

APPROVED
by the Resolution
of the Board of Directors, OAO NOVATEK
Minutes No.140 as of 29.08.2011

**REGULATIONS
ON THE PROCEDURE OF ACCESS TO OAO NOVATEK's INSIDER INFORMATION,
PROTECTING ITS CONFIDENTIALITY, DISCLOSURE
AND CONTROL OVER ITS UNLAWFUL USE**

Moscow
2011

1. GENERAL PROVISIONS

1.1. These Regulations on the procedure of access to insider information, protecting its confidentiality, disclosure and control over the unlawful use of insider information of Novatek Open Joint-Stock Company (OAO NOVATEK) have been developed in accordance with the requirements of the Federal Laws “On prevention of illegal use of insider information and market manipulation and on amendments to some legislative acts of the Russian Federation”, “On Securities Market”, “On Joint-Stock Companies”, “On Commercial Secrecy”, and other laws and regulations, stock exchange requirements, recommendations, corporate governance practices, the Articles of Association and By-Laws of OAO NOVATEK.

1.2. The basic terms, abbreviations and definitions used in these Regulations:

1.2.1. **Law on Prevention of Illegal Use of Insider Information** means the Federal Law No. 224-FZ dated 27.07.2010 “On prevention of illegal use of insider information and market manipulation and on amendments to some legislative acts of the Russian Federation”.

1.2.2. **Insiders** mean individuals specified in Article 2 hereof included into the Company Insider List.

1.2.3. **Insider Information** means precise and specific information, which has not been distributed or provided (including information constituting commercial, official and other legally protected secrecy), distribution or provision of which may have a significant impact on the market price of Company’s Securities.

1.2.4. **Unlawful use of insider information** means consummating transactions with the Company’s Securities using the Insider Information.

1.2.5. **Company** means Novatek Open Joint-Stock Company (OAO NOVATEK).

1.2.6. **Operations with the Company’s Securities** mean consummating transactions and other actions aimed at purchasing, disposal or other change of rights to the Company’s Securities, as well actions related to assuming obligations to take the aforementioned actions, including the bidding (issuing orders).

1.2.7. **Regulation** mean the regulation on the procedure of access to insider information, protecting its confidentiality, disclosure and control over the unlawful use of insider information of OAO NOVATEK.

1.2.8. **Insider Information Disclosure** means illegal Distribution of Insider Information by the person to whom this information has become available.

1.2.9. **Distribution of Insider Information** means actions:

a) aimed at receiving information by uncertain number of persons or at transferring information to uncertain number of persons, including its disclosure in accordance with the applicable law of the Russian Federation on securities

b) related to publishing the information in mass media, including electronic, and/or public networks (including Internet)

c) related to the information distribution in electronic and/or public networks (including Internet).

1.2.10. **Rules** mean rules of record-keeping and transferring NOVATEK Insider List approved by order of the Company.

1.2.11. **Company Insider List** means list of legal entities and individuals who have access to Insider Information as of a certain date, which is updated in connection with provision/termination of access of legal entities and individuals to the Insider Information.

1.2.12. **Authorized person** means a structural division (an executive) accountable to the Board of Directors, duly authorized by order of the Chairman of the Management Board to exercise control over the compliance with the procedure of access to Insider Information, protecting its confidentiality, disclosure and unlawful use and control over compliance with requirements of the Law on prevention of illegal use of insider information, and the Company's regulations and by-laws adopted in accordance with them.

1.2.13. **FFMS** means federal executive body regulating financial markets.

1.2.14. **Company Securities** mean company shares and bonds, and securities of a foreign issuers, certifying the rights in respect of the Company shares.

1.3. These Regulations govern:

1.3.1. Procedure of access to Insider Information

1.3.2. Procedure of protecting Insider Information confidentiality

1.3.3. Rules of controlling the compliance with the law on insider information

1.3.4. Other matters connected with Insider Information.

1.4. The Chairman of the Company's management Board organizes the work on classifying information as Insider Information, preparing and approving the list of Insider Information, providing conditions for unimpeded and effective performance by the Authorized person of its/his/her functions.

1.5. Requirements of these Regulations are obligatory for all the Company's Insiders and for the Company's employees.

1.6. Should there be made any amendments to legislative acts and/or other regulations of the Russian Federation, as a result of which some clauses of these Regulations go into conflict with these amendments, such clauses of the Regulations shall not be applied from the effective date of these amendments.

Appropriate amendments shall also be introduced to the Regulations. Until the relevant amendments are made to the Regulations, the Company's employees and other persons named in the Regulations shall follow legislative acts and other regulations of the Russian Federation.

