

APPROVED
By the General Shareholders Meeting
of the Open Joint Stock Company
Rosneft Oil Company
on _____ «__», 2009
Minutes #

**REGULATIONS ON THE AUDIT COMMISSION
OF OPEN JOINT STOCK COMPANY
OIL COMPANY ROSNEFT
DRAFT 29.05.2009**

TABLE OF CONTENTS

ARTICLE 1. GENERAL PROVISIONS	3
1.1. REGULATIONS ON THE AUDIT COMMISSION.....	3
1.2. FUNCTIONS OF THE AUDIT COMMISSION.....	3
ARTICLE 2. PROCEDURE FOR FORMATION OF THE AUDIT COMMISSION	3
2.1. COMPOSITION AND PROCEDURE FOR FORMATION OF THE AUDIT COMMISSION	3
2.2. CHAIRMAN OF THE AUDIT COMMISSION	3
2.3. REMUNERATION AND COMPENSATION FOR MEMBERS OF THE AUDIT COMMISSION	4
ARTICLE 3. RIGHTS AND OBLIGATIONS OF THE AUDIT COMMISSION.	
RESPONSIBILITY OF THE MEMBERS OF THE AUDIT COMMISSION	4
3.1. RIGHTS AND OBLIGATIONS OF THE AUDIT COMMISSION	4
3.2. RESPONSIBILITY OF MEMBERS OF THE AUDIT COMMISSION	5
ARTICLE 4. PROCEDURE FOR CONDUCT OF EXAMINATIONS (AUDITS) BY THE	
AUDIT COMMISSION	5
4.1. PROCEDURE FOR CONDUCT OF EXAMINATIONS (AUDITS) OF FINANCIAL AND BUSINESS	
OPERATIONS.....	5
4.2. PROCEDURE FOR REQUESTING THE CONDUCT OF AN EXTRAORDINARY EXAMINATION (AUDIT)	
.....	5
4.3. TERM FOR THE CONDUCT OF THE EXAMINATION (AUDIT) OF THE FINANCIAL AND BUSINESS	
OPERATIONS.....	6
ARTICLE 5. MEETINGS OF THE AUDIT COMMISSION.....	7
5.1. MEETINGS OF THE AUDIT COMMISSION	7
5.2. RESOLUTIONS OF THE AUDIT COMMISSION.....	8
ARTICLE 6. DOCUMENTS OF THE AUDIT COMMISSION	8
6.1. DOCUMENTS OF THE AUDIT COMMISSION.....	8
6.2. MINUTES OF THE AUDIT COMMISSION	8
6.3. REPORTS OF THE AUDIT COMMISSION	9
6.4. OPINIONS OF THE AUDIT COMMISSION.....	9
6.5. OTHER DOCUMENTS	9
6.6. KEEPING OF DOCUMENTS OF THE AUDIT COMMISSION	9

Article 1. General provisions

1.1. Regulations on the Audit Commission

- 1.1.1 These Regulations (the "Regulations") have been developed in accordance with the Civil Code of the Russian Federation, the Federal Law "On joint stock companies", other legislative acts of the Russian Federation, the Charter of Rosneft Oil Company (the "Company") and shall regulate activities of the Audit Commission of the Company.
- 1.1.2 These Regulations shall establish the procedure of formation of the Audit Commission, the procedure of conduct of examinations (audits) of financial and business operations of the Company, the procedure of holding meetings of the Audit Commission, the procedure of adopting resolutions by the Audit Commission, rights and obligations of the members of the Audit Commission, as well as shall regulate any other matters connected with the activities of the Audit Commission.

1.2. Functions of the Audit Commission

- 1.2.1 The Audit Commission shall be the body responsible for supervision of financial and business operations of the Company, its bodies, officers, divisions and services, branches and representative offices.
- 1.2.2 In its activities the Audit Commission shall be governed by the legislation of the Russian Federation, the Charter of the Company, these Regulations and other internal documents of the Company, as well as resolutions of the General Shareholders Meeting and the Board of Directors.
- 1.2.3 The scope of competence of the Audit Commission shall be determined by the legislation of the Russian Federation, the Charter of the Company, these Regulations.

