

PROTOCOL No 1
of the annual general meeting of shareholders
of the open joint-stock company
for long distance and international telecommunications Rostelecom
on the results of operation in 2000.

Moscow

July 03, 2001

The date of the meeting is – **June 30, 2001**. Registration of the participants in the meeting starts at 9 a.m. The meeting commences at 10 a.m. The venue of the meeting is Rostelecom Training Center, Becasovo, Naro-Fominsky District, Moscow Region. The address of the meeting secretariat is: Rostelecom, 5 Delegatskaya Street, Moscow, 103091, Russia. The number of ordinary shares carrying the voting right is **728,696,320**. The number of ordinary shares which took part in the vote is **619,240,565**.

The Chairman of the meeting of shareholders is

Mr. V.N.Yashin
Chairman of the Board of Directors of Rostelecom.

Secretary of the meeting of shareholders is

Mr. B.A.Epinin.

Presidium of the meeting of shareholders:

members of the Board of Directors of Rostelecom,
Mr.S.I.Kuznetsov, Acting General Director of
Rostelecom.

The agenda of the meeting, materials to the agenda and ballot papers for voting on the issues on the agenda of the meeting were sent by registered mail to each shareholder recorded in the Company register as on **May 9, 2001**.

Agenda of the Meeting:

1. Approval of the annual report, balance sheet, profit and loss account of the Company, distribution of profit and losses of the Company for 2000 and forecast distribution of profit and losses for 2001.
2. Determination of the amount of dividends for 2000, form, methods and schedule of dividend payments according to the class (type) of shares.
3. Election of members of the Board of Directors of the Company.
4. Early termination of the authority of the Company's General Director Mr. N.M.Korolev at his request.
5. Election of the General Director of the Company.
6. Approval of an Auditor of the Company for 2001.
7. Introduction of amendments and additions to the Charter of the Company.
8. Approval of a new version of the Regulations on Audit Commission of the Company.
9. Election of members of the Audit Commission of the Company.

According to the results of the counting by Counting Commission (Protocol of the Counting Commission No 1 of **July 3, 2000**, is attached to this Protocol of the General Meeting of Shareholders and constitutes its integral part) the total number of shareholders who took part in the Meeting is **1,735**, holding altogether **619,240,565** voting (ordinary) shares, which account for **84.98%** of the total number of voting (ordinary) shares. According to the Company's Charter the meeting is deemed valid. Quorum is reached.

Results of the votes on the items of the agenda:

1. APPROVAL OF THE ANNUAL REPORT, BALANCE SHEET, PROFIT AND LOSS ACCOUNT OF THE COMPANY, DISTRIBUTION OF PROFIT AND LOSSES OF THE COMPANY FOR 2000 AND FORECAST DISTRIBUTION OF PROFIT AND LOSSES FOR 2001.

The proposal put forward to the Meeting is to approve the annual report, balance sheet, profit and loss account of the Company, distribution of profit and losses of the Company for 2000 and forecast distribution of profit and losses for 2001.

Results of the vote count.

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.96%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,602	617,920,011	99.79%
Against	23	54,748	0.01%
Abstained	51	1,024,421	0.17%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved**:

- to approve the annual report, balance sheet, profit and loss account of the Company, distribution of profit and losses of the Company for 2000 and forecast distribution of profit and losses for 2001.

2. DETERMINATION OF THE AMOUNT OF DIVIDENDS FOR 2000, FORM, METHODS AND SCHEDULE OF DIVIDEND PAYMENTS ACCORDING TO THE CLASS (TYPE) OF SHARES.

2.1. Upon the results of operation of OJSC Rostelecom in 2000 the Board of Directors proposes to pay the dividend on the ordinary shares in the amount of **Rbl 0.1634** (one thousand six hundred thirty four ten thousandths) per share (total amount of payment on the ordinary shares will amount to 11.6% of net profit).

It is proposed to start dividend payments for 2000 on August 29, 2001 and to complete payments before the end of the fiscal year. Pursuant to the current legislation and the Charter of the Company the shareholders registered in the Company's register as on **May 9, 2001** (record date), i.e. entitled to take part in the annual general meeting of shareholders on the results of the Company's operations in 2000, are entitled to receive dividend for 2000.

Dividend will be paid in cash. The method of payment to each shareholder is determined according to data recorded in the register of shareholders, namely:

- by transfer into shareholders' bank accounts;
- by a mail transfer (with deduction of mail costs);
- by money paid in cashier offices of the Company (only to the Company's employees).

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,559	598,573,660	96.66%
Against	61	19,741,549	3.19%
Abstained	54	712,377	0.12%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved**:

- upon the results of operation of OJSC Rostelecom in 2000 to pay dividend on the ordinary shares in the amount of **Rbl 0.1634** (one thousand six hundred thirty four ten thousandths) per share. Dividend payments for 2000 shall start on August 29, 2001 and be completed before the end of the fiscal year.