2. INSIDERS

2.1. The Company **Insiders** are:

2.1.1. Persons who have access to Insider Information on the basis of agreements concluded with the Company, including auditors (auditing companies), appraisers (legal entities with which appraisers concluded employment agreements), professional participants of securities market, credit organizations, insurance organizations;

2.1.2. Persons holding at least 25% (twenty-five percent) of the Company's voting shares, and persons who have access to Insider Information on the basis of the federal laws or foundation documents by virtue of holding shares in the authorized capital of the Company;

2.1.3. Members of the Board of Directors and members of the Company's Management Board, Chairman of the Company's management Board, members of the Company's Revision Commission.

2.1.4. Persons who have access to the information on sending a voluntary, mandatory or competitive offer to purchase shares under the applicable law of the Russian Federation on joint-stock companies, including persons who have sent voluntary or competitive offers to the joint-stock company, credit organization that provided bank guarantee, appraiser (legal entities with which appraiser concluded employment agreements);

2.1.5. Mass media agencies disclosing or providing the Company's information;

2.1.6. Persons assigning ratings to the Company and its Securities;

2.1.7. Individuals who have access to Insider Information of the Company on the basis of employment and (or) other civil agreements;

2.1.8. Other persons included in the Company's Insider List pursuant to the requirements of the applicable law of the Russian Federation.

2.2. Company's Insider List is kept in accordance with the Rules.

2.3. The Company notifies Insiders on their inclusion into or exclusion from the Company's Insider List in accordance with the established procedure using the form set forth in Appendix 1 hereto, and also notifies these persons of requirements of the Law on prevention of illegal use of insider information.

2.4. The Company shall pass over the Company's Insider List to the following persons and authorities:

2.4.1. Interested structural divisions (executives) of the Company in accordance with the procedure established by the Rules;

2.4.2. Trade organizers making deals with the Company's Securities, in accordance with the procedure established by the FFMS regulation;

2.4.3. FFMS and Financial Service Authority of Great Britain (upon request).

2.5. Insiders have the following obligations:

- Prevent illegal use or disclosure of Insider Information and take all possible measures to protect Insider Information and to prevent its Illegal Use

- Notify the Company and FFMS of the transactions made by them with the Company's securities and of concluding agreements being the derivative financial instruments, the price of which depends on the Company Securities.

The procedure of notification is defined by applicable law of the Russian Federation. Form of Notice is defined in Appendix 2 hereto.

- Comply with the Insider Information confidentiality routine established by the Company;

- Avoid providing, disclosing or using Insider Information without the Company's consent;

- Upon losing the status of Insider, transfer physical storage media containing Insider Information to the Company and delete Insider Information provided to the Insider in the electronic form;

- Immediately inform the Authorized person and direct superior or his/her deputy (if any) of all cases of unauthorized access to Insider Information becoming known to the Insider, and of all facts of loss or lack of physical media containing Insider Information, and/or instruments for access to Insider Information (safe (deposit) box keys, stamps, seals, certificates, passes, passwords etc.)

- Fulfill requirements of internal security policy, which exclude the possibility of learning the data referring to Insider Information by strangers, including other employees of the Company who do not have routinely an access to this information (if applicable)

- Avoid any actions aimed at learning any data referring to Insider Information not intended for this person to learn;
- Avoid disclosure of data referring to Insider Information in the course of business negotiations;
- Submit all documents available to him/her which contain data referring to Insider Information for auditing upon request of the Authorized person, and to submit written explanations.

2.6. **Persons who are not Insiders**, but have unintentionally received access to Insider Information **have the following obligations:**

- Discontinue learning the Insider Information;
- Take comprehensive measures to keep confidentiality of Insider Information that has become available to them;
- Avoid illegal use of Insider Information and/or its disclosure;
- Immediately inform the Authorized person, direct superior or his/her deputy (if any) of the event of learning the Insider Information;
- Act in accordance with the instructions given by the Authorized person.

2.7. Insiders' obligations concerning Insider Information as provided for by the Regulations remain in effect after termination of ground for considering the person to be Insider and expire at the moment of disclosure of the specific Insider Information according to and in compliance with requirements of the applicable law of the Russian Federation.

3. INSIDER INFORMATION

3.1. Based on the information, the comprehensive list of which is approved by the FFMS regulation, the Company develops its list of Insider Information approved by the Company's order.

List of Insider Information is subject to disclosure in the Internet at the Company's official website.

