

APPROVED

By the general meeting of shareholders

JSC CenterTelecom

June 11, 2004

Minutes # __

AMENDMENTS AND CHANGES TO THE REGULATIONS ON THE BOARD OF
DIRECTORS OF JSC CENTERTELECOM

#	Clause	Current wording	Proposed wording
1.	Clause 6 Meetings of the Board of Directors Par. 3 Subclause 6.5	If the agenda of a meeting contains matters related to the Company budget (approval, adjustment, results of execution of the same), notice of the meeting of the Board of Directors together with materials required for reviewing the matter shall be sent to members of the Board of Directors not later than 20 days prior to the meeting to be held in the form of personal attendance (or before the cut-off date for receiving opinions in writing of members of the Board of Directors on the agenda issues).	If the agenda of a meeting contains the issue of approval of the Company annual budget, notice of the meeting of the Board of Directors together with materials required for reviewing the matter shall be sent to members of the Board of Directors not later than 20 days prior to the meeting to be held in the form of personal attendance (or before the cut-off date for receiving opinions in writing of members of the Board of Directors on the agenda issues).
2.	Clause 7. Remuneration of members of the Board of Directors and reimbursement of expenses related to performance by them of their duties. Par. 7.3.	Quarterly compensation payable to each member of the Board of Directors is determined as a percentage of the Company revenues from sales of goods, products, works, services in the reporting period according to the financial statements of the Company. The amount of compensation payable to the Chairman of the Board of Directors is increased by a factor 1.3. Remuneration payable to a member of the Board of Directors shall be reduced: by 30% if the member attended in person less than half of the Board meetings held in the form of joint presence; by 100% if the member	The amount of quarterly compensation payable to each member of the Board of Directors is RUR200,000 The amount of compensation payable to the Chairman of the Board of Directors is increased by a factor 1.5. Remuneration payable to a member of the Board of Directors shall be reduced: by 30% if the member attended in person less than half of the Board meetings held in the form of joint presence; by 100% if the member attended less than half of the total number of the conducted Board meetings. For the quarter in which elections of the Board members took place, remuneration to the Board

		<p>attended less than half of the total number of the conducted Board meetings.</p> <p>For the quarter in which elections of the Board members took place, remunerations to the Board member shall be paid pro rata to the actual time in office in the quarter in question.</p>	<p>member shall be paid pro rata to the actual time in office in the quarter in question.</p>
	par. 7.4.	<p>The amount of annual remuneration for the whole Board of Directors is determined as a percentage of the Company's net profit for the reporting year according to accounting reports of the Company.</p> <p>The amount of annual remuneration for each member of the Board of Directors shall be determined by a decision of the Board passed simultaneously with tentative approval of the annual report of the Company.</p>	<p>The amount of the annual remuneration for the whole Board of Directors is determined as allocated percentage pursuant to the set norms:</p> <ul style="list-style-type: none"> - of the Company EBITDA according to the financial statements under IAS over the reporting year; - of the Company's net profit allocated for dividend payment in the reporting year. <p>The annual remuneration shall be divided equally between the Board members.</p> <p>The amount of annual remuneration of a member of the Board of Directors shall be reduced by 50% if the member took part in less than half of the total number of the Board meetings held during his/her term in office.</p>
	par. 7.5.	<p>The allocated norms (percentage) for calculation of quarterly and annual remuneration amounts shall be determined by a decision of a general meeting of shareholders at which the Board of Directors is elected.</p>	<p>The allocated norms (percentage) for calculation of the annual remuneration amounts shall be determined by a decision of the general meeting of shareholders at which the Board of Directors is elected.</p>
	par. 7.6.	<p>Members of the Board of Directors are eligible to take part in stock option plans implemented by the Company.</p>	<p>The annual remuneration of a member of the Board of Directors shall be paid not later than 3 months upon expiry of the term in office of the relevant Board.</p>
	par. 7.7.	<p>The annual remuneration of a</p>	<p>7.7. Members of the Board of</p>

		<p>member of the Board of Directors shall be paid not later than 3 months upon expiry of the term in office of the relevant Board.</p>	<p>Directors who are also members of a Committee of the Company's Board of Directors shall be paid in addition to the quarterly remuneration an amount of RUR40 thousand (for membership in each Committee of the Board) in consideration of performance by them of functions of a member of the relevant Board's Committee; however, a member of the Board cannot be a member of more than two Board's Committees.</p> <p>The Chairman of the Board's Committee shall be paid the additional amount multiplied by a factor of 1.25.</p>
	par. 7.8.	No	<p>7.8. Members of the Board of Directors shall be eligible to participate in stock option plans implemented by the Company.</p>