

## SHARE SALE AND PURCHASE AGREEMENT # 20110

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 20 day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "**Seller**"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of January 5, 2007 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "**Buyer**"), represented by its Director \_\_\_\_\_, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the "**Parties**" and each as a "**Party**".

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company "Rosneft", company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company "Depository Clearing Company";
<b>Shares</b>	1 321 525 (One million three hundred twenty one thousand five hundred twenty five) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of \$8,193,454.00 (Eight million one hundred ninety three thousand four hundred fifty four) US Dollars.

## **2. SUBJECT OF THE AGREEMENT**

2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

## **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 30<sup>th</sup> of July 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 8,193,454.00 (Eight million one hundred ninety three thousand four hundred fifty four) US Dollars (the "Purchase Price").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

## **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of



such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.

## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.



## **7. GOVERNING LAW AND DISPUTE RESOLUTION**

7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:



**If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Fax:

Attention to: Benik Hakobyan

**If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Fax:

Attention to: \_\_\_\_\_

**9.6. Account details of the Parties:**

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.



**SELLER**

**Starcourt Worldwide Ltd**


---

Name: Benik Hakobyan

Title: Attorney

**BUYER**

**SANDALWOOD CONTINENTAL LTD**



---

Name: Jacqueline Alexander

Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement # 20110 as of July 20, 2010

August 04, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "**Seller**"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of January 5, 2007, from the one part,  
and

**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "**Buyer**"), represented by its Director \_\_\_\_\_, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each "Party".

**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement # 20110 as of July 20, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement # 20110 as of July 20, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of \$779,700.00 (Seven hundred seventy nine thousand seven hundred US Dollars) which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on July 29, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement # 20110 as of July 20, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.



**SELLER**

**Starcourt Worldwide Ltd.**

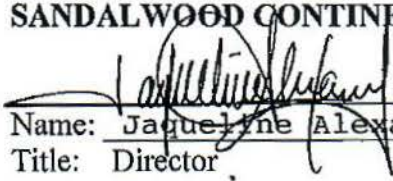
---

Name: Benik Hakobyan

Title: Attorney

**BUYER**

**SANDALWOOD CONTINENTAL LTD**



---

Name: Jacqueline Alexander

Title: Director

## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 22<sup>nd</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 264 067 (One million two hundred sixty four thousand sixty seven) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of \$7,837,217.00 (Seven million eight hundred thirty seven thousand two hundred seventeen) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 30<sup>th</sup> of July 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 7,837,217.00 (Seven million eight hundred thirty seven thousand two hundred seventeen) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

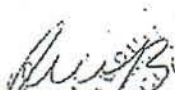
Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

**SELLER**

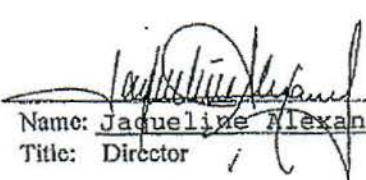
**Starcourt Worldwide Ltd.**

  
Name: Benik Hakobyan  
Title: Attorney



**BUYER**

**SANDALWOOD CONTINENTAL LTD**

  
Name: Jacqueline Alexander  
Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 22, 2010

August 06, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "**Seller**"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part,  
and  
**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "**Buyer**"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

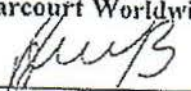
**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 22, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 22, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of \$745,800.00 (Seven hundred forty five thousand eight hundred US Dollars) which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on July 31, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 22, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

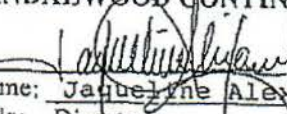
**Starcourt Worldwide Ltd.**

  
Name: Benik Hakobyan  
Title: Attorney



**BUYER**

**SANDALWOOD CONTINENTAL LTD**

  
Name: Jaqueline Alexander  
Title: Director

## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 23<sup>d</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 149 152 (One million one hundred forty nine thousand one hundred fifty two) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of 7,124,743.00 (Seven million one hundred twenty four thousand seven hundred forty three) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 1<sup>st</sup> of August, 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 7,124,743.00 (Seven million one hundred twenty four thousand seven hundred forty three) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

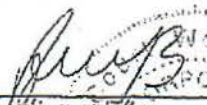
Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account №187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

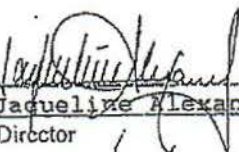
**SELLER**

Starcourt Worldwide Ltd.