3.2. Insider Information does not include:

- Information that has become available to unlimited circle of persons, including in the result of its distribution
 - Surveys, forecasts and estimates in respect of the Company Securities, as well as recommendations and (or) proposals on transactions with the Company's Securities made on the basis of generally available information.

3.3. The procedure and terms for Insider Information disclosure or provision are established by FFMS regulations and by-laws of the Company.

3.4. Insider Information does not include:

- Information that has become available to an unlimited circle of persons, including in the result of its distribution
 - Surveys, forecasts and estimates in respect of financial instruments, foreign currency and (or) goods, as well as recommendations and (or) proposals on the transactions with financial instruments, foreign currency and (or) goods made on the basis of generally available information.

4. INSIDER INFORMATION USE PROHIBITION

4.1. **It is forbidden to:**

4.1.1. Use Insider Information for conducting transactions with the Company Securities the Insider Information refers to, either at one's own cost or at the cost of third persons, except for conducting operations in the process of performance of obligation to purchase or sell the Company Securities,

foreign currency and (or) goods, the term of which has already come, provided that this obligation has appeared in the result of transaction conducted before Insider Information has become available to the person.

4.1.2. Transfer Insider Information to third persons, except for Insiders, and only in connection with the fulfillment of duties established by federal laws or internal documents of the Company, in connection with performance of labor duties or agreement.

4.1.3. Give recommendations, induce third persons to purchase or sell the Company Securities, enter into agreements being derivative financial instruments the price of which depends on the Company Securities.

4.1.4. Perform actions referring under the law to market manipulations.

4.2. Insider Information is transferred for its publication to the mass media according to the procedure defined in the by-laws of the Company. Transfer of this information for publication or its publication does not exempt from liability for illegal receipt, use, disclosure of data comprising commercial, official and other secrecy protected by law, and from performance of any obligation referring to the Insider Information disclosure or provision.

5. PROCEDURE OF ACCESS TO INSIDER INFORMATION

5.1. The right to access Insider Information is provided to the following persons:

5.1.1. Members of the Board of Directors and Management Board of the Company, Chairman of the Management Board and members of the Company's revision commission — in respect of any Insider Information

5.1.2. Other Insiders — in respect of Insider Information required to perform their duties directly provided for by applicable law of the Russian Federation, employment or civil agreements with the Company and by-laws of the Company.

5.2. Access to Insider Information

5.2.1. Insiders' access to specific Insider Information is carried out on the basis of employment agreements and (or) civil agreements concluded with them (in the scope required to perform their labor duties).

5.2.2. Access to specific Insider Information by persons who are not the Company Insiders is carried out on the basis of a request for providing the Insider Information as follows.

The person interested in receiving Insider Information shall send a relevant request to the Authorized person, which shall indicate: List of requested Insider Information, purpose of receipt, the need to copy this information using technical facilities, and the need to disclose information to third persons (the list of these persons is to be enclosed).

The request is considered by the Authorized person within 5 days, afterwards a decision on access or refusal in access of the interested person to the requested Insider Information is made. This decision is brought to the notice of the person sending a request.

5.3. The persons having access to Insider Information are to be familiarized with these Regulations and with the list of Insider Information against signature.

5.4. On the basis of a legally justified request of the governmental authority or local governmental body the Company shall provide to them the requested Insider Information on a free of charge basis.

Such request of the authority shall be signed by a competent officer and shall contain the purpose and legal ground for demanding Insider Information and the term for its provision, unless otherwise established by applicable law of the Russian Federation.

5.5. The Company's employees responsible for information disclosure, duly authorized to maintain communication with the public and shareholders shall ensure equal opportunity for all interested persons to access disclosed significant information on the Company's business simultaneously, and shall take measures for immediate disclaimer of untrue information posed as Insider Information.

5.6. When concluding employment or civil agreements which provide for the right to access Insider Information by the Company's employee or counteragent, these agreements shall contain the following commitments of the employee or counteragent:

5.6.1. On non-disclosure or prohibition of illegal use of Insider Information

5.6.2. On provision of the list of persons who will get access to Insider Information under the agreement by counteragents to the Company, and confirmation of the fact that these persons have committed themselves to non-distribution of Insider Information and to prohibition of transactions using it (receipts)

5.6.3. On notification of these persons about the obligation not to disclose Insider Information and about prohibition of transactions with it and the duty to register transactions settled by Insiders and their affiliates according to requirements of these Regulations.

Employment and civil agreements shall also provide for responsibility for violation of the aforementioned requirements.