Article 2. Procedure for formation of the Audit Commission

2.1. Composition and procedure for formation of the Audit Commission

- 2.1.1. The Audit Commission of the Company shall be composed of 5 (five) members and shall be elected by the annual General Shareholders Meeting for the period until the next annual General Shareholders Meeting. The term of office of the Audit Commission shall expire on the day of the next annual General Shareholders Meeting.
- 2.1.2. Powers of certain or all members of the Audit Commission may be early terminated by resolution of the General Shareholders Meeting. In case of the early termination of the powers of any member of the Audit Commission, the powers of other members of the Audit Commission shall not be terminated.
- 2.1.3. If the number of the members of the Audit Commission becomes less than 3 (three) members, the Board of Directors shall convene an extraordinary General Shareholders Meeting for the purpose of electing the Audit Commission. The remaining members of the Audit Commission shall perform their duties until the new members of the Audit Commission are elected.

2.2. Chairman of the Audit Commission

- 2.2.1. At its first meeting after the election, the Audit Commission shall elect the Chairman of the Audit Commission from among its members.
- 2.2.2. The Chairman of the Audit Commission may be re-elected by the majority of votes of the total number of the elected members of the Audit Commission.
- 2.2.3. The Chairman of the Audit Commission shall:
 - formulate the agenda of meetings of the Audit Commission;
 - convene and hold meetings of the Audit Commission;
 - organize day-to-day work of the Audit Commission;

- represent the Audit Commission at the General Shareholders Meeting, the meetings of the Board of Directors and the Management Board;
 - sign documents of the Audit Commission.
- 2.2.4. In the absence of the Chairman of the Audit Commission duties of the latter shall be performed by one of members of the Audit Commission selected by a simple majority of votes of the members of the Audit Commission attending the meeting.
- 2.3. Remuneration and compensation for members of the Audit Commission
- 2.3.1. The General Shareholders Meeting may resolve that the members of the Audit Commission be paid remuneration during their term in office and (or) compensated for expenses incurred by them in their function of the members of the Audit Commission. The amount of such remuneration and compensations and the relevant payment procedures shall be established by resolution of the General Shareholders Meeting upon recommendations of the Board of Directors of the Company.
- 2.3.2. The General Shareholders Meeting shall consider the issue of remuneration and compensation of expenses to the members of the Audit Commission for discharging their duties as a separate item on the agenda of the General Shareholders Meeting.

Article 3. Rights and obligations of the Audit Commission. Responsibility of the members of the Audit Commission

3.1. Rights and obligations of the Audit Commission

- 3.1.1. For the purpose of due performance of its functions the Audit Commission shall have the following rights:
- to demand in the course of examinations (audits) that governing bodies of the Company, heads of divisions, branches and representative offices of the Company, and officers of the Company furnish information (documents and materials) required for the conduct by the Audit Commission of the examinations (audits);
 - to demand that the President, members of the Board of Directors, members of the Board, persons performing management functions, heads of divisions, branches and representative offices of the Company, financially responsible officers, employees of the Company provide oral and written explanations on questions arising in the course of examinations (audits);
 - to raise before the governing bodies of the Company the issue of bringing employees of the Company, including its officers, to material and disciplinary responsibility in situations where violations by such employees of the Company Charter, internal documents of the Company, personnel instructions are identified;
 - to demand, in accordance with the legislation, convocation of the meetings of the Board of Directors, convocation of the extraordinary General Shareholders Meeting in situations where violations identified in the course of an audit have damaged or may damage the interests of the Company, and the necessary decisions falls within the scope of competence of such governing bodies of the Company.
- 3.1.2. The Audit Commission shall have the following obligations:
- to conduct examinations (audits) of the financial and business operations of the Company based on the annual performance of the Company, as well as at any time at the initiative of the persons authorized to initiate such examinations (audits) to be conducted in accordance with the legislation, the Charter and these Regulations;
 - to assess the correctness of the data included into the annual report of the Company and contained in the annual accounting statements of the Company;

- to promptly communicate to the General Shareholders Meeting, the Board of Directors, the Management Board and the President of the Company the results of the conducted examinations (audits) in the form of report or act;
- to promptly communicate to the General Shareholders Meeting, the Board of Directors identified facts of inefficiency and/or unsoundness of the financial and business operations, violations of the legislation of the Russian Federation, the Charter, internal documents of the Company committed by the officers of the Company, heads of divisions (services, branches and representative offices of the Company);
- to keep commercial secrets, not to disclose the confidential information became known to the members of the Audit Commission in the course of performance by them of the examinations (audits);
- to register violations of laws and regulations, the Charter of the Company, internal regulations of the Company by employees and officers of the Company;
- to attend the General Shareholders Meeting and to reply to the questions of the participants thereof.

