

**REGULATIONS ON
THE STAFF AND REMUNERATIONS COMMITTEE
OF THE BOARD OF DIRECTORS
OF JOINT-STOCK OIL AND GAS COMPANY SLAVNEFT**

(approved by the resolution of the Board of Directors of OAO NGK Slavneft
dated December 6, 2006, minutes No. 5,
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1. General Provisions

1.1. These Regulations on the Staff and Remunerations Committee of the Board of Directors (hereafter referred to as the Regulations) of Joint-Stock Oil and Gas Company Slavneft (hereafter referred to as the Company) are developed according to the current legislation of the Russian Federation and recommendations of the Russian Code of Corporate Conduct.

1.2. These Regulations determine the status and competence of the Staff and Remunerations Committee of the Board of Directors (hereafter referred to as the Committee), right and duties of members of the Committee, staff of the Committee, order of formation thereof, work and interaction with management bodies of the Company.

1.3. These Regulations inure from the date of approval thereof the Board of Directors of the Company (hereafter referred to as the Board of Directors).

1.4. The Committee is established by resolution of the Board of Directors and is a consultative body that ensures effective performance by the Board of Directors of functions in respect of general management of the Company.

The Committee is accountable to the Board of Directors.

1.5. The recommendations submitted by the Committee on issues that fall within its competency are used by the governing bodies of the Company authorized to adopt final resolutions on the respective issue.

2. Competence of the Committee

2.1. Competence of the Committee includes the following issues:

2.1.1. staff issues, including:

2.1.1.1. preliminary coordination of the industrial contracts of the President of the Company (hereafter referred to as the President) and the supreme management of the Company;

2.1.1.2. development of the recommendations in respect of structure of compensatory packages and conditions of dismissal of the President and the supreme management of the Company;

2.1.1.3. development of criteria and the system of assessment of works of the President and members of the Management Board of the Company (hereafter referred to as the members of the Management Board);

2.1.1.4. organization of training of the chiefs of the Company in respect of corporate behaviour and business ethics;

2.1.1.5. development of policy of planning of continuity of the key executives of the Company;

2.1.1.6. preliminary recommendations with respect to candidates at appointment, dismissal, enrolment into the staff reserve to the position of the President, members of the Management Board and General Directors of subsidiaries engaged in oil production and refining;

2.1.1.7. preliminary recommendations with respect to change in the structure, obligations and authorities of members of the Management Board within the corporate and function structure of the Company;

2.1.1.8. consideration and recommendations with respect to the plan and instruments of development of organizational capacities of the Company, including principles of management of the personnel and organizational resources of the Company;

2.1.2. issues in respect of remuneration, including:

2.1.2.1. development of policy of the Company in respect of remuneration and the system of remuneration intended to ensure stimulus for effective work of members of the Board of Directors and top managers of the Company;

2.1.2.2. in terms of remuneration of the President and members of the Management Board the Committee develops and periodically corrects criteria of definition of the fixed (annual)

wages, premium by results of one year on the basis of key financial and non-financial parameters of activity of the Company, and also long-term system of motivation intended to bring in line interests of top managers with interests of shareholders of the Company, and the system of payment of the allowances and other kinds of remuneration;

2.1.2.3. preliminary consideration of results of work of the President and top management of the Company according to the authorized target parameters of the appropriate package of key parameters of efficiency, and also coordination of the premiums by results of one year;

2.1.2.4. control of conformity of policy of the Company in the field of remuneration and generated system of remuneration of strategy of development of the Company and its financial position, and also situation in the market of work;

2.1.2.5. preparation of the recommendations to general Meeting of the shareholders of the Company on the size paid to the members of Board of Directors and Audit Commission of the Company for Remunerations and indemnifications;

2.1.2.6. control of execution of the resolutions of general Meeting of shareholders of the Company with regard to remuneration to members of the Board of Directors of the Company, and also disclosing of the information concerning payment of remunerations and indemnifications to members of the Board of Directors.

3. Right and Duties of Members of the Committee

3.1. Members of the Committee are provided with the following rights in order to make them able to execute the assigned functions:

3.1.1. to carry out researches on issues referred to competence of the Committee;

3.1.2. to request and to receive necessary for holding of activity of Committee the information and documents from the Company, and also have the right to request the information at outside organizations through the Chairman of Board of Directors or the President;

3.1.3. to submit the written offers in respect of formation of the plan of work of the Committee, issues to the agenda of Meetings of the Committee;

3.1.4. to require convocation of a Meeting of the Committee;

3.1.5. to participate in the control both checks of execution of the resolutions and assignments of Board of Directors in respect of activity of the Committee;

3.1.6. to vote on the agenda of a Meetings of the Committee.

