paragraph, information shall be disclosed immediately after circumstances arising that are to be disclosed in the form of a written statement disclosing relevant information to the address of the Chairman of the Board of Directors of the Company.

3.9. An Executive Board member shall not accept gifts as well as receive other direct or indirect benefits, which are offered in order to influence the decisions taken by the Executive Board. An Executive Board member shall comply with the requirements of the approved Code of Ethics and Corporate Conduct of the Company for all staff members..

3.10. The Executive Board members shall be liable towards the Company for the losses caused to the Company by their wrongful acts (failure to act), if other grounds and the amount of the liability are not stipulated by the federal law.

The Executive Board members, who voted against the decision, which caused losses to the Company, or did not participate in voting, shall not be held liable.

3.11. The Executive Board members shall act within the terms of reference stipulated by the Company Charter, internal documents of the Company, resolutions of the General Shareholders Meetings, the Board of Directors and/or on the basis of the powers of attorney granted by the President of the Company.

3.12. In the event of termination of the powers of an Executive Board member, the Executive Board member shall within the time specified in the employment contract, submit to the Board of Directors a report on his/her activities.

3.13. The Company shall insure the professional liability of the Executive Board members.

#### **4. The Chairman and the Secretary of the Executive Board**

4.1. The President of the Company shall be the Chairman of the Executive Board. The Chairman of the Executive Board shall organize the work of the Executive Board, chair the

Executive Board meetings and report to the Board of Directors on the results of Executive Board activities.

4.2. A Deputy Chairman of the Executive Board shall be appointed upon the motion of the Executive Board Chairman from among the Executive Board members.

In the absence of the Chairman the Deputy Chairman shall perform his/her duties. In the absence of the Executive Board Chairman and his/her Deputy the Executive Board members can elect the Chairman from among the Executive Board members present at the meeting.

4.3. Upon the motion of the Chairman, the Executive Board shall approve the Secretary of the Executive Board. The Executive Board shall have the right to terminate at any time the powers of the Executive Board Secretary and to appoint a new Executive Board Secretary.

The Executive Board Secretary:

- shall send the Executive Board members notices of forthcoming meetings as well as materials relating to the agenda;
- shall arrange for the organizational and technical preparation for Executive Board meetings;
- shall count the votes (summarize the voting results) on the items of the Executive Board meeting Agenda.
- shall take the minutes of the meetings, make extracts from the minutes;
- shall ensure the transfer of the originals of the minutes and materials to the unified documentation and information fund of the Company;
- shall keep electronic copies of the minutes and materials of the meetings;
- shall monitor the implementation of Executive Board decisions.

4.4. The Secretary shall have the right to request any information and documents from the structural divisions of the Company, relating to the issues within the terms of reference of the Executive Board.

## **5. Executive Board Activity Planning Procedure, Convening of Executive Board Meetings**

5.1. The Executive Board meetings shall be held as and when necessary but not less than 2 (two) times per month and shall be convened by the Chairman of the Executive Board on his/her own initiative or at the request of any member of the Executive Board, Board of Directors, Auditing Commission or the Auditor of the Company. The Executive Board meetings shall be held in the Company office. On the instructions of the Executive Board Chairman the Executive Board meetings can be held outside the Company office and the Executive Board members shall be notified of the meeting venue in accordance with the procedure specified in items 5.6, 5.10 of these Rules and Regulations.

5.2. The Chairman of the Executive Board shall prepare a quarterly schedule of the Executive Board activities. The Executive Board Secretary shall forward this schedule to the Executive Board members no later than 10 days before the beginning of a calendar quarter.

5.3. In order to include an issue in the quarterly schedule of Executive Board activities, the members of the Executive Board can, no later than 20 (twenty) days before the beginning of the next quarter (before December 10<sup>th</sup>, March 10<sup>th</sup>, June 10<sup>th</sup>, September 10<sup>th</sup>) forward their proposals for the quarterly schedule of the Executive Board activities, with a mandatory copy to the Secretary of the Executive Board, specifying the following:

5.3.1. Proposed subject;

- 5.3.2. Proposed meeting date;
- 5.3.3. Person (s) in charge of the preparation and submission of materials;
- 5.3.4. A member of the Executive Board supervising material preparation and coordination;
- 5.3.5. A list of persons to be invited to the Executive Board meeting to consider the issue proposed.

