

Basic principles and procedure for determination of the amount of remuneration to members of the Board of Directors of JSC Sibneft, elected by the Annual General Shareholders Meeting on 15 May 2003.

**I. Basic principles of the determination of amount of remuneration to members of the Board of Directors of JSC Sibneft**

1. Fixed base amount of remuneration for participation in the activity of the board of directors should be equal for all members of the board of directors.
1. Independent directors, besides the base remuneration, should indemnify from the company for their overhead charges, related to execution of their activity as the member of the board of directors provided that they give documents confirming such expenses. Documents are provided into the Committee on remuneration not later than 40 days before the date of holding of the shareholders meeting, which contain in its agenda the question of election the new board of directors.  
Committee on personnel and remuneration examine provided documents and submit its opinion on validity of mentioned overhead charges to the meeting of the Board of Directors. General shareholder's meeting decide to pay total remuneration to independent members of the board of directors.
2. The amount of board members remuneration is decreased applying reducing rate, when they don't participate in the activity of separate meeting of the board.
3. In case of early break of authority or function of a board member, committee on remuneration shall calculate the amount of the remuneration applying actual working hours of the Board member.

**II. Terms of calculation of the remuneration amount of OJSC Board Members**

2. Basic amount of the remuneration to each Board member for the legally fixed Board member authority term shall rate to the amount equivalent to 10,000 US dollars including tax on income from natural persons established by RF legislation.
3. In case of nonparticipation of a Board member in each single meeting of the Board, the basic amount of the remuneration shall be reduced by 5%.
4. The remuneration on the balance of work to the Board members shall be calculated by the Committee on Personnel and Remunerations and paid out in a non-cash form by a bank transfer to the bank accounts of the Board members within 2 months from the date of the Board meeting, which included into the agenda an issue of a new Board member election.