

APPROVED
by the Extraordinary
General Meeting of Shareholders
of Novatek OJSC
Minutes No. 95 as of 25 March 2005

(Seal)
NOVATEK Open Joint-Stock
Company
The City of Tarko-Sale,
Purovsky Region, Yamal-
Nenetsk Autonomous Area
NOVATEK OJSC

Chairman of the Meeting
(Signature) A.E. Natalenko

REGULATIONS
for
the Revision Commission
of NOVATEK
Open Joint-Stock Company
(as amended and restated)

1. General Provisions

1.1. These Regulations shall determine the status, composition, functions, and powers of the Internal Audit Committee, procedures of establishing the Internal Audit Committee, procedures of early termination of powers of its members, operating procedures, and procedures of the Internal Audit Committee's interaction with other management bodies of NOVATEK Open Joint-Stock Company (hereinafter referred to as "the Company").

1.2. The Internal Audit Committee shall be a control body responsible for exercising control over financial and business activity of the Company, its bodies, officers, units, departments, branches, and representative offices.

1.3 The Internal Audit Committee shall consist of 4 persons, who shall be elected at the General Meeting of Shareholders by cumulative voting as provided for by the Federal Law "On Joint-Stock Companies". The General Meeting of Shareholders may decide to change the number of members of the Internal Audit Committee by making appropriate amendments to the Company's Articles of Association and these Regulations.

1.4. The Internal Audit Committee shall be governed by the laws of the Russian Federation, the Company's Articles of Association, and these Regulations. Audits of the Company's financial and business activity shall be conducted by the Internal Audit Committee in accordance with Article 85 of the Federal Law "On Joint-Stock Companies".

1.5. The terms of reference of the Internal Audit Committee shall be determined by the Federal Law "On Joint-Stock Companies". Any terms of reference not covered by the said law shall be determined by the Company's Articles of Association.

2. Responsibilities

2.1. The Internal Audit Committee shall:

- timely inform the General Meeting of Shareholders, the Board of Directors, and members of a collegial executive body of the results of internal audits (inspections) in the form of a report or a deed;
- evaluate the reliability of data contained in the Company's annual reports and annual accounting statements;
- keep commercial secrets and confidentiality of information available to the members of the Internal Audit Committee in the course of fulfilling their duties;
- request the Company's bodies, branches, representative offices, officers, and directors of the Company's units and departments to provide information (documents and materials) to be examined in the course of an internal audit (inspection) pursuant to the terms of reference of the Internal Audit Committee;
- request to call meetings of the Board of Directors or extraordinary general meetings of shareholders, when violations found in the Company's financial and business activity or any real threats to the Company require resolutions on matters lying within the competence of such management bodies of the Company;
- request written explanations from the Company's sole executive body, collegial executive body, Board of Directors, employees, and officers on any matters lying within the competence of the Internal Audit Committee;
- record violations by the Company's employees and officers of the laws and regulations, the Company's Articles of Association, Regulations, rules, and instructions;
- audit the Company's financial and business performance for the year, as well as for any other period as may be decided by persons specified in the Federal Law "On Joint-Stock Companies", the Company's Articles of Association, and these Regulations;

- when necessary, engage the services of external experts to assist in specific areas of financial and business activity. The Company (represented by its sole executive body) shall enter into agreements with such external experts engaged by the Internal Audit Committee.

2.2. The Chairman of the Internal Audit Committee shall participate in the general meetings of shareholders.

3. Audit (Inspection) Procedure

3.1. Internal audits (inspections) shall be conducted in respect of the Company's financial and business performance for the year.

3.2. The Internal Audit Committee shall, no later than 40 days prior to the Annual General Meeting of Shareholders, present to the Board of Directors its report on the internal audit (inspection) of the Company's financial and business performance for the year, and its internal audit opinion confirming or denying the reliability of data contained in the Company's annual report and annual accounting statement.

3.3. Internal audits (inspections) may be also conducted in respect of the Company's financial and business performance for any other period, as may be decided by:

- the Internal Audit Committee;
- the General Meeting of Shareholders;
- the Board of Directors;
- the Company's shareholder (shareholders) holding (jointly holding) no less than 10% of the Company's voting shares.

3.4. Having revealed any violations, the Internal Audit Committee member shall send to the Chairman of the Internal Audit Committee a written description of all such violations to be handled by the Internal Audit Committee. The Chairman of the Internal Audit Committee shall call a meeting of the Internal Audit Committee within 14 days after receiving such request. Where the decision to conduct an internal audit (inspection) is made by the Internal Audit Committee, the Chairman of the Internal Audit Committee shall organize and proceed with the internal audit (inspection).