2.2. Upon the results of operation of OJSC Rostelecom in 2000 the Board of Directors proposes to pay the dividend on the preferred shares in the amount of **Rbl 0.4243** (four thousand two hundred forty three ten thousandths) per share (total amount of payment on the preferred shares will amount to 10% of net profit).

It is proposed to start dividend payments for 2000 on August 29, 2001 and to complete payments before the end of the fiscal year. Pursuant to the current legislation and the Charter of the Company the shareholders registered in the Company's register as on **May 9, 2001** (record date), i.e. entitled to take part in the annual general meeting of shareholders on the results of the Company's operation in 2000, are entitled to receive dividend for 2000.

Dividend will be paid in cash. The method of payment to each shareholder is determined according to data recorded in the register of shareholders, namely:

- by transfer into shareholders' bank accounts;
- by a mail transfer (with deduction of mail costs);
- by money paid in cashier offices of the Company (only to the Company's employees).

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote

99.96%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,496	598,204,612	96.60%
Against	82	19,824,747	3.20%
Abstained	87	949,241	0.15%

The motion is passed.

The general meeting of the shareholders of Rostelecom **resolved**:

- upon the results of operation of OJSC Rostelecom in 2000 to pay dividend on the preferred shares in the amount of **Rbl 0.4243** (four thousand two hundred forty three ten thousandths) per share. Dividend payments for 2000 shall start on August 29, 2001 and be completed before the end of the fiscal year.

3. ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY.

The following nominees are put forward as candidates for election of the Board of Directors:

- Stanislav Petrosovich Avdiyants, Executive Director – Director of Economic Forecast and Generic Planning, OJSC Svyazinvest;
- Vadim Evguenievich Belov, Deputy General Director, OJSC Svyazinvest;
- Vladislav Sergeevich Vasin, First Deputy General Director, OJSC Svyazinvest;
- Nikolay Pavlovich Emelianov, General Director, OJSC Novgorodtelecom;
- Nikolay Mikhailovich Korolev, General Director, OJSC Rostelecom;
- Roman Borisovich Kreinin, First Deputy General Director, OJSC Rostelecom;
- Alexander Vladimirovich Lopatin, Deputy General Director, OJSC Svyazinvest;
- Anton Igorevich Osipchuk, First Deputy General Director, OJSC Svyazinvest;
- Stanislav Nikolaevich Panchenko, Deputy General Director, OJSC Svyazinvest;
- Victor Abramovich Polishchuk, President, OJSC Russian Telecommunications Network;
- Ulf Persson, Managing Director, Direct Investment Fund Millennium;
- Grigori Moiseevich Finger, Authorized Representative of Lindsell Enterprises Limited;
- Valeri Nikolaevich Yashin, General Director, OJSC Svyazinvest;

Results of the vote count:

Percentage of the votes cast out of the total number votes taking part in the vote

99.50%

No	Nominee's No	Nominee's name	Number of votes	Percentage of the total number of participants in the Meeting
1	2	3	4	5
1	13	Valeri Nikolaevich Yashin	768,232,733	11.8%
2	12	Grigori Moiseevich Finger	624,178,593	9.16%
3	10	Victor Abramovich Polishchuk	608,418,326	8.93%
4	5	Nikolay Mikhailovich Korolev	607,455,194	8.92%
5	3	Vladislav Sergeevich Vasin	586,651,441	8.61%
6	1	Stanislav Petrosovich Avdiyants	584,614,646	8.58%
7	2	Vadim Evguenievich Belov	583,371,023	8.56%
8	8	Anton Igorevich Osipchuk	581,572,850	8.54%
9	4	Nikolay Pavlovich Emelianov	581,129,125	8.53%
10	7	Alexander Vladimirovich Lopatin	580,598,953	8.52%
11	9	Stanislav Nikolaevich Panchenko	579 634,453	8.51%
12	11	Ulf Persson	66,681,715	0.98%
13	6	Roman Borisovich Kreinin	25,013,174	0.37%

The decision is made.

The general meeting of shareholders of Rostelecom **resolved:**

- to elect the following persons as members of the Board of Directors of the Company: Stanislav Petrosovich Avdiyants, Vadim Evguenievich Belov, Vladislav Sergeevich Vasin, Nikolay Pavlovich Emelianov, Nikolay Mikhailovich Korolev, Alexander Vladimirovich Lopatin, Anton Igorevich Osipchuk, Stanislav Nikolaevich Panchenko, Victor Abramovich Polishchuk, Grigori Moiseevich Finger, Valeri Nikolaevich Yashin;

4. EARLY TERMINATION OF THE AUTHORITY OF THE COMPANY'S GENERAL DIRECTOR MR. N.M.KOROLEV AT HIS REQUEST.

The proposal put forward to the Meeting is to terminate before expiry the authority of the General Director of OJSC Rostelecom Mr. N.M.Korolev on the ground of his statement regarding his inability to perform the duties of the General Director due to health reasons.