5.4. If preliminary consideration of issues, which are within the terms of reference of the Company Board of Directors, is to be carried out at the Executive Board meeting, the Secretary of the Company Board of Directors shall, no later than 1 (one) business day after the approval of the Agenda for the Board of Directors meeting by the Chairman of Board of Directors, notify the Chairman and the Secretary of Executive Board, specifying the following:

- 5.4.1. The date of Board of Directors Meeting;
- 5.4.2. The approved Agenda for the Board of Directors Meeting;
- 5.4.3. Personnel in charge of material preparation for each item of the Agenda for the Board of Directors Meeting;
- 5.4.5. The date of submission of materials on the items of Agenda for the Board of Directors Meeting to the Secretary of the Board of Directors ;
- 5.4.6. The date of distribution of materials on the items of Agenda for the Board of Directors Meeting among the members of the Board of Directors;
- 5.4.7. Earlier instructions of the Board of Directors to be carried out by the date of the meeting with the indication of employees in charge of them;
- 5.4.8. The date of submission of status information on earlier instructions of the Board of Directors to the Secretary of the Board of Directors;
- 5.4.9. The date of submission of materials related to earlier instructions of the Board of Directors to the Secretary of Board of Directors.

5.5. The Chairman of the Executive Board shall arrange for preliminary consideration of materials prepared for the Board of Directors meetings, at Executive Board meetings no later than 15 (fifteen) calendar days before the date of the Board of Directors meeting.

5.6. The Secretary of the Company Board of Directors shall, no later than 1 (one) business day after the approval by the Board of Directors of the date of the General Shareholders' Meeting, notify the Chairman and the Secretary of the Executive Board of the above and provide the following information:

- 5.6.1. The approved date of the General Shareholders' Meeting;
- 5.6.2. The approved Agenda for the General Shareholders' Meeting;
- 5.6.3. Personnel in charge of preparation of materials to be submitted to the Company shareholders for consideration;
- 5.6.4. The date of submission of materials to Company shareholders for consideration.

5.7. The Chairman of the Executive Board shall arrange for the preliminary consideration at the Executive Board meeting of the materials to be submitted to Company shareholders in the course of preparation for the General Shareholders' Meeting, no later than 5 (five) business days before submission of the materials to Company shareholders for review if the preliminary consideration of the materials at the Executive Board meeting is required according to the provisions of the Company Charter, Rules and Regulations of the Company Management Bodies, legislation of the Russian Federation.

5.8. The date, venue and final Agenda for the Executive Board meeting shall be approved by the Chairman of Executive Board and communicated to the members and the

Secretary of the Executive Board no later than 15 (fifteen) business days before the date of the meeting.

5.9. Convening and conduct of extraordinary meetings of the Company Executive Board, inclusion of unscheduled items in the Agenda for an Executive Board meeting, shifting the consideration of an issue from one planned meeting to another, withdrawal of items from the Agenda for an Executive Board meeting, postponing the date of an Executive Board meeting, amendment of the Agenda for an Executive Board meeting, change of the deadline for execution of Executive Board instructions shall be made by the Chairman of the Executive Board upon his/her own initiative or upon request from any member of Executive Board, Board of Directors or Auditing Commission, Auditor of the Company or the Secretary of the Company Board of Directors (if the materials to be submitted to members of Board of Directors and Company shareholders in the course of preparation of the Board of Directors or General Shareholders' Meetings are to be preliminarily considered at the Executive Board meeting).

5.10. The Secretary of the Executive Board shall communicate any changes in the date, venue of the meeting and Agenda for the Executive Board meeting to the members of Executive Board no later than 1 (one) business day after the receipt of such information from the Chairman of the Executive Board.

