RATIFIED
By the resolution of the General Meeting of the Shareholders
Of OJSC “Uralkali”
28 June 2002 (Minutes of the meeting N 13)

REGULATIONS

ON THE MANAGEMENT BOARD OF THE OPEN JOINT STOCK COMPANY “URALKALI”

Perm Territory, Berezniki
2002

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These Regulations on the Management Board of the Open Joint Stock Company "Uralkali" (hereinafter the Regulations) establish the procedure and the terms of convocation of the meetings of the Management Board as well as the procedure of adoption of decisions and resolutions by the Management Board in compliance with the Civil Code of the Russian Federation, the Federal Law "On Joint Stock Companies" and the Charter of the Open Joint Stock Company "Uralkali" (hereinafter the Company).

1. GENERAL PROVISIONS

1.1. The Management Board is a collegial executive body of the Company.

1.2. The Management Board oversees day-to-day operations of the Company within its remit, as stipulated under the Charter of the Company.

The Management Board of the Company has no right to resolve the issues which fall within the competence of the General Meeting of Shareholders or the competence of the Board of Directors of the Company.

1.3. The Management Board acts in compliance with the legislation of the Russian Federation, the Charter of the Company, these Regulations and any other internal documents of the Company ratified/approved by the General Meeting of Shareholders and/or by the Board of Directors of the Company.

1.4. Proposals of shareholders to nominate candidates for election/appointment to the Management Board, including the nomination of the General Director of the Company, must contain the name of the body to which the candidate is nominated and the following information on each candidate:

- Surname, name, patronymic;
- Date of birth;
- Information on education and qualifications (name of educational institution, date of graduation, specialization/degree);
- Place(s) of work and positions held in the last five years;
- List of legal entities in which the candidate is a stakeholder, indicating the number of the shares (stakes, parts of charter capital) belonging to this candidate;
- List of persons in relation to which the candidate is an affiliated person, indicating the reasons/grounds for affiliation;
- Information on prior convictions;

- Information on administrative penalties and/or disqualifications of the candidate nominated for election/appointment to the bodies of the Company;

- Written consent of the individual to be a candidate for appointment to the Management Board (appointment as General Director);

This information must be provided on the date of preparation of the relevant proposal.

The recommended **form of proposal to nominate a candidate for appointment to the Management Board (appointment as General Director of the Company)** is attached to these Regulations as **Appendix 1**.

The procedure of appointment of the members of the Management Board is established under the Charter of the Company.

2. RIGHTS AND DUTIES OF THE MEMBERS OF THE MANAGEMENT BOARD

2.1. Members of the Management Board have the right to:

- Receive all necessary documents and materials that may be required for the work of the Management Board from the officers and the employees of the Company. The indicated documents and materials must be provided to the members of the Management Board within five (5) days following the date of a written request to provide these documents;

- Study the minutes of the meetings of the Management Board and receive copies of the minutes of the meetings;

- Request that their special opinion on the items of the agenda and/or on the adopted resolutions/decisions be recorded on the minutes of the meeting of the Management Board;

- Initiate meetings of the Management Board in order to resolve pressing issues; propose issues that fall within the competence of the Management Board for review of the Management Board;

2.2. Members of the Management Board must:

- Be loyal to the Company;

- Act reasonably, in good faith and with due care for the affairs of the Company;

- Act in the best interest of the Company as a whole and not in the interest of particular shareholders, officers or other persons;

- Act within the competence of the Management Board;

- Not disclose confidential information on the business of the Company which became known to them in the course of their service on the Management Board;

- Attend all meetings of the Management Board;

- Participate in the process of decision making by voting on the items of the agenda of the meetings of the Management Board;

- Adopt reasonable and well-grounded decisions; evaluate risks and negative consequences of these decisions before their adoption;

- Inform the Board of Directors, the Revision Committee and the Auditor of the Company of any events/facts indicated under Article 82 of the Federal Law “On Joint Stock Companies”; promptly inform the Company of any changes to the information indicated above;

- Participate in expert examinations of the projects and programs proposed by the Management Board;

- Participate in the working groups formed by the Management Board;

- Execute the decisions/resolutions of the Management Board within its remit.