The results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 96.45%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,471	596,265,921	96.29%
Against	102	569,259	0.09%
Abstained	92	453,081	0.07%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved:**

- to terminate before expiry the authority of the General Director of OJSC Rostelecom Mr. N.M.Korolev based on his request.

5. ELECTION OF THE GENERAL DIRECTOR OF THE COMPANY.

The proposal put forward to the Meeting is to elect Mr. Serguei Ivanovich Kuznetsov as the General Director of OJSC Rostelecom.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 98.63%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,403	589,378,133	95.18%
Against	98	900,031	0.15%
Abstained	167	20,464,429	3.30%

The motion is passed.

The general meeting of the shareholders of Rostelecom **resolved:**

- to elect Mr. Serguei Ivanovich Kuznetsov as the General Director of OJSC Rostelecom.

6. APPROVAL OF AN AUDITOR OF THE COMPANY FOR 2001.

The proposal put forward to the Meeting is to approve CJSC Arthur Andersen as the Company's independent auditor in 2001.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.46%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,531	614,412,180	99.22%
Against	52	918,256	0.15%
Abstained	94	555,856	0.09%

The motion is passed.

The general meeting of the shareholders of Rostelecom **resolved:**

- to approve CJSC Arthur Andersen as the Company's auditor in 2001.

7. INTRODUCTION OF AMENDMENTS AND ADDITIONS TO THE CHARTER OF THE COMPANY.

7.1. The proposal put forward to the Meeting is to add the following item 3.9 to Article 3:

“The Company shall ensure protection of state secrets according to the applicable law of the Russian Federation regarding the state secrets”

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,631	618,868,762	99.94%
Against	13	27,660	0.00%
Abstained	30	141,057	0.02%

The motion is passed.

7.2. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

to delete the word “working” from items 17.12, 17.14 Article 17, and items 18.1, 18.7, 18.10 Article 18.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.40%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,097	612,918,182	98.98%
Against	30	2,214,061	0.36%
Abstained	70	413,523	0.07%

The motion is passed.

7.3. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

to add the following language to item 23.3.27 Article 23: “and charging the said person with all and any authority inherent to the General Director pursuant to the applicable law, the Charter of the Company, regulations “On the General Director of the Company” and “On the Management Board of the Company” as appropriate; suspension of the authority of the General Director in cases when inability to perform his duties is not due to his decease, or being recognized as deceased, according to the applicable law”.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,549	618,602,284	99.90%
Against	34	84,029	0.01%
Abstained	90	352,691	0.06%

The motion is passed.

7.4. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

to add the following sub-item 23.3.28 to item 23.3 Article 23: "23.3.28 cancellation of the contract (engagement arrangements) with the General Director in case of an early termination of his authorities by the general meeting of shareholders of the Company;"

Sub-item 23.3.28 of the previous version shall become sub-item 23.3.29.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.96%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,605	618,412,565	99.87%
Against	11	74,050	0.01%
Abstained	55	516,364	0.08%

The motion is passed.

7.5. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

the fifth paragraph from top of item 27.2 Article 27 shall have the following wording:

"The General Director shall perform day-today running of the Company and be charged with all the authority according to the Russian law required to discharge his duties. The General Director is responsible for compliance with secrecy arrangements of the works being done, for development and implementation of measures to protect the state secrets of the Russian Federation. The General Director shall perform his duties in strict compliance with the applicable law and this Charter."

The results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,627	618,965,803	99.96%
Against	16	37,480	0.01%
Abstained	31	51,537	0.01%

The motion is passed.

7.6. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

item 28.2 Article 28 shall have the following wording: "28.2 The Audit Commission of the Company shall consists of 3 (three) people to be elected annually by the majority vote of the shareholders – owners of the Company's voting shares participating in the general meeting and entitled to vote on this issue.

If the number of nominees for the members of the Audit Commission who received majority of the votes of shareholders owning voting shares of the Company, exceeds the number of the Audit Commission members stipulated by the Charter, those nominees who received the relative majority of the votes as compared to the others shall be considered as elected members of the Audit Commission."

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,611	613,497,510	99.07%
Against	20	5,119,059	0.83%
Abstained	41	425,426	0.07%

The motion is passed.