## **6. Procedure for the Preparation and Submission of Materials for Executive Board Meetings**

6.1. Personnel in charge of the preparation of materials for Executive Board meetings shall forward the drafts (in the electronic form) approved by the supervising member of the Executive Board, to the Secretary of the Executive Board no later than 5 (five) business days before the date of the meeting.

6.2. The Secretary of the Executive Board shall, no later than 4 (four) business days before the date of the Executive Board meeting, submit all received materials to the Chairman and members of the Executive Board for preliminary consideration. The Secretary of the Executive Board shall inform the Chairman of the Executive Board in the event of the lack of materials on any item of the Agenda for the Executive Board meeting.

6.3. The Chairman and the members of the Executive Board shall, no later than 2 (two) business days before the date of the Executive Board meeting, forward their comments/remarks/proposals on the materials submitted (with a copy to the Secretary of Executive Board).

6.4. A person in charge of material preparation shall, before 12.00 of the day preceding the date of the Executive Board meeting, take into account all comments received (to be approved by the member of the Executive Board who supervises material preparation), respond to all questions raised, update the materials and forward them for further consideration to the members of the Executive Board who made comments, and to the Chairman of the Executive Board (with a copy to the Secretary of the Executive Board).

6.5. The personnel in charge shall submit the fully approved and updated materials to the Secretary of the Executive Board no later than 1 (one) hour before the end of the business day preceding the date of the meeting.

6.6. Before the end of the business day preceding the date of the meeting, the Secretary of the Executive Board shall forward final and approved materials prepared for Executive Board meeting, to the Chairman and members of the Executive Board.

6.7. Any changes in the procedure of preparation and submission of materials for the Executive Board meetings can be made by the decision of the Chairman of the Executive Board.

## **7. Procedure for holding the Executive Board meetings, adoption and drawing up of resolutions of the Executive Board**

7.1. The quorum required for an Executive Board meeting to be held is no less than 50% of the elected members of the Executive Board. If no quorum is present, the Chairman of the Executive Board shall fix a new date for the meeting. If the number of the Executive Board members becomes less than the quorum required, the Company Board of Directors must form a new Executive Board.

7.2 The Chairman of the Executive Board has the right to invite to the meetings of the Executive Board any other persons including employees of the Company and independent experts.

7.3. The Executive Board members shall attend the Executive Board meetings. Any member of the Executive Board who is not able to attend such a meeting shall beforehand notify the Secretary of the Executive Board of the above. In this case, the Executive Board member shall have the right to submit his/her written opinion on the agenda items to the Secretary of the Executive Board. Written opinions of those Executive Board members who are not able to attend shall be distributed by the Secretary of the Executive Board among the present Executive Board members and taken into account when determining the quorum and voting results.

The Executive Board members, who are not able to attend an Executive Board meeting, have the right to participate by telephone or video conference. Participation of the Executive Board member at the meeting by telephone communication or by video conference is made equal to his/ her presence in person.

7.4. Resolutions of the Executive Board meeting shall be adopted by majority voting of the Executive Board members present. Each member of the Executive Board, when voting at an Executive Board meeting, shall have one vote. In case of equal vote, the Chairman of the Executive Board has the casting vote. The members of the Executive Board cannot transfer their voting rights to other persons, including other members of the Executive Board.

7.5. Opinions of the Executive Board members absent from the meeting, expressed in the written form, shall be taken into account when determining if a quorum is present.

7.6. The Executive Board member who has voted against a resolution adopted by the Executive Board, will have the right, within 2 (two) business days since the date of the meeting, to form and submit to the Chairman of Executive Board his/her dissenting opinion on the issue, which is to be incorporated into the Minutes and become its integral part.

## **8. Consideration of agenda items at the Executive Board meeting**

8.1. An Executive Board meeting shall consider the items that have been included into the agenda according to the routine procedure or by the decision of the Chairman of Executive Board.