3.2. Responsibility of members of the Audit Commission

Members of the Audit Commission shall bear responsibility:

- for any loss, impairment or falsification of the documents and materials submitted to the Audit Commission;
- for disclosure of confidential information, corporate or commercial secrets of the Company;
- for careless or improper conduct of examinations (audits) of financial and business operations, and failure to promptly submit reports and opinions of the Audit Commission to the bodies of the Company;
- for other facts of careless or improper discharge by them of their official duties.

Article 4. Procedure for conduct of examinations (audits) by the Audit Commission

4.1. Procedure for conduct of examinations (audits) of financial and business operations

The examination (audit) of financial and business operations of the Company shall be conducted on the basis of the annual performance of the Company (scheduled examination), or at any time if so demanded by the persons authorized to initiate such an examination (audit) in accordance with the current legislation of the Russian Federation, the Charter, these Regulations (extraordinary examination).

In the course of an extraordinary examination the Audit Commission may audit both the individual business operations of the Company, and business operations for certain periods of time.

4.2. Procedure for requesting the conduct of an extraordinary examination (audit)

4.2.1. The extraordinary examination (audit) of financial and business operations of the Company shall be conducted at any time at the initiative of the Audit Commission, by resolution of the General Shareholders Meeting, by resolution of the Board of Directors, at the request of a shareholder (shareholders) of the Company owning in aggregate at least 10 percent of voting shares of the Company.

4.2.2. The initiators of the examination (audit) of financial and business operations of the Company may at any time prior to the Audit Commission resolution to conduct the examination (audit) withdraw their request by written notice to the Audit Commission.

4.2.3. The shareholder (shareholders) initiating the examination (audit) shall submit to the Audit Commission a written request to conduct the examination, which shall contain the following information:

- name (title) of the shareholder (shareholders) submitting the request;

- information about the shares owned by them (number, category, type);
 - grounds for the necessity to conduct of the examination.
- 4.2.4. The request shall be signed by the initiating shareholder(s) or his/her/their authorized representative. If the request is signed by such authorized representative(s), it shall be accompanied by the appropriate power(s) of attorney (or its notarized copy), complying with requirements of legal acts, or other documents, certifying rights of the representatives to act on behalf of a shareholder.
- 4.2.5. If the examination (audit) is initiated by shareholders, which are legal entities, the signature of the representative of each such legal entity acting, in accordance with its charter, without the power of attorney shall be certified by the official seal of such legal entity. If the request is signed by the representative of a legal entity acting on its behalf under a power of attorney, it shall be accompanied by such power of attorney (or its notarized copy), complying with requirements of legal acts, as well as copies of the documents, certifying the authority of the person issuing such power of attorney.
- 4.2.6. The shareholder submitting a request to conduct an examination (audit), whose rights to shares are registered on a depo account with a depository, shall supply to the Company a statement from such securities account to confirm his/her holding of a relevant number of voting shares of the Company as of the date of the request.
- 4.2.7. The request of the persons initiating the examinations (audits) shall be sent by registered mail to the address of the Company to the attention of the Chairman of the Audit Commission, or shall be delivered to the Company in person.
- 4.2.8. Within 5 business days from the date of the submission by the shareholder (shareholders) of the request for conduct of the unscheduled examination (audit) the Audit Commission shall resolve to conduct the examination (audit) of the financial and business operations of the Company, or provide a motivated refusal to conduct such examination (audit). The date of submission of the request shall be determined by the date of its receipt by the Company.
- 4.2.9. The Audit Commission may refuse to conduct the examination (audit) in the following cases:
- the shareholders submitting the request do not hold the requisite number of voting shares;
 - the Audit Commission has already examined (audited) the facts which have caused the request to conduct the examination (audit) and adopted respective resolution;
 - the request fails to meet the requirements of the legislation of the Russian Federation or the Charter of the Company or these Regulations.
- 4.2.10. The shareholder(s), which has (have) filed a request to conduct the examination (audit) of financial and business operations of the Company may file a new request to conduct an examination (audit) on the same grounds not earlier than 120 days after the date of first such request.
- 4.3. Term for the conduct of the examination (audit) of the financial and business operations
- 4.3.1. The Audit Commission shall submit to the Board of Directors the report based on the results of the scheduled examination (audit) of the financial and business operations of the Company for the year and an opinion either confirming or disproving the correctness of the information included in the annual report of the Company and the annual accounting statements of the Company, not later than 40 days before the date of the annual General Shareholders Meeting.
- 4.3.2. An extraordinary examination (audit) of financial and business operations of the Company conducted at the request of a shareholder (shareholders) of the Company, holding in aggregate at least 10 percent of voting shares of the Company, shall be commenced not later than 30 days from the date of receipt of the request from the shareholders.