7.7. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

to add the following item 28.6, to Article 28:

“28.6. The terms of reference of the Audit Commission shall include:

- verification of the validity of the data contained in the reports and other financial documents of the Company;
- finding out instances of violations of accounting procedure and rules of provision of financial accounts stipulated by legal acts of the Russian Federation;
- checking compliance with regulations when calculating and paying taxes;
- finding out instances of violations of legal acts of the Russian Federation regulating financial and economic activity of the Company;
- assessment of economic soundness of the Company’s financial and business operations.”

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,642	618,850,327	99.94%
Against	6	58,035	0.01%
Abstained	26	130,702	0.02%

The motion is passed.

7.8. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

to delete the words “General Director of the Company” from item 28.6 Article 28, and that this item shall become item 28.7.

Items 28.7-28.11 Article 28 of the previous (initial) version shall become items 28.8-28.12 respectively.”

The results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,562	618,108,018	99.82%
Against	18	153,424	0.02%
Abstained	90	772,982	0.12%

The motion is passed.

7.9. The proposal put forward to the Meeting is to make amendments and additions to the Charter of OJSC Rostelecom as follows:

to add the following item 32.5 to Article 32:

“32.5. Deals with legal persons, of which employees or officers of the Company are participants (shareholders, members, contributors to), or members of managing bodies, shall be concluded according to a decision of the Company’s managing body authorized to do so under the applicable internal regulations/bylaws of the Company; such deals can be deemed null and void in cases where the appropriate decision is missing.”

The results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,559	598,436,696	96.64%
Against	39	19,795,941	3.20%
Abstained	81	826,012	0.13%

The motion is passed.

7.10. to delete from the List of subsidiaries and representative offices of the Open Joint-Stock Company Long-Distance and International Telecommunications Rostelecom, listed in the Annex to the Charter, Item 20 "Pavlovo-Posadskaya telephone and telegraph exchange (PP-TTE) (the town of Pavlovski Posad of Moscow Region);"

Items 21, 22, 23, 24, and 25 of the List shall become items 20, 21, 22, 23, and 24 respectively."

The results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.95%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,549	618,576,085	99.89%
Against	24	112,990	0.02%
Abstained	92	253,290	0.04%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved:**

- to approve the proposed amendments and additions to the Charter of OJSC Rostelecom.

8. APPROVAL OF A NEW VERSION OF THE REGULATIONS ON AUDIT COMMISSION OF THE COMPANY.

In order to improve efficiency of the Audit Commission it is proposed to the Meeting to approve the new version of the "Regulations On the Audit Commission of OJSC Rostelecom".

The results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1 635	617,834,002	99.77%
Against	8	61,440	0.01%
Abstained	37	1,171,732	0.19%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved:**

- to approve the new version of the "Regulations On the Audit Commission of OJSC Rostelecom".

9. ELECTION OF MEMBERS OF THE AUDIT COMMISSION OF THE COMPANY.

9.1. It is proposed to elect Mr. Constantin Vladimirovich Belyaev, Chief Accountant, OJSC Svyazinvest, as a member the Audit Commission of the Company.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,504	617,277,570	99.70%
Against	78	526,075	0.08%
Abstained	90	1,149,519	0.19%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved:**

- to elect Mr. Constantin Vladimirovich Belyaev, Chief Accountant, OJSC Svyazinvest, as a member the Audit Commission of the Company.

9.2. It is proposed to elect Mr. Dmitri Alexandrovich Milovantsev, Director of Internal Audit and Economic Analysis Department, OJSC Svyazinvest, as a member the Audit Commission of the Company.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 99.97%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,534	617,359,392	99.71%
Against	63	464,087	0.07%
Abstained	77	1,131,385	0.18%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved:**

- to elect Mr. Dmitri Alexandrovich Milovantsev, Director of Internal Audit and Economic Analysis Department, OJSC Svyazinvest, as a member the Audit Commission of the Company.

9.3. It is proposed to elect Mrs. Mrs. Irina Anatolievna Smirnova, Deputy Chief Accountant, OJSC Rostelecom, as a member the Audit Commission of the Company.

Results of the vote count:

Percentage of the voted shares out of the total number of shares, taking part in the vote 98.44%

Result	Number of participants	Number of votes	Percentage of the total number of participants in the meeting
For	1,555	607,238,756	98.08%
Against	43	134,716	0.02%
Abstained	54	2,110,550	0.34%

The motion is passed.

The general meeting of shareholders of Rostelecom **resolved:**

- to elect Mrs. Mrs. Irina Anatolievna Smirnova, Deputy Chief Accountant, OJSC Rostelecom, as a member the Audit Commission of the Company.

Chairman
of the Meeting of shareholders

V.N.Yashin

Secretary of the Meeting of shareholders

B.A.Epinin