8.2. The Executive Board meeting shall consider agenda items in accordance with the following procedure:

- a report presented by a person reporting on the agenda item;
- a co-reporter's report (if applicable);
- the Executive Board members' questions to the reporters or other Company executives present at the meeting;
- the Executive Board members and other invited persons debating the report;



- reading out written opinions on the draft resolution submitted by the Executive Board members;
- the reporter giving short comments on the proposals that were put forward during debates;
- the Chairmen of the Executive Board summarizing the debates and formulating, with regard to the materials submitted, the draft resolution of the Executive Board, indicating the time required for such resolutions execution;
- voting and vote counting. The draft resolution can be voted either as whole or by separate items of the resolution, if so requested by any member of the Executive Board;
- the Chairman of the Executive Board declaring voting results;
- the Executive Board members being provided the opportunity to deliver (and to incorporate into the Minutes of the Executive Board) their special opinion. A member of the Executive Board shall have the right to deliver such special opinion in writing no later than two days since the date of the Executive Board meeting.

8.3. Speakers' time for reporting, co-reporting and reading out closing remarks shall be set by the Chairman of the Executive Board and agreed by the reporters and co-reporters, however the time shall not exceed 20 minutes for reporting and 10 minutes for co-reporting. Each speaker debating shall have up to 5 minutes.

8.4. A debater shall:

- in short present his/her position as for the matter in question,
- formulate his/her position with regard to the draft resolution of the Executive Board proposed by the reporter or other participants of the Executive Board meeting upon the examination of the materials on the agenda item,
- formulate his/her resolution proposal on the agenda item considered.

8.5. The Chairman of a meeting of the Executive Board shall:

- give the floor for asking questions, reporting and speaking;
- organize the debates;
- present his/her own position as for the agenda item considered;
- summarize the discussion and formulate the proposals;
- ensure compliance with the Rules of Procedure;
- put to voting draft resolutions of the Executive Board, proposals made by the Executive Board members as for the agenda items considered, arrange voting and vote count and declare voting results;
- take decision on deadlines for execution of the resolutions of the Executive Board;
- arrange for Minutes taking and, where necessary, shorthand reports of the meeting, and sign the Minutes.

8.6. Next meeting agenda shall be announced at each meeting of the Executive Board.

8.7. Audio recording of the meeting.

8.7.1. The Secretary of the Meeting shall provide for audio recording of the Executive Board meeting.

8.7.2. Based on the deciphering of the audio record of the Executive Board members statements, the Minutes of the Executive Board Meeting are drawn.

8.7.3. Audio record deciphering is not attached to the text of the Executive Board Meeting Minutes, but kept by the Secretary of the Executive Board and submitted only upon request of the Executive Board members.

## **9. Procedure for adoption of resolutions by absentee voting**

9.1. The Executive Board of the Company shall be able to adopt resolutions within the terms of its reference by way of absentee voting (by polling).

9.2. In order to take a resolution by way of absentee voting (polling), each member of the Executive Board will receive a notice of absentee voting specifying the agenda items, and containing the materials (information) on such agenda items and an absentee voting ballot (Annex 2), at least three (3) business days before the deadline for absentee voting ballots.

9.3. The procedure for preparation and submission of materials for meetings of the Executive Board, where the resolutions are to be adopted by way of absentee voting (polling), shall be in accordance with the procedure specified in Article 6 hereof. All timeframes that are specified in Article 6 hereof shall be set out with regard to the date of absentee voting notice forwarded by the Secretary of the Executive Board in accordance with Article 9.2 hereof, and not the date of the Executive Board meeting, as this is done in case of a meeting in presence.

9.4. The notice of absentee voting shall specify the following:

- full trade name and address of the Company;
- agenda of the Executive Board meeting;
- indication that the absentee voting is conducted by way of filling the questionnaire list;
- deadline for absentee voting questionnaires;
- list of information (materials) to be submitted to Executive Board members before the meeting.

The Chairman of the Executive Board or, in the absence of the Chairman of the Executive Board, the Deputy Chairman shall sign the absentee voting notice.

9.5. The following information shall be specified in a ballot:

- full trade name and address of the Company;
- wording of the agenda items;
- voting options;
- deadline for questionnaires;
- address to forward the filled questionnaires to.