3.5. When conducting audits, members of the Internal Audit Committee must examine all available and received documents and materials, pertaining to the subject of audit.

3.6. Having conducted an audit, the Internal Audit Committee shall draw up and issue an internal audit opinion.

3.7. Originators of an internal audit (inspection) shall be entitled to withdraw their audit request at any time prior to the Internal Audit Committee's decision to conduct an internal audit (inspection) by sending a written notice to the Internal Audit Committee.

4. Procedure of Making an internal audit (inspection) Request by the Company's Shareholders

4.1. Internal audits (inspections) of the Company's financial and business performance shall be conducted at any time as may be decided by the Company's shareholder (shareholders) holding (jointly holding) no less than 10% of the Company's voting shares.

4.2. An audit request shall be delivered to the Company or sent to the Chairman of the Company's Audit Committee.

4.3. Within 14 days after receiving such audit request, the Internal Audit Committee shall make a decision to conduct an internal audit (inspection) or provide a reasonable refusal to conduct an internal audit (inspection).

4.4. The Internal Audit Committee may refuse to conduct an internal audit (inspection) in the following cases:

- requesting shareholders are not holding the required amount of voting shares;

- facts stated as the ground for conducting an internal audit (inspection) have already been audited (inspected), with an appropriate internal audit opinion issued by the Internal Audit Committee in respect thereof;
- in compliance of an audit request with the Russian Federation laws and regulations and the Company's Articles of Association.

5. Procedure of Making a Request to Call an Extraordinary General Meeting of Shareholders

5.1. A request to call an extraordinary general meeting of shareholders shall be approved by a majority of the Internal Audit Committee members present at a meeting of the Internal Audit Committee. Such request shall be signed by the Chairman of the Internal Audit Committee.

5.2. The Internal Audit Committee's request to call an extraordinary general meeting of shareholders shall be made in writing and delivered to the Company or sent to the Company by registered mail with return receipt requested.

The Internal Audit Committee's request shall specify:

- issues on the agenda and resolutions thereon;
- the form of the meeting.

6. Resolutions of the Internal Audit Committee

6.1. The Internal Audit Committee shall hold meetings and pass resolutions on matters reserved for it by the Federal Law "On Joint-Stock Companies".

Each Audit Committee member shall be sent a notice of any meeting of the Internal Audit Committee at least 14 days prior to such meeting. Any such notice shall specify the date, place, and time of the Internal Audit Committee meeting, as well as all issues on the agenda, and any such notice shall be enclosed with the copies of all relevant documents to be discussed at the meeting.

Minutes shall be taken at each meeting of the Internal Audit Committee, and shall be signed by all members of the Internal Audit Committee meeting.

Meetings of the Internal Audit Committee shall be held both prior to and after conducting internal audits (inspections). Where any violations requiring immediate action are discovered, any member of the Internal Audit Committee may request to call a meeting of the Internal Audit Committee.

6.2. Meetings of the Company's Audit Committee shall be held in the form of the simultaneous attendance of the Internal Audit Committee members for the purposes of discussing issues on the agenda and deciding on issues put to the vote.

6.3. The quorum for any meeting of the Internal Audit Committee shall be as follows: (a) for the first annual meeting of the Internal Audit Committee, where the Chairman of the Internal Audit Committee shall be elected and the schedule shall be approved for meetings in respect of internal audits (inspections) to be conducted during the current year – four members of the Internal Audit Committee, and (b) for all other meetings of the Internal Audit Committee (including any meeting occurring after the first annual meeting of the Internal Audit Committee, at which the quorum has not been reached) – three members of the Internal Audit Committee. If the quorum is four members of the Internal Audit Committee and such quorum is not present within 30 minutes after the time set for a meeting, the meeting shall be declared void.

6.4. Where the Internal Audit Committee members disagree with a resolution passed by the Internal Audit Committee, they may request to specify their dissenting opinion in the minutes of a meeting and notify the Company's bodies and (or) shareholders of such opinion.

6.5. An internal audit opinion issued upon an internal audit (inspection) of the Company's financial and business performance, conducted at the request of a shareholder (shareholders), shall be sent to such shareholder (shareholders) within 3 days after its issuance.

7. Chairman of the Internal Audit Committee

7.1. The Internal Audit Committee shall elect a Chairman from amongst its members. The Chairman of the Internal Audit Committee shall be elected at a meeting of the Internal Audit Committee by a majority of votes of the elected members of the Internal Audit Committee. The Internal Audit Committee may at any time reelect its Chairman by a majority of votes of the elected members of the Internal Audit Committee, excluding withdrawn members.