3.2. A members of the Committee are obliged:

3.2.1. to carry out the activity with good faith and bona fide in interests of the Company and all its shareholders;

3.2.2. to provide enough time for effective execution of the duties of the member of the Committee;

3.2.3. to inform the Board of Directors on risks to which the Company is exposed in proper time;

3.2.4. to observe confidentiality, not to disclose the information in respect of the Company which is commercial and/or service secret;

3.2.5. to participate in work of the Committee and attend all its Meetings;

3.2.6. to study materials relative to a Meeting of the Committee and to develop an own position on each issue on the agenda of a Meeting;

3.2.7. to observe the situation in the sphere of economy, in which the Company executes its activities, in sphere of development of the newest information technologies and others strategically important areas works;

3.2.8. to improve the skills in case it is necessary for the resolution of issues within the framework of activities of the Committee.

4. Procedure of Election and Staff of the Committee

4.1 The Committee membership shall amount to six persons elected by the Board of Directors. The Committee members may be elected from the Board of Directors and the pool of candidates representing the Company's shareholders, non-members of the Board of Directors. The resolution on each candidate shall be approved by the Board of Directors by a simple majority vote. The Chairman of the Committee shall be elected by the Board of Directors from the elected Committee members.

4.2. Members of the Committee are elected for the term till election of the following staff of the Board of Directors.

The Board of Directors has the right at any time to cancel powers of any member of the Committee on any base or without those ones, and also to re-elect all staff of the Committee.

4.3. The Committee members may abdicate responsibility by submitting a relevant Application to the Chairman of the Board of Directors not later than 30 days before the supposed date of termination of his/her authorities.

4.4. In case the authorities of the member(s) of the Committee are terminated pursuant to Paragraphs 4.2 and 4.3, Article 4 of the Regulations, the Board of Directors shall elect new member(s) of the Committee at a regular meeting of the Board of Directors.

4.5. The persons elected to the staff of the Committee may be re-elected unlimited number of time.

4.6. Members of the Committee should have necessary knowledge and experience of work with middle and top managers.

4.7. The Committee is headed by the Chairman elected from members of the Committee by majority of votes from general number of the elected members of the Board of Directors.

The Chairman of the Committee organizes work of the Committee, in particular:

- Convoques Meetings of the Committee and presides over them;
- determines the form of holding and approves the agenda of Meetings of the Committee;
- determines the list of the persons invited for attendance the Meeting of the Committee;
- organizes conducting the minutes of Meetings of the Committee and signs the minutes of Meetings of the Committee;
- represents the Committee at interaction with the Board of Directors, with the executive bodies of the Company, the auditor, the Audit Commission of the Company and other bodies and officials of the Company;
- allocates duties between members of the Committee;
- executes official correspondence of the Committee, signs requests, letters and documents on behalf of the Committee.

4.8. The Secretary of the Board of Directors executes functions of the Secretary of the Committee.

The Secretary of the Committee provides preparation and holding of Meetings of the Committee, collection and ordering of materials to Meetings, duly delivery to the members of the Committee and invited persons of the notices of holding of Meetings of the Committee, the agenda of Meetings, materials on the agenda, recording of Meetings, preparation of the projects of resolutions of the Committee and also subsequent keeping of all appropriate materials. The Secretary provides reception of the necessary information by members of the Committee.

5. Procedure of the Committee

5.1. The work of the Committee is carried out in the form of Meetings.

Meetings of the Committee will be carried out as required, but in any case at least four times per one year.

5.2. The Meeting of the Committee has a quorum, if it is attended by all six members of the Committee.

In case of impossibility to attend the Committee's meeting in person, the Committee's member is entitled to submit his/ her written opinion on the agenda items. The written opinion of

the Committee's member who is absent at the meeting is taken into account when the presence of a quorum and voting returns on the agenda items are determined.

The Committee's members may participate in the meeting via video-conference and discuss the agenda items in a real-time mode. Such way of participation in the meeting is treated as personal attendance at the meeting.

5.3. Meetings of the Committee are convoked by initiative of the Chairman of the Committee, one member of the Committee or by resolution of the Board of Directors.

Scheduled Meeting of Committee will be held according to the plan of work of the Committee generated on the basis of the plan of work authorized by the Board of Directors and in view of the offers of the Chairman of the Board of Directors, members of the Committee and resolutions of the Board of Directors.

The Committee holds meetings not later than 17 days prior to the date of holding the formal meeting of the Board of Directors of the Company at which the issues to be preliminary considered by the Committee are expected to be considered.

5.4. At convocation of a Meeting of The Committee the Chairman of the Committee determines the date, time, place and form of holding of a Meeting, the agenda, and also list of the persons invited to attend a Meeting of the Committee.

The place of holding of Meeting of the Committee is determined by the Chairman of the Committee as agreed with all members of the Committee.

5.5. The Meetings of the Committee may be held in the form of joint presence of the members of the Committee (present Meeting) or in the form of absentee voting on the agenda of Meeting (absentee voting).

5.6. The notice on holding of a Meeting of the Committee should contain the agenda of Meeting, form of holding, the date, place and time of holding of a Meeting (the date and time of the termination of reception of questionnaires at absentee voting). The notice on holding of a Meeting is drawn up by the Secretary of the Committee and signed by the Chairman of the Committee. The notice on holding of a Meeting should be delivered to members of the Committee, the President of the Company and persons invited to attend a Meeting of the Committee within 7 (seven) business days till the date of holding of a Meeting (the date and time of the termination of reception of questionnaires at absentee voting). The materials and information on the agenda shall be delivered to members of the Committee, the President and persons invited to attend a Meeting of the Committee within 7 (seven) business days prior to date of holding of Meeting (the date and time of the termination of reception of questionnaires at absentee voting).

The materials (information) on the agenda may be submitted (delivered) personally, by fax, e-mail, thus the notice of holding of a Meeting of the Committee should be delivered to members of the Committee by fax or handed personally.

At reception from the Secretary of the Board of Directors of the notice of Meeting of the Board of Directors which agenda contains issues referred to the competence of the Committee based on these Regulations, the Chairman of the Committee should undertake all measures ensuring duly holding of Meetings of the Committee for development of the recommendations (resolutions) on the specified issues of the agenda of Meeting of the Board of Directors and delivery thereof to the Board of Directors.

5.7. Each member of the Committee has one vote at resolution of issues at Meeting. The transfer of a vote by one member of the Committee to other member of the Committee or other person is not allowed.

The Chairman of the Committee holds all Meetings of the Committee but he has no casting vote.

The Committee adopts the resolutions by majority of votes of its members.

5.8. Within (two) 2 business days after holding of a Meeting of the Committee the Secretary of the Committee draws up the minutes of the Meeting (hereafter referred to as the Minutes).

The Chairman and Secretary of the Committee subscribe the minutes.

The minutes is made in duplicate, one of which within 1 (one) business day after signing thereof shall be delivered by the Secretary of the Committee to the Board of Directors to which materials and recommendations prepared for it are attached, and another copy of the minutes remains in archive of the Committee. The copies of the Minutes and prepared materials and recommendations are delivered to all members of the Committee.

The Chairman and the Secretary of the Committee bear responsibility for correctness of drawing up of the Minutes. The Secretary of the Committee is Responsible for keeping of the Minutes, questionnaires, materials and recommendations of the Committee.

The Minutes contains:

- form of holding of the Meeting;
- the date, place and time of holding of Meeting (the date and time of the termination of reception of questionnaires at absentee voting);
- list of the members of the Committee who took part in consideration of issues on the agenda with the indication of the form of voting (presence or by delivery of questionnaire), and also list of other persons attended the Meeting;
- the agenda;
- issues put on voting, results of voting on them with the indication of nature of voting of each member of the Committee;
- adopted resolutions.

At the request of the member of the Committee the brief statement of his opinion on the agenda of the Meeting of the Committee may be attached to the Minutes. Such opinion is made by the member of the Committee and is transferred to the Secretary of the Committee.

5.9. The Chairman of the Committee provides the Board of the Directors of the Company with the proposal to include the issue in respect of consideration of information prepared by the Committee by results of the held meeting into the agenda of the meeting of the Board of Directors of the Company after holding each meeting of the Committee and drawing up the respective minutes.

The specified proposal shall be delivered within the procedure as stipulated by internal regulative documents drawn up by the Company

5.10. A members of the Committee bear responsibility according to the law “On Joint-Stock Company”, Articles of Association and Regulations on the Board of Directors of the Company.

6. Final provisions

6.1. In case as a result of changes of the legislation of the Russian Federation some clauses of these Regulations infringe the legislation, these clauses are invalid and activities of the Company shall be governed by legal acts of the Russian Federation till making changes to these Regulations.

6.2. These Regulations and all changes and additions hereto are approved by the Board of Directors of the Company.