The duration of such examination (audit) shall not exceed 90 days, provided that it may be extended by resolution of the Audit Commission.

- 4.3.3. An extraordinary examination (audit) of financial and business operations of the Company conducted by resolution of the General Shareholders Meeting or of the Board of Directors shall be commenced not later than 30 days from the date of presentation of the minutes of the General Shareholders Meeting or of the meeting of the Board of Directors.

A copy of the minutes of the General Shareholders Meeting or of the meeting of the Board of Directors shall be submitted to the Chairman of the Audit Commission.

The date of submission of the minutes shall be determined by the date of submission of a copy hereof to the Chairman of the Audit Commission.

- 4.3.4. Within 5 business days from the date of the request submitted by a member of the Audit Commission for conduct of an extraordinary examination (audit) the Chairman of the Audit Commission shall make a decision to hold a meeting of the Audit Commission.

In case the Audit Commission resolves to conduct the examination (audit) the Chairman of the Audit Commission shall organize the examination (audit) and shall commence such examination (audit).

Article 5. Meetings of the Audit Commission

5.1. Meetings of the Audit Commission

- 5.1.1. The organizational matters related to the conduct of the examinations (audits) shall be addressed at the meetings of the Audit Commission. The Meetings of the Audit Commission shall be held before the commencement of the examinations (audits), upon their completion to review the findings, as well as in other cases requiring a joint resolution of the members of the Audit Commission. Any member of the Audit Commission shall have the right to request the convocation of the meeting of the Audit Commission upon discovery of violations warranting an urgent action.
- 5.1.2. The meetings of the Audit Commission of the Company shall be conducted in the form of joint presence of the members of the Audit Commission for the purpose of discussing the items on the agenda and approving resolutions on items put to the vote.
- 5.1.3. The quorum for the conduct the meetings of the Audit Commission shall be constituted by the presence of at least half of the members of the Audit Commission.
- 5.1.4. The Meetings of the Audit Commission held before the commencement of the examinations (audits) shall resolve:
- all organizational matters related to the conduct of the examinations (audits);
 - approve the list of persons responsible for conducting of the examination (audits).
- 5.1.5. The following persons, which are not members of the Audit Commission may be invited to the meeting of the Audit Commission: members of the Board of Directors, the President, members of the Management Board, officers and heads of divisions of the Company, including the employees of the internal control service of the Company, representatives of the auditor of the Company, experts and consultants, other persons invited by the Chairman of the Audit Commission.
- 5.1.6. The meeting of the Audit Commission of the Company may be conducted jointly with the meeting of the Board of Directors of the Company.
- 5.1.7. The Audit Commission may hold joint meetings with the audit committee of the Board of Directors of the Company. Such meetings shall be conducted on a mandatory basis to review the following matters:
- report of the Audit Commission of the Company on the results of the examination of financial and business operations of the Company for the year;

- report of the Audit Commission of the Company on the results of the examination of the annual accounting statements;
- report of the Audit Commission on accuracy of the data contained in the annual report of the Company.

5.2. Resolutions of the Audit Commission

- 5.2.1. Resolutions of the Audit Commission shall be adopted and opinions and reports shall be approved by the majority of votes of the members of the Audit Commission attending the meeting. When passing resolutions on matters at the meeting of the Audit Commission each member of the Audit Commission shall have one vote. The members of the Audit Commission may not delegate their votes to any other persons, including to other members of the Audit Commission. In case of equality of votes, the vote of the Chairman of the Audit Commission shall be the casting vote.
- 5.2.2. If any member of the Audit Commission did not agree with the resolution approved by the Audit Commission he/she shall have the right to demand that his/her dissenting opinion be registered in the minutes of the meeting and communicated to the governing bodies and/or shareholders of the Company.
- 5.2.3. The member of the Audit Commission who expressed its disagreement with the opinion (report) of the Audit Commission may present his/her dissenting opinion which shall be attached to the opinion (report) of the Audit Commission, and shall be an integral part thereof.
- 5.2.4. If the member of the Audit Commission did not sign the opinion (report) or present his/her dissenting opinion, the opinion (report) shall indicate the reasons therefor.