7.2. The Chairman of the Internal Audit Committee shall:

- call and hold meetings of the Internal Audit Committee;
- organize the work of the Internal Audit Committee;
- represent the Internal Audit Committee to meetings of the Board of Directors and general meetings of shareholders;
- sign documents for the Internal Audit Committee.

7.3. If the Chairman of the Internal Audit Committee is not present, his/her functions shall be carried out by one of the members of the Internal Audit Committee appointed by a majority of the Internal Audit Committee members present at a meeting.

8. Remunerations and Compensations Payable to the Internal Audit Committee Members

8.1. Subject to a resolution by the Company's General Meeting of Shareholders, the Internal Audit Committee members may be entitled to remuneration payable to them for the period of fulfilling their duties, and (or) reimbursement of any expenses, related to fulfilling their duties. The total amount of such remunerations and compensations shall be determined by the General Meeting of Shareholders.

8.2. The issue of remunerations and compensations payable to the Internal Audit Committee members may be considered by the General Meeting of Shareholders either as a separate issue on the agenda, or within the issue of profit distribution for the fiscal year.

8.3. Remuneration shall be payable pursuant to a resolution by the General Meeting of Shareholders, based on the Company's performance for the year.

8.4. If the Company's net profit (profit for distribution) is zero, no remuneration shall be payable to the Internal Audit Committee members.

9. Documents of the Internal Audit Committee

9.1. The following documents shall be referred to as the documents of the Internal Audit Committee:

- minutes of meetings of the Internal Audit Committee;
- audit (inspection) deeds drawn up by the Internal Audit Committee;
- internal audit opinions issued by the Internal Audit Committee.

9.2. Minutes of a meeting of the Internal Audit Committee shall be drawn up within 3 days after such meeting.

The following data shall be specified in the Minutes:

- place and time of the meeting;
- persons present at the meeting;
- persons with dissenting opinions on the issues resolved;
- agenda of the meeting;
- issues put on the vote, voting results;
- resolutions passed on each of the issues on the agenda.

9.3. The following data shall be specified in the internal audit (inspection) Deeds:

- place and time of an internal audit (inspection);
- members of the Internal Audit Committee involved in the internal audit (inspection);
- reasons for the internal audit (inspection);
- any violations of the laws, regulations, Company's Articles of Association, and internal documents, discovered in the course of the internal audit (inspection);

- persons having committed such violations of the laws, regulations, Company's Articles of Association, and internal documents;
- references to clauses of the laws, regulations, Articles of Association, and internal documents, which have been violated.

9.4. The following data shall be specified in the Internal Audit Opinions:

- statements of compliance or incompliance with the laws, regulations, Company's Articles of Association, and internal documents;
- confirmations or denials of the reliability of data contained in the Company's annual report and annual accounting statement;
- requests to provide information (documents and materials), made to the Company's bodies, directors of the Company's units, departments, and representatives offices, and to the Company's officers in the course of an internal audit (inspection);
- received refusals to provide information (documents and materials);
- details of requests by the Internal Audit Committee to call meetings of the Board of Directors and extraordinary general meetings of shareholders;
- details of written explanations received from the Company's sole executive body, collegial executive body, Board of Directors, employees, and officers;
- details of violations by the Company's employees and officers of the laws and regulations, the Company's Articles of Association, Regulations, rules, and instructions;
- details of engaging the services of external experts to assist in specific areas of financial and business activity, entering into agreements with such experts, and performance thereof.

9.5. The documents of the Internal Audit Committee shall be signed by the Internal Audit Committee members and need not be sealed by the Company.

9.6. Original documents of the Internal Audit Committee shall be delivered by the Chairman of the Internal Audit Committee to the Company's sole executive body for storage, with an appropriate deed to be executed upon such delivery.

9.7. The Chairman of the Internal Audit Committee shall keep the following documents:

- requests to conduct an internal audit (inspection);
- refusals of the Internal Audit Committee to conduct an internal audit (inspection);
- written refusals of the Company's officers to provide information.

9.8. The Company (represented by its sole executive body) shall ensure shareholders access to the documents of the Internal Audit Committee.

A shareholder may request, while the Company shall provide copies of the documents of the Internal Audit Committee to such shareholder for a fee. The fee shall be determined by the Company and shall not exceed the amounts spent when preparing the copies and postal charges.