  
Name: Benik Hakobyan  
Title: Attorney  


**BUYER**

SANDALWOOD CONTINENTAL LTD

  
Name: Jacqueline Alexander  
Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 23, 2010

August 09, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "Seller"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part,  
and  
**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "Buyer"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 23, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 23, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of 678,000.00 (Six hundred seventy eight thousand US Dollars) which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on August 1, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 23, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

Starcourt Worldwide Ltd.

Name: Benik Hakobyan

Title: Attorney

**BUYER**

SANDALWOOD CONTINENTAL LTD

Name: Jaqueline Alexander

Title: Director



## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 26<sup>th</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 264 067 (One million two hundred sixty four thousand sixty seven) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of 7 837 217.00 (Seven million eight hundred thirty seven thousand two hundred seventeen) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 3<sup>d</sup> of August, 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 7 837 217.00 (Seven million eight hundred thirty seven thousand two hundred seventeen) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.


9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

**SELLER**

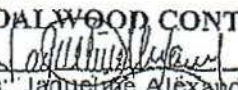
Starcourt Worldwide Ltd.

  
Name: Benik Hakobyan

Title: Attorney  


**BUYER**

SANDALWOOD CONTINENTAL LTD

  
Name: Jaqueline Alexander

Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 26, 2010

August 11, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize Ltd. (the "Seller"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part, and **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "Buyer"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 26, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 26, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of 745,800.00 (Seven hundred forty five thousand eight hundred) US Dollars which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on August 3, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 26, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

**Starcourt Worldwide Ltd.**

Name: Benik Hakobyan

Title: Attorney

**BUYER**

**SANDALWOOD CONTINENTAL LTD**

Name: Jaqueline Alexander

Title: Director

## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 26<sup>th</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 321 525 (One million three hundred twenty one thousand five hundred twenty five) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of 8 193 454.00 (Eight million one hundred ninety three thousand four hundred fifty four) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 3<sup>d</sup> of August, 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 8 193 454.00 (Eight million one hundred ninety three thousand four hundred fifty four) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:-

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

**SELLER**


Starcourt Worldwide Ltd

  
Name: Benik Hakobyan  
Title: Attorney



**BUYER**

**SANDALWOOD CONTINENTAL LTD**

  
Name: Jacqueline Alexander  
Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 26, 2010

August 12, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "Seller"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part,  
and

**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "Buyer"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

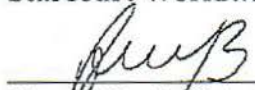
**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 26, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 26, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of 779,700.00 (Seven hundred seventy nine thousand seven hundred) US Dollars which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on August 3, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 26, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

**Starcourt Worldwide Ltd.**

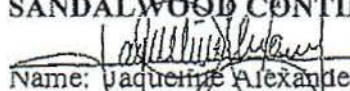
  
Name: Benik Hakobyan

Title: Attorney



**BUYER**

**SANDALWOOD CONTINENTAL LTD**

  
Name: Jaqueline Alexander

Title: Director

## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 27<sup>th</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 264 067 (One million two hundred sixty four thousand sixty seven) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of 7 837 217.00 (Seven million eight hundred thirty seven thousand two hundred seventeen) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 5<sup>th</sup> of August, 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 7 837 217.00 (Seven million eight hundred thirty seven thousand two hundred seventeen) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

**SELLER**


Starcourt Worldwide Ltd.

  
Name: Benik Hakobyan  
Title: Attorney



**BUYER**

SANDALWOOD CONTINENTAL LTD

  
Name: Jacqueline Alexander  
Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 27, 2010

August 16, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "Seller"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part,  
and

**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "Buyer"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

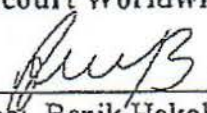
**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 27, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 27, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of 745,800.00 (Seven hundred forty five thousand eight hundred) US Dollars which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on August 5, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 27, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

Starcourt Worldwide Ltd.