Article 6. Documents of the Audit Commission

6.1. Documents of the Audit Commission

- 6.1.1. The documents of the Audit Commission shall include the following:
 - minutes of the meetings of the Audit Commission;
 - reports of the Audit Commission on the results of examinations (audits);
 - opinions of the Audit Commission;
 - other documents related to the activities of the Audit Commission.
- 6.1.2. The documents of the Audit Commission shall not be attested by the seal of the Company.
- 6.1.3. The opinion of the Audit Commission based on results of an extraordinary examination (audit) of financial and business operations of the Company shall be submitted to the Audit Committee of the Board of Directors of the Company through the Corporate Secretary of the Company within 3 business days after completion of an examination (audit).

6.2. Minutes of the Audit Commission

- 6.2.1. Minutes of the meeting of the Audit Commission shall be drawn within 3 days following the date of the meeting.
- 6.2.2. The minutes shall contain the following information:
 - name of the Company;
 - time and place of the meeting of the Audit Commission;
 - persons attending the meeting;
 - agenda of the meeting;
 - items put to the vote, and the results of voting thereon;
 - resolutions adopted;
 - persons expressing a special opinion on the adopted resolutions.

6.2.3. The minutes of the Audit Commission shall be signed by the Chairman of the Audit Commission.

6.3. Reports of the Audit Commission

6.3.1. The reports of the Audit Commission on the results of examinations (audits) shall contain the following information:

- place and time of the examination (audit);
- members of the Audit Commission participating in the examination (audit);
- grounds for the conduct of the examination (audit);
- description of identified violations of the applicable provisions of the laws and regulations, the Charter and internal regulations of the Company;
- list of persons, who committed violations of the applicable provisions of the laws and regulations, the Charter and internal regulations of the Company;
- references to the provisions of the laws and regulations, the Charter and internal regulations of the Company, violations whereof were identified in the course of the examination (audit).

6.3.2. The reports of the Audit Commission shall be signed by all members of the Audit Commission, who conducted the examination (audit).

6.4. Opinions of the Audit Commission

6.4.1. Opinions of the Audit Commission shall contain the following information:

- conclusions with respect to compliance or non-compliance with the applicable provisions of the laws and regulations, the Charter and internal regulations of the Company;
- assessment of accuracy of the data included into the annual report of the Company and contained in the annual accounting statements of the Company;
- requests for provision of information (documents and materials) filed in the course of the examination (audit) with the governing bodies of the Company, heads of divisions, services, branches and representative offices of the Company, and officers of the Company;
- cases of refusal to provide any requested information (documents and materials) as requested;
- information about requests of the Audit Commission to convene the meetings of the Board of Directors and the extraordinary General Shareholders Meeting;
- information about written explanations provided by the President, members of the Board of Directors, members of the management Board, officers and employees of the Company;
- description of violations of laws and regulations, the Charter of the Company, internal regulations of the Company, rules and procedures of the Company by employees and officers of the Company.

6.4.2. The opinions of the Audit Commission shall be signed by all members of the Audit Commission.

6.5. Other documents

Other documents of the Audit Commission shall be signed by the Chairman of the Audit Commission.

6.6. Keeping of documents of the Audit Commission

6.6.1. The Chairman of the Audit Commission shall keep the following documents:

- documents of the Audit Commission;
- requests for the conduct of examinations (audits);

- refusals of the Audit Commission to conduct any examinations (audits);
 - written refusals of the officers of the Company to provide information.
- 6.6.2. Originals of the documents of the Audit Commission shall be transferred by the Chairman of the Audit Commission to the Corporate Secretary for storage, and a respective act shall be executed to that effect.
- 6.6.3. The Company in the person of the Corporate Secretary shall ensure that the shareholders have access to the documents of the Audit Commission in accordance with the procedure, and to the extent, stipulated by the legislation of the Russian Federation.
- 6.6.4. If so requested in writing by a shareholder, the Company shall furnish such shareholder, for a fee, with copies of the opinions of the Audit Commission. The amount of the fee shall be determined by the Company, and shall not exceed the amount of expenses incurred in connection with the preparation and mailing of copies of such documents.