

APPROVED

by Resolution of the Board of Directors of
March 10th, 2011

**REGULATION
ON THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
ROS AGRO PLC**

Limassol (Cyprus)

2011

1. General Provisions

1.1. The Regulation on the Audit Committee of the Board of Directors of ROS AGRO PLC (hereinafter also referred to as “Company”) is elaborated in accordance with the law of the rep. of Cyprus, the Articles of Association and other internal documents of the Company.

1.2. The Regulation on the Audit Committee of the Board of Directors shall determine the functions, the membership, and the procedure for formation and activity of the Audit Committee of the Board of Directors of the Company (hereinafter also referred to as “Committee”).

1.3. The Committee shall be a permanent auxiliary and advisory body of the Company, established on the ground of a resolution of the Company’s Board of Directors.

1.4. The Committee shall not be a body of the Company and shall have no right to act in the name of the Company.

1.5. The Committee shall be governed in its activity by laws, other regulations of the rep. of Cyprus, the Articles of Association of the Company, the Regulation on the Board of Directors of the Company, resolutions of the Board of Directors of the Company and this Regulation.

1.6. The Committee shall be established for the following purposes:

- to render assistance to the Board of Directors of the Company in decisions-making in the sphere of the Company’s audit and reporting;

- to enhance effectiveness of control on the part of the Board of Directors of the Company over the Company’s financial and economic activity by way of preliminary consideration and drafting of recommendations to the Board of Directors of the Company on the issues falling within the competence of the Board of Directors of the Company; and

- to establish an effective system of control over the Company’s financial and economic activity and to ensure actual participation of the Board of Directors of the Company in exercising control over the Company’s financial and economic activity.

1.7. When conducting activity in accordance with its competence, the Committee shall act together with Directors of the Company, the External Auditor and the Audit Committee (Internal Auditor) of the Company, and, if necessary, with the Company’s organizational departments.

1.8. The Committee’s resolutions shall be of an advisory nature to the Board of Directors of the Company.

2. The Competence of the Committee

2.1. The Committee’s exclusive competence shall include the following:

2.1.1. to assess the candidates for the position of the Company’s External Auditor and to submit the results of assessment to the Board of Directors of the Company;

2.1.2. to assess the report of the Company’s External Auditor;

and

2.1.3. to assess effectiveness of the internal control and risk management procedures existing in the Company and to prepare proposals on improvement thereof.

2.2. In accordance with the competence specified in Clause 2.1 of this Regulation, the Committee shall:

2.2.1. submit to the Board of Directors of the Company the results of assessment of the candidates for the position of the Company’s External Auditor and to prepare recommendations to the Board of Directors of the Company on the candidature of the Company’s External Auditor;

2.2.2. prepare recommendations to the Board of Directors of the Company on the amount of the fee of the Company’s External Auditor and the kind and the volume of the services provided thereby;

2.2.3. exercise control over competitive selection of the Company's External Auditor if such competitive selection is held;

2.2.4. analyse and discuss together with the Company's External Auditor essential issues having arisen in the course of the audit of the Company's financial (accounting) statements prior to publication of the same;

2.2.5. assess the report of the Company's External Auditor and analyse the Company's management's comments thereon prior to submission of the report to the General Meeting of Shareholders of the Company (the assessment of the Company's External Auditor's report prepared by the Audit Committee shall be provided among the materials to the annual General Meeting of Shareholders of the Company);

2.2.6. consider the reports from the Company's internal audit service exercising control over compliance with the procedures of internal control over the Company's financial and economic activity; assess effectiveness of the internal control system, risk management and corporate governance; report of the identified violations and assess the same;

2.2.7. consider annual reports of the Company's internal audit service;

2.2.8. assess the Company's procedures for internal control and risk management; elaborate and submit to the Board of Directors proposals and recommendations on improvement of the above said procedures;

2.2.9. carry out analysis and elaborate proposals to the Board of Directors of the Company on improvement of the procedure for approval of the Company's non-routine operations;

2.2.10. prepare opinions at the requests from the Board of Directors of the Company or on its own initiative on individual issues within its competence and submit to the Board of Directors of the Company on an annual basis annual reports on the activity of the Audit Committee;

2.2.11. consider reports, opinions and other documents of the Company's Audit Committee (Internal Auditor) concerning the violations identified in the respective period of the Company's activity;

2.2.12. submit for consideration at the meetings of the Board of Directors of the Company reports on the violations identified in the respective period of the Company's activity and on the ways and methods of removal and prevention thereof;

2.2.13. analyse the risks related to the Company's transactions and operations; assess adequacy of the risk management system in the Company and prepare recommendations to the Board of Directors on improvement of the risk management system;

2.2.14. prepare proposals on making amendments and additions to this Regulation; and

2.2.15. exercise other powers necessary for performance by the Committee of the functions entrusted thereto.