6. INSIDER INFORMATION CONFIDENTIALITY ASSURANCE

6.1. This article shall apply until Insider Information becomes publicly available in accordance with the procedure established by applicable law and by-laws of the Company, except when Insider Information is provided upon request of the FFMS of Russia.

6.2. Insider Information confidentiality assurance is carried out through the following actions and activities performed by the Company:

6.2.1. Maintenance of the Company Insider List in accordance with the established procedure;

6.2.2 Assurance of Insider Information access control (including through establishment of access routine to some premises of the Company);

6.2.3. Limitation of a number of persons who have access to Insider Information, delimitation of employees' right to access Insider Information with regard to their official duties;

6.2.4. Familiarization of the Company's employees and Insiders with these Regulations;

6.2.5. Inclusion of Insider Information nondisclosure commitments to the internal documents of the Company, employment and civil agreements concluded by the Company and other persons included into the Company Insider List, and compliance with the rules of using Insider Information established by these Regulations (Clause 5.6 hereof);

6.2.6. Timely destruction of documents that may contain Insider Information and are not subject to storage in accordance with the established procedure;

6.2.7. Assurance of compliance with limitations when using Insider Information;

6.2.8. Introduction of special procedures aimed at protection of Insider Information from Illegal use, including:

6.2.8.1. Limitation of right and introducing a routine of access to specific Insider Information for employees of the Company;

6.2.8.2. Determination of places and sources of Insider Information storing;

6.2.8.3. Use of data protection systems necessary to prevent an unauthorized access to Insider Information;

6.2.8.4. Introduction of procedures for protecting work places and document storage places from unimpeded access and monitoring

6.2.8.5. Usage of IT protection system preventing loss of Insider Information and/or unauthorized access to this information, including:

- Delimitation of users' authorization for access to information resources of automated and information systems of the Company's local network containing Insider Information (using the system delimitation instruments, use of personal IDs and passwords, e-keys etc.), and establishment of authorization system for work with external data storage media, e-mail and Internet

- Application of administrative and technical measures aimed at elimination of unauthorized access to Insider Information (supported by blocking user's access to the system upon detecting attempts of unauthorized access; elimination of unauthorized connections from external devices and installation of software products; elimination of the possibility of Insider Information transmission via public networks (including Internet))

- Use of certified means of cryptographic protection (coding) of information for protecting of transmission of the Insider Information via communication channels;

- Checkup of compliance with established routine of using communication facilities provided by the Company for service purposes by the Company employees.

6.3. Insider Information is stored in the Company's premises equipped with the system of locking devices and (or) closed personal key cards which eliminate a possibility of uncontrolled access to these premises and (or) strangers' access to Company's PCs.

7. CONTROL OF COMPLIANCE WITH REQUIREMENTS ON USE OF INSIDER INFORMATION

7.1. Control of compliance with requirements on use of the Insider Information includes the following aspects:

- Control of Insiders' compliance with the rules established by these Regulations
- Control of information flows: receipt and transmission of information, data safety assurance.

7.2. Control of Insiders' compliance with the rules established by these Regulations, requirements of Federal Law "On Prevention of Illegal Use of Insider Information and Market Manipulation and on Amendments to Some Legislative Acts of the Russian Federation" is exercised by the Authorized person.

7.3. The Authorized person:

- Studies, appeals and requests received by the Company, which are connected with Illegal Use of Insider Information and Market Manipulation;

- Controls compliance with these Regulations in the Company, including through selective checkups;

- Represents the Company's interests in the governmental regulatory, supervisory and law enforcement bodies on issues related to the use of Insider Information and Market Manipulations;
- Carries out checkups on the facts of illegal use of Insider Information and Market Manipulations;
- Controls elimination of revealed violations and fulfillment of measures for preventing similar violations in the future activities of the Company;
- Informs the Board of Directors and the Chairman of the Management Board of revealed violations of the rules established by the Regulations;
- Maintains reporting documentation (including the **Register of requests and provision of Insider Information** and Register of cases of loss of/unauthorized access to Insider Information), submits necessary reports to the Board of Directors and to the Chairman of the Management Board;
- Carries out monitoring of Russian Federation law on Insider Information and its application, makes proposals on improving organization and implementation of control over compliance with requirements of the Federal Law "On Prevention of Illegal Use of Insider Information and Market Manipulation and on Amendments to Some Legislative Acts of the Russian Federation" in the Company;
- Takes measures aimed at elimination of illegal access of third persons to the documents he/she keeps;
- Provides access to Insider Information for interested persons in cases established by this Regulation, applicable law of the Russian Federation and by-laws of the Company;
- Performs other functions required to meet the requirements of the Law on prevention of illegal use of insider information.