2.3. Members of the Management Board may concurrently combine their service on the Management Board with gainful employment in other organizations only if the Board of Directors consents to it.

2.4. Members of the Management Board may not receive (directly or indirectly) any remuneration for influencing the decisions/resolutions of the Management Board.

Members of the Management Board are liable to the Company for any losses suffered by the Company as the result of their wrongful acts (or failure to act), unless otherwise stipulated under the Federal laws.

3. CHAIRMAN OF THE MANAGEMENT BOARD

3.1. The General Director of the Company is the Chairman of the Management Board.

3.2. The Chairman of the Company:

- Organizes meetings of the Management Board;

- Prepares the agenda of the meetings of the Management Board;

- Chairs the meetings of the Management Board;

- Invites officers, employees, advisors and experts of the Company, the shareholders of the Company and/or other persons to attend the meetings of the Management Board;

- Gives permission to the participants of the meetings of the Management Board and the members of the Management Board to utilize movie, video and photo cameras and sound recording devices at the meetings of the Management Board;

- Organizes the keeping of the minutes of the meetings of the Management Board, signs the minutes of the meetings of the Management Board;

- Acts on behalf of the Company and in compliance with the resolutions/decisions of the Management Board within its remit without a special power of attorney;

- Takes other actions in compliance with the Federal Law “On Joint Stock Companies”, the Charter of the Company and these Regulations.

3.3. If the Chairman of the Management Board is absent at the meeting of the Management Board his functions are performed by the Deputy Chairman of the Management Board elected by the Management Board.

4. SECRETARY OF THE MANAGEMENT BOARD

4.1. One of the members of the Management Board may be appointed secretary of the Management Board. Any individual who is not a member of the Management Board may be appointed secretary of the Management Board.

The Management Board must receive written consent of the individual nominated as secretary of the Management Board to be appointed secretary of the Management Board.

4.2. The secretary of the Management Board may resign from their post at any time on the condition that he/she informs the Management Board of their resignation in writing not later than thirty (30) calendar days prior to the date of the intended resignation.

The Management Board may terminate the powers of the secretary of the Management Board at any time.

4.3. The secretary of the Board:

- Records and keeps incoming documents and copies of outgoing documents of the Management Board;
- Notifies the members of the Management Board of the meetings of the Management Board in compliance with the terms established hereunder;
- Makes sure that the members of the Management Board receive all materials necessary for their work in due time;
- Provides the members of the Management Board with necessary aid and support;
- Determines speakers on the items of the agenda of the meetings of the Management Board after confirmation with the speakers and the Chairman of the Management Board;
- Informs the speakers at the meeting of the Management Board of the date and time of the meeting of the Management Board;
- Prepares cost estimates of the meetings of the Management Board;
- Keeps, prepares and formalizes the minutes of the meetings of the Management Board;
- Issues and certifies extracts from the minutes of the meetings of the Management Board and copies of the minutes of the meetings of the Management Board;
- Informs the officers of the Company, who are responsible for execution of particular decisions/resolutions, of the resolutions/decisions of the Management Board;
- Performs other duties indicated under these Regulations.

4.4. The secretary of the Management Board does not have the right to disclose commercial and/or other confidential information on the activities of the Company.

4.5. The secretary of the Management Board receives remuneration for his/her service in compliance with the amounts and procedures established by the resolution of the Management Board of the Company.

5. CONVOCATION OF BOARD MEETINGS

Convocation of regular meetings of the Management Board

5.1. Regular meetings of the Management Board are called by the Chairman of the Management Board.

5.2. Members of the Management Board have the right to propose items for the agenda of the meeting of the Management Board not later than ten (10) calendar days prior to the date of the meeting of the Management Board.