3. The Membership of the Committee and the Procedure for Formation

3.1. The Committee shall consist of three members of the Board of Directors of the Company.

3.2. The Committee shall be headed by Chairman of the Committee, who shall be an independent director and shall comply with the qualification requirements established in Clause 2.5.3 of the Regulation on the Board of Directors of the Company.

3.3. Chairman and other members of the Committee shall be elected by the Board of Directors of the Company by a majority of the votes of its members attending the meeting or participating in voting in absentia.

3.4. The members of the Committee shall be elected for a period until election of the following membership of the Board of Directors of the Company.

3.5. The powers of all the members of the Committee or any of them may be terminated at any time before expiration by decision of the Board of Directors of the Company.

3.6. Chairman of the Committee shall organise the work of the Committee, including the following:

- to convene and chair the meetings of the Committee;
- to organise discussion of the issues at the meetings of the Committee and hearing of the opinions of the persons invited for participation in the meeting;
- to organise execution of the minutes of the meetings of the Committee and to sign the same;
- to allocate duties among the members of the Committee;
- to sign the documents elaborated and approved by the Committee in the course of performance of the functions entrusted thereto;
- to submit to the Board of Directors of the Company written reports on the activity of the Committee and to provide necessary explanations related to the contents thereof; and
- to perform other functions provided for by the applicable law, the Articles of Association of the Company, this Regulation and other internal documents of the Company.

4. The Meetings of the Committee and the Procedure for Adoption of the Resolutions

4.1. The meetings of the Committee shall be held on a regular basis. The decision on convocation of a meeting of the Committee shall be made by Chairman of the Committee on its own initiative or on the ground of a proposal from:

- members of the Committee;
- members of the Board of Directors of the Company;
- the External Auditor of the Company;
- the Audit Committee (Internal Auditor) of the Company;
- Directors of the Company.

4.2. The meetings of the Committee may be held in the form of joint attendance of the members of the Committee or in the form of voting in absentia (by voting papers).

4.3. Written opinions of the members of the Committee may be sent by post, cable, teletype, facsimile or electronic communication means, or by other communications means ensuring authenticity of the submitted written opinions of the members of the Committee and documentary confirmation thereof.

4.4. A meeting of the Committee shall be deemed competent (having the quorum) if at least two members of the Committee have participated therein (submitted their written opinions or voting ballots in case of voting in absentia). Availability of the quorum shall be determined by Chairman of the Committee at the opening of the meeting. At voting, each member of the Committee shall have one vote. In case of equality of the votes, Chairman of the Committee shall have the casting vote.

4.5. Resolutions of the Committee shall be formalised in the form of the minutes. The minutes of a meeting of the Committee shall contain the following information:

- the date, the place and the time of the meeting (or the date of voting in absentia);
- the list of the members of the Committee having participated in consideration of the issues on the agenda of the meeting (with the indication of the form of the meeting) and the list of other persons attending the meeting of the Committee;
- the agenda of the meeting;
- proposals of the members of the Committee on the issues on the agenda;
- the issues put to vote and the results of vote thereon; and
- the adopted resolutions.

4.6. The minutes shall be signed by Chairman of the Committee.

4.7. Upon signing by Chairman of the Committee, the minutes of the meeting of the Committee shall be submitted to the Board of Directors of the Company.

4.8. The following persons may attend the meetings of the Committee at the invitation of Chairman of the Committee for reports and explanations:

- members of the Board of Directors, members of the Audit Committee (Internal Auditor), Directors of the Company;
- officers and employees of the Company;
- representatives of the Company's subsidiaries;
- specialists (consultants) on the issues under discussion; and
- other persons.

4.9. The invited persons shall have no right to vote on the issues on the agendas of the meeting of the Committee.

5. Final Provisions

5.1. This Regulation and any amendments and additions thereto shall be approved by the Board of Directors of the Company.