9.6. When filling the absentee voting ballot, the members of the Executive Board shall leave uncrossed just one voting option ("In Favour", "Against" or "Abstained"). The members of the Executive Board shall sign the filled ballot and indicate his/her name and initials.

A voting ballot filled in with the infringement of the provisions of Item 9.5 hereof shall be deemed invalid and shall not be considered when determining if the quorum required to take the resolutions by way of absentee voting is available or when counting votes.

9.7. A member of the Executive Board shall, by the date specified in the questionnaire, submit the voting ballot, filled in and signed, to the Secretary of the Executive Board or send it by fax or other communication means (e-mail, mail, telegraph or other), followed by the ballot original, to the address specified in the questionnaire.

9.8. The members of the Executive Board, whose ballots were received by the Secretary of the Executive Board on or before the deadline, shall be deemed to have participated in the absentee voting.

9.9. The ballots, filled in and signed by the members of the Executive Board and received by the Company before the deadline specified in the absentee voting notice, shall be used to determine if the quorum is present.

9.10. With regard to the ballots received, the Secretary of the Executive Board shall summarize the results of absentee voting on the agenda items and draw the Minutes in accordance with the procedure set forth herein.

## **10. Minutes of an Executive Board meeting**

10.1. Minutes of Executive Board meetings shall be taken. The Secretary of the Executive Board shall take the minutes of the Executive Board meetings.

10.2. The Secretary of the Executive Board shall draft the Minutes of the Executive Board meetings (absentee voting results ) no later than two (2) business days since the date of the meeting (absentee voting) and forward to participating members and Chairman of the Executive Board for approval. Within one (1) business day from the date of the receipt of the draft Minutes, the members and the Chairman of Executive Board have the right to forward to the Secretary of the Executive Board their comments on the draft proposed; the Secretary of the Executive Board is to take the comments into account when preparing final Minutes approved by the Chairman of the Executive Board. Minutes of the Executive Board meetings (absentee voting) shall be signed by the Chairman and the Secretary of the Executive Board no later than 5 (five) business days since the date of the Executive Board meeting (absentee voting).

10.3. The Minutes of a meeting shall indicate the following:

- Minutes number (progressive numbering starting at the beginning of the year);
- full name of the Company;
- place and time of the meeting;
- list of those present at the meeting (members of the Executive Board and those invited);
- if quorum is present;
- list of those who submitted written opinion on the agenda items;
- agenda of the meeting;
- agenda items that have been considered and voting results;
- resolutions adopted, fulfillment dates and persons in charge of such resolutions' fulfillment.

10.4. Dissenting opinions on the resolutions submitted by the Executive Board members shall be incorporated into the Minutes.

10.5. For the purposes of keeping the records when determining the quorum or voting results, the written opinions on the agenda items submitted by the absent members of the Executive Board shall be incorporated into the Minutes as Annexes.

10.6. The original Minutes of the Executive Board meetings shall be stored by the Company. The materials submitted to the Executive Board members for the consideration of the relevant agenda items and presentations of the reports shall be attached to the Minutes.

10.7. Electronic copies of the Minutes and the attached materials shall be stored by the Secretary of the Executive Board. The Secretary of the Executive Board shall keep the electronic archive of the Minutes and materials and forward such copies to the Corporate Governance Department.

10.8. The Secretary of the Executive Board shall prepare and forward to those in charge of the execution of the resolutions of the Executive Board the extracts from the Minutes of the Executive Board meetings.

10.9. The shareholders holding more than 25% of the Company shares, members of the Board of Directors, Executive Board and Auditing Commission, and the Auditor of the Company shall have the right to contact the Secretary of the Executive Board to get access to the Minutes of the Executive Board meetings.

10.10. Upon the written request of the above persons, the Secretary of the Executive Board shall prepare and submit to them all such copies of the Minutes of the Executive Board or extracts from such Minutes certified by the Chairman of the Executive Board.

10.11. The Secretary of the Executive Board shall record such requests and issued copies and extracts from the Minutes of the Executive Board meetings in a special book.