7.4. During checkups the Authorized person is entitled to:

- Request the documents required for this checkup from Insiders and other persons;
- Receive explanations, including written ones, required for the purpose of checkup from Insiders and other persons.

8. LIABILITY FOR DISCLOSURE OF INSIDER INFORMATION

8.1. The Company's Insiders shall be responsible for Illegal Use of Insider Information and may be brought to disciplinary, administrative, criminal or civil responsibility under the applicable law of the Russian Federation and the terms and conditions of the agreement with the Company.

8.2. The Company is entitled to demand from Insiders guilty of Illegal Use of Insider Information or its distribution indemnification for loss caused to the Company by these illegal actions.

to the Regulations on the procedure of access to Insider Information, protecting its confidentiality, disclosure and control over illegal use of insider information of OAO NOVATEK

NOTIFICATION TO PERSONS OF THEIR INCLUSION IN AND EXCLUSION FROM THE INSIDER LIST

Details of OAO NOVATEK

№	I. Information about the Company	
1.1	Full name	
1.2	TIN	
1.3	OGRN	
1.4	Location and mailing address	
1.5	Telephone number	
1.6	Fax number	
1.7	E-mail	
№	II. Information about the person included into the Insider List (excluded from the Insider List)	
	For legal entities	
2.1	Name of a legal entity	
2.2	TIN of a legal entity	
2.3	OGRN of a legal entity	
	For individual persons	
2.1	Full name	
2.2	Date of birth	
2.3	Place of birth	
№	III. Information on the ground for notification	
3.1	The ground for notification (inclusion into the Insider List/exclusion from the Insider List)	
3.2	Date of including the person into the Insider List (date of excluding the person from the Insider List)	
3.2	The ground for including the person into the Insider List (excluding the person from Insider List)	

Please note that after the person is added to the Company Insider List, this person as an Insider is subject to limitations set forth in Article 6 of Federal Law dated July 27, 2010 No. 224-FZ "On Prevention of Illegal Use of Insider Information and Market Manipulation and on Amendments to Some Legislative Acts of the Russian Federation" (hereinafter "Federal Law") and by-laws of the Company, and his liability is defined according to Article 7 of the Federal Law; the duties provided for by Article 10 of the Federal Law are imposed on this person.

Persons included in the Insider List who have no access to Insider Information due to their performance of official duties or provision of services to the Company under the agreement are entitled to receive access to Insider Information according to the procedure established by the Regulations "On the Procedure of Access to Insider Information, Protecting Its Confidentiality, Disclosure and Control Over Illegal Use of Insider Information of OAO NOVATEK".

The Company hereby also notifies you of requirements of the Federal Law dated 27.07.2010 No. 224-FZ "On Prevention of Illegal Use of Insider Information and Market Manipulation and on Amendments to Some Legislative Acts of the Russian Federation" (on 1 sheet, attached hereto).

Date: _____

Signature

Full name

NOTIFICATION BY INSIDER OF THE TRANSACTION WITH THE COMPANY SECURITIES

Name and address of the legal entity
receiver of this notification

1. Full name of individual person/Full corporate name of legal entity	
2. Type and details of the individual's identification document / TIN, OGRN of the legal entity	
3. Place of registration of the individual/Place of location of the legal entity	
4. Full corporate name of the person whose Insider List includes the Insider	
5. Date of transaction	
6. Type of the deal (transaction)	
7. Sum of the deal (transaction)	
8. Place of the deal (name of trade organization or off-the-counter market)	
9. Sort, category (type), series of security (for deals with securities)	
10. Full official name of security issuer (for deals with securities)	
11. State registration number of security issue (for deals with securities)	
12. Price of one security (for all deals with securities except for REPO deals)	
13. Price of purchase and sale of one security under the REPO agreement (for repurchase agreements)	
14. Amount of securities (for deals with securities)	
15. Type of agreement being a derivative financial instrument (for deals with derivative financial instruments)	
16. Name (number) of the agreement being a derivative financial instrument, used by the trade organizer at the securities market (for deals with derivative financial instruments)	
17. Price of one agreement being a derivative financial instrument (sum of bonus on the option) (for deals with derivative financial instruments)	
18. Amount of agreements being derivative financial instruments (for deals with derivative financial instruments)	
19. Strike price of the agreement being a derivative financial instrument (for deals with derivative financial instruments)	

Date: _____

Signature

Full name