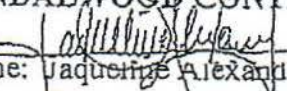
  
Name: Benik Hakobyan

Title: Attorney



**BUYER**

**SANDALWOOD CONTINENTAL LTD**

  
Name: Jaqueline Alexander

Title: Director

## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 29<sup>th</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 321 525 (One million three hundred twenty one thousand five hundred twenty five) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of 8 193 454.00 (Eight million one hundred ninety three thousand four hundred fifty four) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 10<sup>th</sup> of August, 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 8 193 454.00 (Eight million one hundred ninety three thousand four hundred fifty four) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

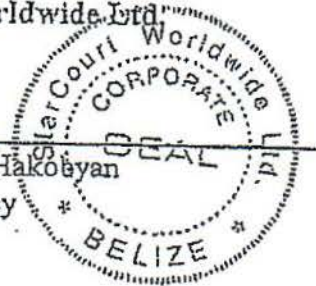
9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

**SELLER**


Starcourt Worldwide Ltd.

  
Name: Benik Hakobyan  
Title: Attorney



**BUYER**

SANDALWOOD CONTINENTAL LTD.

  
Name: Jaqueline Alexander  
Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 29, 2010

August 18, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "**Seller**"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part,  
and  
**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "**Buyer**"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 29, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 29, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of 779,700.00 (Seven hundred seventy nine thousand seven hundred) US Dollars which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on August 10, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 29, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

Starcourt Worldwide Ltd.

Name: Benik Hakobyan

Title: Attorney



**BUYER**

SANDALWOOD CONTINENTAL LTD

Name: Jaqueline Alexander

Title: Director

## SHARE SALE AND PURCHASE AGREEMENT

This Share Sale and Purchase Agreement (the «**Agreement**») is executed on this 30<sup>th</sup> day of July, 2010 by and between:

- A) **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the «**Seller**»), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010 on the one hand,
- and
- B) **SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the «**Buyer**»), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, on the other hand,

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter jointly referred to as the «**Parties**» and each as a «**Party**».

WHEREAS, the Seller is the registered holder and beneficial owner of the Shares of the Issuer (as such terms are defined hereinbelow);

WHEREAS, the Seller wishes to sell and transfer, and the Buyer wishes to purchase from the Seller the Shares on the terms and subject to the conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

### 1. DEFINITIONS

For all purposes of this Agreement, certain capitalized terms used herein shall have the following meanings, except as otherwise expressly provided:

<b>Business Day</b>	day, when banks are open for business in Moscow, Russian Federation, and New York, USA;
<b>Issuer</b>	Open Joint Stock Company «Rosneft», company duly organized and validly existing in accordance with the Russian laws.
<b>Depository</b>	Closed Joint Stock Company «Depository Clearing Company»;
<b>Shares</b>	1 145 508 (One million one hundred forty five thousand five hundred eight) common registered shares of the Issuer with face value of 0.01 (zero point zero one) Rubles for One (1) common registered share.
<b>Purchase Price</b>	amount of funds calculated by multiplying number of Shares by a per Share price of 7 102 149.00 (Seven million one hundred two thousand one hundred forty nine) US Dollars.

### 2. SUBJECT OF THE AGREEMENT



2.1. Relying on the representations and warranties and on undertakings contained herein and subject to the terms and conditions set out in this Agreement, the Seller agrees to sell and transfer to the Buyer, and the Buyer agrees to purchase from the Seller, together with all rights attaching thereto, at the Purchase Price (as defined below) the Shares.

### **3. TERMS AND PROCEDURE FOR TRANSFER OF THE SHARES AND PAYMENT**

#### **3.1. Transfer of the Shares**

3.1.1. The Seller shall not later than 10<sup>th</sup> of August, 2010 transfer or procure the transfer of the Shares to a custody account of the Buyer's nominee to be opened in advance and maintained with the Depository, with full title guarantee and free from all liens, charges and encumbrances and with all rights attaching thereto on the date of such transfer.

3.1.2. The Seller shall be deemed to have duly performed its obligations to transfer the Shares from the Seller to the Buyer from the moment the Shares have credited to the custody account of the Buyer's nominee with the Depository.

3.1.3. For the purposes of execution by the Seller of its obligations to transfer the Shares, the Buyer shall ensure timely opening by the Buyer's nominee of the relevant custody account with the Depository and notify the Seller on the details of such custody account.

3.1.4. All expenses related to transfer of the title to the Shares from the Seller to the Buyer shall be borne by the Seller.

#### **3.2. Payment for the Shares**

3.2.1. In consideration for transfer of the Shares by the Seller to the Buyer, the Buyer shall pay to the Seller the price of the Shares in the amount equal to 7 102 149.00 (Seven million one hundred two thousand one hundred forty nine) US Dollars (the "**Purchase Price**").

3.2.2. Payment of the Purchase Price shall be effected by the Buyer on the same Business Day on which the relevant amount of Shares is credited to the custody account of the Buyer's nominee as set forth in Section 3.1.1 above, by means of wire transfer of the relevant amount of immediately available and freely convertible funds to the Seller's bank account specified in Section 13.6 of this Agreement.

3.2.3. The Buyer shall be deemed to have duly performed its payment obligations hereunder from the moment of crediting of the Purchase Price to the Seller's bank account.

### **4. ADDITIONAL UNDERTAKINGS AND COVENANTS**

#### **4.1. Cooperation**

Upon the terms and subject to the conditions hereof, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under any applicable laws to consummate and make effective the transactions contemplated by this Agreement.

#### **4.2. Subsequent Events**

Each Party shall notify the other Parties promptly in writing of the occurrence of any event, or the failure of any event to occur, during the term of this Agreement that results in an omission from, or breach of, any of the covenants, representations or warranties made by or on behalf of such Party in this Agreement, but such notification shall not excuse breaches of representations, warranties or covenants disclosed in such notification.



## **5. TERM AND TERMINATION**

### **5.1. Term**

This Agreement shall enter into force (shall be deemed to be executed) on the date of its signing by the authorized representatives of the Parties.

### **5.2. Termination**

Unless otherwise agreed by the Parties in writing, this Agreement may be terminated in the following circumstances and under the following conditions:

- 1) by the mutual written consent of the Parties;
- 2) by the Buyer, in case if the Seller fails to perform its obligations to transfer the Shares or any part thereof to the Buyer; and
- 3) by the Seller, in case if the Buyer fails to perform its obligations to pay for the Shares.

### **5.3. Effect of Termination**

5.3.1. In the event this Agreement is terminated as provided for herein, this Agreement shall forthwith become void and of no effect, and the Parties shall be released from all future obligations hereunder, except for the obligation of defaulting Party (if the Agreement terminated according to Section 5.2 2) or 3) above) to compensate the affected Party for an amount of losses caused by any default in the performance of its respective obligations hereunder, which amount shall equal the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day which falls on or immediately precedes the Business Day on which the relevant obligation of the defaulting Party should have been performed. Such payment shall be effected within 30 (Thirty) Business Days following the termination date of this Agreement.

5.3.2. Notwithstanding any termination of this Agreement as herein provided the Parties' obligations as to confidentiality provisions under Article 10 shall not be extinguished but shall survive such termination. The Parties shall have any and all remedies to enforce such obligations provided at law or in equity (including, without limitation, specific performance).

## **6. Confidentiality**

6.1. The Parties hereby agree that neither Party may disclose or in any way comment upon to the third parties, with the exception of their consultants, auditors and affiliates, any information related to (i) the Parties, (ii) business intentions of the Parties, (iii) terms of this Agreement or the Shares purchase and sale transaction as a whole, as well as the information that became known to the Parties in connection with the Agreement and/or in the course of executing of the Agreement, except as required by applicable law or any stock exchange or other self-regulatory organization requirement.

6.2. If a Party breaches the terms of confidentiality as stated in Section 10.1 above, the other Party shall be released from any obligation with regard to representations and warranties, provided to it under this Agreement, and shall be entitled to claim compensation of the damages sustained as a result of such breach.

## **7. GOVERNING LAW AND DISPUTE RESOLUTION**



7.1. This Agreement and the rights of the Parties shall be governed by and construed in accordance with the substantive law of England.

7.2. Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the LCIA, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be London, Great Britain. The language to be used in the arbitration shall be English.

## **8. FORCE-MAJEURE**

8.1. Neither Party shall be liable for non-performance or improper performance of its obligations hereunder if such non-performance or improper performance has been caused by an event of Force-Majeure. For purposes hereof, Force-Majeure shall be understood to mean any event arising after the execution of this Agreement whose origin is found in a circumstance which Parties cannot reasonably foresee or prevent, and shall include (without limitation) any acts of governmental agencies rendering impossible or materially hindering the performance by the Parties of their respective obligations hereunder

If the nature of Force-Majeure circumstances substantially or finally prevents the Parties from attaining the goals of this Agreement, or if the performance by either Party of its obligations hereunder remains seriously hampered for longer than three (3) consecutive months, the Parties shall take a joint decision on the future of this Agreement.

## **9. MISCELLANEOUS**

9.1. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, administrators, legal representatives and assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any Party without the prior written consent of the other Party.

9.3. This Agreement constitutes the entire agreement between the Parties with respect to its subject, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the subject matter provided for in Section 2.1. No amendment or modification of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the Parties.

9.4. The headings set forth herein are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

9.5. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by one Party to the other Party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by registered mail, return receipt requested, postage prepaid, and also forwarded or transmitted by telegram, telecopy or telex, addressed as follows:

### **If to the Seller:**

Address: Suite 102, Ground Floor, Blake Building, Corner Eyre & Hutson Streets, Belize City, Belize

Attention to: Benik Hakobyan

### **If to the Buyer:**

Address: Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

Attention to: George Allen

9.6. Account details of the Parties:

Account for payments to Seller:

Commerzbank AG  
Germany, Frankfurt/Main  
400886671700  
SWIFT COBADEFF  
for credit to  
UKIO BANKAS  
Maironio g. 25, LT-44250, Kaunas, Lithuania  
SWIFT UKIOLT2X  
for further credit to  
Acc.No. LT917010000037603668  
Starcourt Worldwide Ltd.

Account for payments to Buyer:

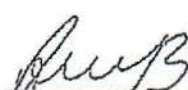
Russian Commercial Bank (Zurich), Swift: RKBZCHZZ  
USD-current account N°187015.0333 (IBAN: CH408 6605 0187 0150 0333)  
Corr. bank: Deutsche Bank Trust Company Americas, New York, corr. acc. 04-408-388,  
SWIFT: BKTRUS33.

9.7. This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, or have caused this Agreement to be duly executed on their behalf, as of the day and year first above written.

**SELLER**


Starcourt Worldwide Ltd

  
Name: Benik Hakobyan  
Title: Attorney



**BUYER**

'SANDALWOOD CONTINENTAL LTD'

  
Name: Jacqueline Alexander  
Title: Director



**AGREEMENT ON TERMINATION**  
of Share Sale and Purchase Agreement as of July 30, 2010

August 19, 2010

This Agreement on termination ("this Agreement") is entered into by and between **Starcourt Worldwide Ltd.**, a company duly organized and existing under the laws of Belize (the "**Seller**"), represented by its Attorney Benik Hakobyan, acting pursuant to the Power of Attorney as of March 4, 2010, from the one part,

and

**SANDALWOOD CONTINENTAL LTD.**, a company duly organized and existing under the laws of the British Virgin Islands (the "**Buyer**"), represented by its Director Jaqueline Alexander, acting pursuant to the Charter, from the other part.

For the purposes of this Agreement the Buyer and the Seller shall be hereinafter collectively referred to as the "Parties" and each the "Party".

**THE PARTIES HEREBY HAVE AGREED AS FOLLOWS:**

1. To terminate the Purchase And Sale Agreement as of July 30, 2010 beginning from the date of this Agreement where through the Seller failed to perform its obligations to transfer the Shares to the Buyer.
2. According to p. 5.3.1 of the Share Sale and Purchase Agreement as of July 30, 2010 the Seller undertakes to compensate to the Buyer an amount of losses to the extent of 675,850.00 (Six hundred seventy five thousand eight hundred fifty) US Dollars which equals the positive difference between the Purchase Price and the price for the Shares obtained by multiplying the number of Shares by the weighted average per Share price on Moscow Interbank Currency Exchange as of the close of the trading day on August 10, 2010.
3. The Parties hereby warrants and represents that after the performance by the Seller of its obligation set forth in Section 2 of this Agreement, the Parties will not have any financial or other claims to each other in connection with the Purchase And Sale Agreement as of July 30, 2010.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed in 2 (two) originals each having equal legal force, one original for each Party, in the place and at the date first above written.

**SELLER**

Starcourt Worldwide Ltd.

Name: Benik Hakobyan

Title: Attorney



**BUYER**

**SANDALWOOD CONTINENTAL LTD**

Name: Jaqueline Alexander

Title: Director