5.3. The Chairman of the Management Board establishes the agenda of the meeting of the Management Board not later than seven (7) calendar days prior to the date of the meeting.

5.4. Based on the decision of the Chairman of the Management Board, the following persons may be invited to attend the meetings of the Management Board: officers and employees of the Company, advisors, experts of the Company, shareholders and other persons.

5.5. The secretary of the Management Board notifies the members of the Management Board of the date and agenda of the meeting, speakers on the items of the agenda of the meeting, and other invitees not later than seven (7) calendar days prior to the meeting of the Management Board.

5.6. Notifications of the meeting of the Management Board sent to the members of the Management Board in written form must include:

- Date, time and place of the meeting;
- Agenda of the meeting;
- List of information (materials) provided to the members of the Management Board in preparation for the meeting and the procedure in compliance with which the members of the Management Board may study this information (materials).

Notifications must be signed by the Chairman of the Management Board or, under his/her instructions, by the secretary of the Management Board.

Notifications of the meetings of the Management Board and the materials (information) provided to the members of the Management Board that are necessary for adoption of decisions on agenda items, are sent by regular mail and/or by electronic mail.

Convocation of extraordinary meetings of the Management Board

5.7. Extraordinary meetings of the Management Board are called by the Chairman of the Management Board at his/her own discretion or based on a request of a member of the Board of Directors of the Company and/or a member of the Management Board of the Company.

5.8. Requests to convoke a meeting of the Management Board are submitted (sent) to the Chairman of the Management Board via the secretary of the Management Board.

Requests to convoke a meeting of the Management Board must contain the following:

- Information on the initiator of the meeting (name of initiator or name of the legal entity or body that requested the meeting);
- Proposed items for discussion and, if necessary, wording of resolutions;
- Motives and grounds for inclusion of these items on the agenda of the meeting;
- Information (materials) necessary in order to review the request;
- Address to which the result of review of the request must be sent.

Requests to convoke a meeting of the Management Board must be signed by the initiator of the meeting.

If such requests are made by the collegial body of the Company, these requests must be signed by the chairman of this body.

The documents which are necessary for adoption of resolutions on the items of the proposed agenda of the Management Board must be attached to the request form.

5.9. The Chairman of the Management Board does not have the right to refuse to convoke a meeting, with the exception of the cases when:

- The request to convoke a meeting is not in compliance with these Regulations;
- The initiator of the meeting does not have the right to request that a meeting of the Management Board be convoked.

5.10. The Chairman of the Management Board is obliged to review the submitted requests and to make the decision to convoke a meeting of the Management Board or to refuse to convoke a meeting of the Management Board within three (3) working days following the date of submission of the request.

The date of submission of requests is the date of receipt of the document by the Company.

5.11. The Chairman of the Management Board must inform the initiators of the meeting of his/her decision not later than three (3) working days following the date of the decision.

5.12. Meetings of the Management Board that are convoked based on the requests of the persons indicated in the Clause 5.7 must be held on the date of the nearest regular meeting of the Management Board or within ten (10) working days following the date of submission of the request.

5.13. The procedure of preparation of the agenda and notification of interested parties are regulated by Clauses 5.3-5.6 of these Regulations.

5.14. If the Chairman of the Management Board or his deputy does not call the meeting of the Management Board at the request of the persons indicated under Clause 5.7 hereunder, in compliance with the terms established by these Regulations, the meeting may be convoked by any member of the Management Board.

6. MEETINGS OF THE MANAGEMENT BOARD. ADOPTION OF RESOLUTIONS AND DECISIONS.

6.1. The Management Board adopts resolutions/decisions at its meetings.

Regular meetings of the Management board are held at least once a month. The Management Board has the right to establish a schedule of regular meetings of the Management Board.

All other meetings of the Management Board are considered extraordinary.

6.2. The meetings of the Management Board are legally qualified (constitute a quorum) if at least half of the members of the Management Board are present at the meeting.