## **11. Fulfillment of resolutions of the Executive Board**

11.1 All resolutions of the Executive Board shall be binding for the members of the Executive Board and the Company staff.

11.2 Control over fulfillment of resolutions taken by the Execution Board shall be aimed at unconditional, quality, precise and timely fulfillment of the above.

11.3. All resolutions of the Executive Board that are recorded in the Minutes and are to be fulfilled shall be subject to monitoring and control. The deadlines for the fulfillment of resolutions taken by the Executive Board shall be set out in the resolutions of the Executive Board. If no deadline has been set by the Executive Board, the resolution shall be fulfilled within no longer than one month, if not otherwise stated by the Chairman. If a deadline falls on a day-off (holiday), than the resolution is to be fulfilled no later than the next business day.

11.4. The Secretary of Executive Board shall control the fulfillment of the resolutions taken by the Executive Board. The persons in charge shall, within 1 (one) business day since the date of request by the Secretary of Executive Board, supply him/her with information on the status of resolutions.

11.5. In case of objective impossibility to fulfill the resolutions of the Executive Board in due time, the person in charge shall, with due advance (three (3) days before the deadline), submit his/her grounded request to the Chairman of the Executive Board to postpone the deadline for the fulfillment of the Executive Board resolution (submitting a copy of the request to the Secretary of the Executive Board). The Chairman shall inform the person in charge and the Secretary of the Executive Board on what decision is taken on the request no later than 2 (two) business days since the date of request.

11.6 In case a resolution of the Executive Board is not fulfilled in due time, the Secretary of the Executive Board shall, no later than the next business day after the deadline, notify the Chairman of the Executive Board on such non-fulfillment.

## **12. Introduction of alterations and additions to the Rules and Regulations**

12.1. Alterations to these Rules and Regulations can be proposed by the President of the Company, the Board of Directors, the Executive Board or the Auditing Commission, and shall be approved by the General Shareholders Meeting.

12.2. Should any of the provisions hereof contravene the current legislation of the Russian Federation, the current legislation of the Russian Federation shall prevail, while these Rules and Regulations shall remain effective in the part not contravening the legislation of the Russian Federation.

**Annex 1**  
**to the Rules and Regulations**  
**of the Mobile TeleSystems OJSC Executive Board**

**Information on relations of the Executive Board member with affiliated parties and major counterparts of the Company**

1. Related parties relationships with members of the existing Board of Directors, President of the Company, with the Auditing Commission members.
2. Relations with legal entities where the Company is a shareholder (participant) and has the right to control more than 20 % of the total number of voting shares (stakes, units)
3. Relations with the persons that have the right to control more than 20 % of the total number of voting shares of the Company.
4. Relations of the Executive Board member with the persons that belong to the group of persons where the Company belongs.
5. Relations of the Executive Board member with major counterparts of the Company.

**Annex 2**

**to the Rules and Regulations  
of the Mobile TeleSystems OJSC Executive Board**

**VOTING BALLOT No. \_\_\_\_**

**Absentee Voting by the  
Member of the Executive Board of Mobile TeleSystems Open Joint Stock Company**

\_\_\_\_\_(Name)

**Address of the Company:**  
**Postal address to submit the filled ballots:**  
**Deadline for voting ballots:**

**Agenda Item 1.**

**Items put to vote:**

**Voting Result:**

<b>IN FAVOUR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
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*In Voting Results, please, mark (circle) one of the options (IN FAVOUR, AGAINST or ABSTAINED) with regard to all transactions put to vote.*

**Agenda Item 2.**

**Items put to vote:**

**Voting Result:**

<b>IN FAVOUR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
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*In Voting Results, please, mark (circle) one of the options (IN FAVOUR, AGAINST or ABSTAINED) with regard to all transactions put to vote.*

**This Voting Ballot shall be signed by the member of the Executive Board in person**

**Signature** \_\_\_\_\_/ \_\_\_\_\_/

A Voting Ballot which is signed with the infringement of the above requirements shall be deemed invalid.

Please, send this Ballot to MTS OJSC: