

Approved by
JSC Gazprom Neft
General Meeting of Shareholders
November 19, 2007
(Minutes #44)

**Management Board Regulations
Gazprom Neft, Joint Stock Company**

1. GENERAL PROVISIONS

- 1.1. Regulations for the Gazprom Neft Management Board (hereinafter Regulations) have been developed in accordance with the legislation of the Russian Federation and with the Charter of Gazprom Neft (hereinafter Company) as well as with the Company's principles of corporate governance aimed at enhancing efficiency and transparency of the Company's internal management tools, improving control systems and accountability of the Company governing bodies, and protecting rights of the shareholders.
- 1.2. The Management Board represents the collegial executive body of the Company, responsible for day-to-day management of the Company.
- 1.3. The Management Board operates in accordance with the legislation of the Russian Federation and with the Company Charter, decisions of the General Meeting of Shareholders and Board of Directors, these Regulations, and other Company by-laws.
- 1.4. The Management Board shall act in the best of interest of the Company and shareholders thereof and shall report to the Company's General Meeting of Shareholders and Board of Directors.

2. PRIMARY TASKS AND COMPETENCE OF THE MANAGEMENT BOARD

- 2.1. The primary tasks of the Management Board are as follows:
 - Ensuring stable and efficient operation of the Company in accordance with set priorities;
 - Implementing objectives, strategy, policy, and programs of the Company;
 - Establishing effective internal control and monitoring systems for risks incurred as a result of the Company's activities;
 - Ensuring the execution of decisions made by the Company's General Meeting of Shareholders and Board of Directors.
- 2.2. The Company Charter shall define the scope of authority of the Management Board.
- 2.3. The Management Board has the right to hear the reports of Company officials, receive technical, economical, business, and other information related to the activities of the Company and subsidiaries and affiliates thereof, and perform any other actions within its authority.
- 2.4. On an annual basis or upon request of the Company Board of Directors, the Management Board shall report to the former on implementation of the Company's programs and plans, execution of decisions of the General Meeting of Shareholders and Board of Directors, and other results of the Company's activities including those related to asset management.

3. MANAGEMENT BOARD COMPOSITION AND TERM OF TENURE

- 3.1. The Company Board of Directors shall establish the Management Board in accordance with the Company Charter and recommendations of the Company CEO. The Board shall be made up of the Company department managers and other individuals possessing required qualifications and leadership experience.
- 3.2. The Company Board of Directors shall determine the number of the Management Board members sufficient for maintaining constructive discussion of issues and reaching timely and efficient decisions.
- 3.3. The Company Board of Directors shall determine the Management Board member term of tenure. The Management Board members can be re-elected an unlimited number of times.

Should the term of a Management Board member expire during the period between the meetings of the Board of Directors, the authority of such a member shall be extended up until the next Board of Directors meeting.

- 3.4. The authority of any of the Management Board members may be terminated prematurely by a decision of the Board of Directors, either by the initiative of the Board of Directors or a Management Board member, or based on the recommendations of the CEO.

The authority of a Management Board member shall be deemed terminated beginning with the date specified by the Board of Directors or, if not specified, with the date on which such a decision was made.

Should the authority of all Management Board members be terminated prematurely, the Board of Directors shall immediately elect new members of the Management Board.

- 3.5. Should the number of Management Board members decrease to less than the number constituting quorum, specified in Para 8.7, the Board of Directors shall form a new Management Board.
- 3.6. The Management Board members may not concurrently serve as members of the Audit Commission.

4. RIGHTS AND RESPONSIBILITIES OF THE COMPANY MANAGEMENT BOARD

- 4.1. The rights and responsibilities of the Management Board members shall be defined by the current legislation of the Russian Federation, Company Charter and by-laws, and individual member employment agreement.

This agreement shall be signed by the Board of Directors Chairman or by a Board-authorized person on behalf of the Company.

- 4.2. The Management Board members shall duly and reasonably exercise their rights and responsibilities and act in the best of interest of the Company.

- 4.3. The Management Board members shall comply with the rules and procedures for handling confidential and insider information, specified in the Company's by-laws. Specifically, a member shall not disclose confidential and insider information, acquired by him/her in the course of his/her professional duties, to parties that do not have access to such information, and shall not use this information for his/her personal advantage or for the advantage of third parties.
- 4.4. The Management Board members have the right to review all regulatory, accounting, reporting, financial, and other Company documents and materials required for sound-decision-making.
- 4.5. The Management Board members shall operate in accordance with the legislation of the Russian Federation and with the Company Charter, decisions of the General Meeting of Shareholders, Board of Directors, these Regulations, and Company by-laws.
- 4.6. The Management Board members shall personally attend Management Board meetings. A Board member shall notify the Board Chairman if he/she is unable to attend and provide reason for the absence.
- 4.7. The Management Board members shall disclose to the Company Management Board Chairman, Board of Directors, Audit Commission, and Auditor any information relating to the following:
 - Legal entities in which he/she, whether alone or together with his/her affiliate (affiliates), owns at least 20% of voting shares (equities, units);
 - Legal entities in whose governing bodies he/she holds position;
 - Any known current or proposed transactions, wherein he/she may be deemed an interested party;
 - Number and type of Company securities owned by member; sale and/or acquisition of Company securities by member; and number of Company shares of each type which the member may acquire upon exercise of his/her share options granted by the Company;
 - Individuals related to the member by blood or affinity that are members of the Company governing and/or supervisory bodies exercising control over Company financial and business operations.

The above information shall be disclosed in writing to the Company Management Board Chairman and the Board of Directors within five calendar days from development (change) of those circumstances.

- 4.8. The Management Board members shall receive remuneration during their tenure in accordance with the member employment agreement.

The members may receive additional remuneration as decided by the Company Board of Directors based on results of the Company's activities.

- 4.9. The Management Board members must obtain approval from the Company Board of Directors prior to engagement in secondary employment or participation in governing bodies of other organizations.

- 4.10. Russian Federation labor legislation shall apply to relations between the Management Board members and the Company only to the extent that it does not conflict with provisions of the federal law relating to joint-stock companies.
- 4.11. The Management Board members shall be held liable for losses incurred by the Company as a result of their actions/absence of actions if other grounds or scope of liability are not established by federal law.

The Management Board members voting against the decision that inflicted losses on the Company or not participating in the voting shall be exempted from liability before the Company.

5. MANAGEMENT BOARD CHAIRMAN

- 5.1. The CEO of the Company shall serve as the Management Board Chairman.
- 5.2. The Management Board Chairman shall organize the work of the Management Board, including distributing responsibilities between the Board members, approving meeting agendas, chairing the meetings, signing meeting minutes, and making decisions on other issues envisaged by the Company Charter and these Regulations.

The Management Board Chairman shall represent the Management Board at the Company Board of Directors meetings and the General Meeting of Shareholders.

- 5.3. In the absence of the Management Board Chairman, the Management Board Deputy Chairman shall assume his duties. (The Deputy Chairman shall be elected by a majority vote of the elected Board members based on the recommendation of the Chairman.) In the absence of both the Chairman and Deputy Chairman, one of the Management Board members, as designated by the Management Board, shall assume his duties.

6. MANAGEMENT BOARD SECRETARY

- 6.1. The Company Management Board Secretary is responsible for organizational support of the Management Board's work.
- 6.2. The Management Board Secretary shall be elected, based on recommendation of the Management Board Chairman, from among Company employees who are not members of the Management Board. The election shall be based on a majority vote of the attending Board members.
- 6.3. Under instruction of the Management Board Chairman, the Secretary has the right to acquire information and documents necessary for the Board meetings from Company officials and employees.

- 6.4. The scope of the Management Board Secretary's authority includes:
- Providing information or documents related to the Company's activities to the Management Board members, as requested, and in accordance with legislation and Company by-laws;
 - Receiving information provided Board members in accordance with these Regulations;
 - Document control and maintenance of the Board meeting minutes and other documents;
 - Notifying the Board members and invitees of the meeting date, location, and time and providing relevant meeting materials to the members;
 - Recording minutes of the Management Board meetings and compiling minutes of **polled** voting;
 - Exercising other functions in accordance with the Company by-laws, these Regulations, and instructions of the Management Board Chairman.
- 6.5. The Management Board Secretary shall receive remuneration and may be reimbursed for expenses incurred by him/her in the performance of corporate duties within the scope and procedure established by the Management Board.

7. MANAGEMENT BOARD WORK PLAN

- 7.1. The Management Board operates in accordance with a six-month work plan.
- 7.2. The Management Board Work Plan shall be approved by the Board Chairman prior to the beginning of the relevant six-month period and shall include the following information:
- Description of issues subject to review by the Board;
 - Review period for the above issues and deadline for submissions of materials to the Management Board members;
 - Departments responsible for preparation of materials on each issue.
- 7.3. The Management Board Work Plan shall be generated based on decisions of the General Meeting of Shareholders and Company Board of Directors. It shall take into account issues brought up by the CEO and Management Board Members and suggestions of the Company department managers. Such issues and suggestions shall include the information specified in Para 7.2.
- 7.4. The Management Board Secretary shall forward the work plan to the Management Board members and departments responsible for preparation of the issues within five days of its approval.

8. CONVOCAATION AND PROTOCOL OF MANAGEMENT BOARD MEETINGS

- 8.1. The Management Board Chairman shall schedule Board meetings in accordance with the Management Board Work Plan.

The Chairman may decide to call an unscheduled meeting on his own initiative or as requested by the Audit Commission or Management Board members.

- 8.2. Management Board meetings shall be held in the form of joint attendance except for the cases specified in Para 8.9.

- 8.3. Management Board meeting agenda shall be approved by the Board Chairman in accordance with the Management Board Work Plan. The Management Board Chairman may, on his own initiative or on the initiative of the Management Board members, include issues in the meeting agenda related to the current activities of the Company and not included in the Management Board Work Plan.

- 8.4. The Management Board meeting agenda with all required materials enclosed shall be forwarded or distributed to the Management Board members no later than three days prior to the meeting.

- 8.5. The procedure for preparing and providing materials to the Management Board for review shall be approved by the Management Board Chairman.

- 8.6. Audit Commission members, representatives of the Company Auditor, individuals who prepared information and materials concerning agenda items, employees of the Company and subsidiaries thereof, and other individuals may be invited to attend the Management Board meeting.

- 8.7. The Management Board may hold a vote (meets quorum) when no less than half the total number of elected Board members participate in the meeting.

- 8.8. The Management Board shall reach decisions by a majority vote of the attending members.

- 8.9. The Management Board may reach decisions on non-scheduled or urgent issues by the way of polled voting (approval of draft decisions). In this event, the Management Board members will receive the draft decision of the Board and supporting materials.

Polled voting decisions shall be reached by a majority vote of the total Board membership.

- 8.10. Every Management Board member has the right to cast one vote. A Management Board member may not assign his/her voting rights to another person, including other Board members.

Tie votes shall be decided by the vote of the Management Board Chairman. No other presiding Board member, including the Management Board Deputy Chairman, retains the right to a tie-breaking vote.

8.11. The Management Board Chairman shall define the protocol of the Board meetings.

9. PROCEDURE FOR DOCUMENTING MANAGEMENT BOARD DECISIONS

9.1. The Management Board Secretary shall record the minutes of the Board meetings. The minutes shall be signed by the presiding officer. The polled voting minutes shall be signed by the Management Board Chairman.

9.2. Decisions of the Management Board shall be documented in the meeting minutes.

9.3. The Management Board meeting minutes shall include:

- Number of the minutes;
- Date, time, and location of the meeting;
- List of attendees;
- Meeting agenda;
- Issues put to vote;
- Voting results;
- Reached decisions.

The meeting minutes may also include information about lead speakers and opinions of the attendees.

9.4. The polled voting minutes shall include:

- Date, time, and location of minutes generation;
- List of Management Board members participating in voting;
- Issue put to vote;
- Voting results.

9.5. Documents supporting the Management Board decisions shall be attached to the meeting minutes. Draft decisions approved by the Management Board members shall be attached to the polled voting minutes.

9.6. Certified copies of the Management Board meeting minutes shall be forwarded to the Board members and the Chairman within three business days of their approval.

9.7. Decisions of the Management Board shall be communicated to individuals responsible for their execution within three business days of their approval.

9.8. The Management Board Secretary shall provide meeting minutes, when requested, to members of the Management Board, Board of Directors, Audit Commission, and Company Auditor within three business days of the relevant request.

10. CONTROL OVER COMPLIANCE WITH MANAGEMENT BOARD DECISIONS

- 10.1. Decisions reached within authority of the Company Management Board shall be binding on the CEO and Company employees.
- 10.2. Any decision of the Management Board reached on a specific issue shall define the individual(s) responsible for its execution and execution deadline.
- 10.3. The Management Board Chairman may decide to extend the above deadline for a period of no more than one month.
A longer extension period may be granted by decision of the Management Board.
- 10.4. When required, and in accordance with the decisions of the Management Board, the Company CEO shall issue relevant orders, sign agreements, and perform other transactions (operations).
- 10.5. The Management Board Secretary shall forward information concerning results of the Management Board decisions to the Board members on a monthly basis.

11. FINAL PROVISIONS

- 11.1. These Regulations and all modifications and amendments thereof shall take effect beginning with the date of approval by the Company's General Meeting of Shareholders.
- 11.2. Should individual provisions of these Regulations contradict legislation of the Russian Federation and/or Company Charter, such provisions shall be deemed invalid and relevant norms of the Russian Federation legislation and/or Company Charter shall be applied. The validity of the other provisions of these Regulations and the entirety of these Regulations shall not be affected thereby.