6.3. All meetings of the Management Board are held in presentia (joint presence of the members).

6.4. Decisions/resolutions of the Management Board are adopted by the majority vote of the members of the Management Board taking part in the meeting.

6.5. Each member of the Management Board has one vote.

It is not permitted to transfer one's right to vote to any other persons, including to other members of the Management Board.

Should there be a tie in votes; the Chairman of the Management Board has a casting vote.

6.6. All resolutions/decisions of the Management Board come into effect at the moment of their adoption by the Management Board.

7. MINUTES OF THE MEETINGS OF THE MANAGEMENT BOARD

7.1. The secretary of the Management Board keeps the minutes of the meeting of the Management Board during the meetings.

7.2. The minutes of the meeting of the Management Board are prepared in two copies by the secretary of the Management Board not later than three (3) days following the date of the meeting.

The minutes of the meeting are prepared on official company letterhead paper and must contain the following:

- Number of the minutes of the meeting;
- Date and time of the meeting;
- Place of the meeting;
- List of the members of the Management Board present at the meeting, list of invitees; reasons for absence of the members of the Management Board;
- Agenda of the meeting;
- Summary of presentations/speeches (main theses);
- Voting issues, results of voting;
- Adopted resolutions/decisions;
- Enclosures/attachments to the minutes of the meeting.

The recommended **form of the minutes of the meeting of the Management Board** is attached to these Regulations as **Appendix 2.**

7.3. The minutes of the meeting of the Management Board are signed by the chairperson and the secretary of the Management Board.

7.4. Internal documents of the Company that were approved/ratified by the Management Board are attached to one copy of the minutes of the meeting.

7.5. Any member of the Management Board, who does not agree with the resolution/decision of the Management Board, has the right to submit his special written opinion and request that it be attached to the minutes of the meeting.

7.6. The Company is obliged to keep the minutes of the meetings of the Management Board at the address of the executive body of the Company in compliance with the terms and procedures established by the legal acts of the Russian Federation.

7.7. The secretary of the Management Board provides each member of the Management Board with a copy of the minutes of the meeting of the Management Board not later than three (3) business days after the date of preparation of the minutes of the meeting. The members of the Management Board acknowledge receipt of the minutes of the meeting by signing for the receipt of the minutes of the meeting.

The secretary informs the officers of the Company, who are responsible for the execution of the resolutions of the Management Board of the decisions/resolutions of the Management Board, not later than three (3) business days after the date of preparation of the minutes of the meeting.

The secretary records the date and fact of receipt against signature of the extract from the minutes of the meeting (copy of the minutes of the meeting) by the relevant officer, member of the Management Board or by other persons in the register of extracts from the minutes of the meeting of the Management Board.

7.8. The minutes of the meeting of the Management Board are provided within seven (7) days of the date of submission of the relevant request to study these documents at the location of the executive body of the Company to the following persons:

- Members of the Management Board of the Company;
- Members of the Board of Directors of the Company;
- Revision Committee of the Company;
- Auditor of the Company;
- Shareholders (shareholder) of the Company who own a total of at least 25 percent of the voting shares of the Company

The secretary of the Management Board may provide the indicated persons (with the exception of the members of the Management Board) with copies of the minutes of the meeting in compliance with the instructions of the Chairman of the Management Board.

8. CONTROL OVER EXECUTION OF BOARD DECISIONS AND RESOLUTIONS

8.1. The Revision Committee of the Company exercises control over the execution of the resolutions/decisions of the Management Board in compliance with the procedure established under the Regulations on the Revision Committee of the Company; the secretary of the Management Board exercises control over the execution of the resolutions/decision of the Management Board in compliance with the procedure set in Clause 8.2 hereunder.

8.2. The secretary of the Management Board informs the Management Board of the status of execution of its decisions/resolutions at the beginning of each regular meeting of the Management Board. At least once every six months the secretary of the Management Board provides the Management Board of the Company with a report on the status of execution of the resolutions/decisions of the Management Board of the Company.

9. RATIFICATION AND AMENDMENT OF THESE REGULATIONS

9.1. These Regulations are ratified by the General Meeting of Shareholders of the Company.

9.2. The decision to ratify these Regulations is adopted by the majority vote of the shareholders-owners of voting shares of the Company who take part in the General Meeting.

9.3. Proposals to make changes and amendments to these Regulations and/or proposals to ratify a new edition of the Regulations must be made in compliance with the procedure established under the Charter of the Company in regard to the making of proposals for the agenda of the General Meeting of Shareholders.

9.4. Decision to make changes and/or amendments to the Regulations and/or ratification of new editions of the Regulations are adopted by the majority vote of the shareholders – owners of voting shares present at the General Meeting.

9.5. If, as the result of any change of the legislation of the Russian Federation, any portion of these Regulations contradicts the legislation, such portion becomes invalid until the moment that the necessary changes are made to the Regulations. Until that moment the issue in question is regulated by the legislation of the Russian Federation.

Appendix N1 to the Regulations on the Management Board of OJSC "Uralkali",

Ratified by the General Meeting of Shareholders on 28.06.2002

To the Chairman of the Board of Directors

Of OJSC "Uralkali"

_____

In compliance with Article 53 of the Federal Law "On Joint Stock Companies", I (we) nominate the following candidates to (for the position of) _____ [name of body of the Company] of the Company:

Full name of candidate		
Date of birth		
Education	Name of educational institution	
	Date of	

	graduation/completion	
	Specialization/Degree	
Places of work and posts held in the last five years	Name of company	
	Post held	
	Period	
List of legal entities in which the candidate is a stakeholder/shareholder, indicating the number of shares/stakes in the charter (share) capital of these legal entities belonging to the candidate	Name of company	
	Share/stake in charter (share) capital	
List of persons/entities in relation to which the candidate is an affiliated person, with indication of reasons/ground for affiliation	Name (Full name) of person	
	Reason/grounds for affiliation	
Information on prior convictions		
Information on administrative penalties/disqualifications of the candidate nominated to the bodies of the Company		

NB: This information must be provided on each candidate

"___"_____ 20___

Signatures:

No	Full name (full trademark name) of the shareholder who nominates the candidate (s)	Shares belonging to the shareholder		Signature of the shareholder (authorized representative)	Title of the managing director (for shareholders – legal entities)	Clarification of signature
		Category (type)	Number of shares			
1						
2						
	Total voting shares belonging to the shareholders who made proposals as to the items of the agenda of the annual General Meeting of Shareholders					

I, _____, hereby confirm that I give my consent to be appointed to (as) _____ by the Board of Directors of the Company.

_____/Initials, surname of the candidate/

Signature

Appendix N 2 to the Regulations on the Management Board of OJSC "Uralkali"

Ratified by the General Meeting of Shareholders on 28.06.2002

MINUTES OF THE MEETING N___

Of the Management Board of OJSC "Uralkali"

Date of the meeting: "___"_____ _____ [date, month, year]

Time of the meeting: _____ _____ [hours, minutes]

Place of the meeting: _____

In attendance:

1._____

2. _____

3. _____

[ ] of the [ ] members of the Board of Directors are in attendance. In compliance with Clause [ ] of the Regulations on the Management Board of OJSC "Uralkali" the Board of Directors is legally qualified to resolve the issues on the agenda of the meeting.

Invitees: _____

Chairperson: _____

Secretary: _____

Agenda of the meeting:

1._____

2. _____

3. _____

All decisions/resolutions on the items of the agenda of the meeting of the Management Board are adopted by a simple majority of the members of the Management Board in attendance.

AGENDA ITEM N 1._____

Speaker: _____

Voting issue:

Results of voting: _____

Resolution adopted.

These minutes of the meeting were prepared on "___" _____ ____ [date, month, year]

Attachments:

1._____

2. _____

3. _____

Position	Signature	Initials, surname
Secretary of the Management Board of OJSC "Uralkali"		
	Signature	Initials, surname