

APPROVED  
by the General Meeting of Shareholders,  
Open Joint Stock Company Uralkali  
28 June 2002 (Minutes N 13)

**REGULATIONS**  
**OF THE MANAGEMENT BOARD**  
**OF**  
**OPEN JOINT STOCK COMPANY**  
**URALKALI**

Berezniki, Perm Region  
2002

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**These Regulations (hereinafter referred to as the Regulations) of the Management Board of Open Joint Stock Company Uralkali (hereinafter referred to as the Company) stipulate the order and time limits of convocation of the Management Board sessions and the order of the Management Board resolutions adoption, according to the Civil Code of the Russian Federation, the Federal Law "On Joint Stock Companies" and the Charter of the Company.**

## **1.GENERAL PROVISIONS**

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

1.2. The Management Board manages the Company's routine activity within the frames of competence stipulated by the Charter of the Company.

The Management Board is not entitled to settle matters being in the competence of the General Meeting of Shareholders and the Board of Directors of the Company.

1.3. In its activity, the Management Board shall observe laws of the Russian Federation, the Charter of the Company, these Regulations and other internal documents of the Company approved by the General Meeting of Shareholders and/or the Board of Directors.

1.4. Shareholders' proposal of candidates to the Management Board and to the post of the General Director of the Company shall contain the name of the body to which the candidate is proposed to be elected and, per each candidate:

- his/her full name;
- his/her date of birth;
- details of his/her education including retraining (the name of the education institution, graduation date and qualification);
- his/her workplaces and positions for the late five years;
- his/her positions in management authorities of other companies for the late 5 years;
- the list of companies to which the candidate is a shareholder with the specification of the number of shares and holdings belonging to him/her in the authorized (joint) capital of such companies;
- the list of persons to which the candidate is an affiliated person with the specification of the degree of such affiliation;
- criminal records;
- if a managerial responsibility by way of disqualification was applied to such candidate proposed to management authorities of the Company;
- a written consent of the candidate as to be appointed to the Management Board of the Company (as to be appointed as the General Director);

The above information shall be provided on the date of the request.

The recommended **Form of a Proposal of a Candidate to the Management Board (to the position of the General Director)** is attached hereto as the **Supplement 1**.

The order of election of the Management Board members is stipulated by the Charter of the Company.

## **2.RIGHTS AND OBLIGATIONS OF MEMBERS OF THE MANAGEMENT BOARD**

2.1. Members of the Management Board shall be entitled to:

- obtain all documents and materials necessary to the member of the Management Board for his/her work from officers and employees of the Company. The said documents shall be provided to him/her within 5 (five) business days from the date of his/her written request;
- be familiarized with minutes of the Management Board sessions and obtain copies thereof;

- his/her special opinion as to matters of the agenda or adopted resolutions to be inserted to the minutes of the respective session of the Management Board ;
- initiate sessions of the Management Board to be summoned to resolve urgent questions; propose questions being of the Management Board competence to be discussed by the Management Board.

2.2. Members of the Management Board shall:

- be loyal to the Company;
- act reasonably and bona fide with due attention to affairs of the Company;
- act for the Company generally but not for separate shareholders, officers or other persons;
- act within the frames of the Management Board competence;
- not disclose confidential information concerning the Company's affairs having been known to him/her ;
- attend the Management Board sessions;
- participate in adoption of the Management Board resolutions through voting on matters of agendas of its sessions;
- adopt reasonable resolutions; be aware, when adopting resolutions, of possible risks and unfavorable aftereffects;
- communicate to the Board of Directors, the Audit Commission of the Company and the Auditor of the Company the information provided for by Art. 82 of the Federal Law "On Joint Stock Companies" ; timely inform of any alterations in the said information;
- participate in examination of projects and programs proposed by the Management Board;
- inform the Management Board of facts having known to him/her of any infringements of legal acts, the Charter and internal documents of the Company by employees of the Company including its officers;
- participate in discussion groups established by the Management Board;
- fulfill resolutions of the Management Board adopted within its competence.

2.3. Combination of paid positions and positions in management authorities of other companies by members of the Management Board shall be allowed only if consented by the Board of Directors.

2.4. Members of the Management Board shall not be entitled to obtain, directly or indirectly, any remuneration for influencing resolutions to be adopted by the Management Board of the Company.

Members of the Management Board of the Company shall be responsible before the Company for any losses incurred by the Company in view of their misdoings (culpable omissions) unless other grounds and frames of their responsibility are prescribed by federal laws.

### **3. CHAIRMAN OF THE MANAGEMENT BOARD**

3.1. The Chairman of the Management Board shall be the General Director of the Company.

3.2. The Chairman of the Management Board of the Company shall:

- arrange sessions of the Management Board of the Company;
- arrange agendas of sessions of the Management Board;
- preside at sessions of the Management Board;
- invite officers and employees of the Company, advisers, experts and shareholders of the Company and other persons to the Management Board meetings;
- allow members of the Management Board and invited persons to use in the meeting room cinema devices, video devices, photo devices and sound recording gears;
- organize minutes of sessions to be performed, sign minutes of the Management Board sessions;

- act without a power of attorney on behalf of the Company according to resolutions of the Management Board adopted within the Management Board competence;
  - conduct other actions prescribed by the Federal Law "On Joint Stock Companies", the Charter of the Company and these Regulations.
- 3.3. In case of unavailability of the Chairman of the Management Board, his/her functions shall be exercised by the Deputy Chairman of the Management Board elected by the Management Board of the Company.

#### **4. SECRETARY OF THE MANAGEMENT BOARD**

4.1. The Secretary of the Management Board may be appointed from the number of Members of the Management Board. The Secretary of the Management Board may be an individual person not being a member of the Management Board.

The Management Board shall obtain from the person to be appointed to the position of the Secretary of the Management Board a written consent as to such appointment.

4.2. The Secretary of the Management Board shall be entitled in any time to abdicate voluntarily his/her responsibility having notified the Management Board thereof in writing not less than 30 calendar days thereto before.

The Management Board may in any time release the Secretary of the Management Board from his/her position.

4.3. The Secretary of the Management Board shall:

- register and file incoming documents and copies of outgoing documents of the Management Board;
- notify members of the Management Board, within the period stipulated hereby, of meetings of the Management Board called;
- send opportunely materials necessary to adopt resolutions to members of the Management Board;
- assist to members of the Management Board in their functions exercise;
- designate speakers on matters of the agenda of the Management Board sessions as agreed with such and the Chairman of the Management Board;
- notify opportunely speakers on matters of the agenda of the Management Board sessions of the date and time of such sessions of the Management Board;
- perform estimations of expenses of conducting the Management Board sessions;
- keep and perform minutes of the Management Board sessions;
- file minutes of the Management Board sessions;
- issue and certify extracts from minutes of the Management Board and copies of minutes of the Management Board;
- inform officers of the Company who are responsible for fulfillment of the Management Board resolutions of such resolutions;
- fulfill other duties prescribed hereby.

4.4. The Secretary of the Management Board may not disclose any commercial information and other confidential data of the Company' affairs.

4.5. The Secretary of the Management Board, during his/her duties exercise, may be remunerated at the amount and in the manner stipulated by the respective resolution of the Management Board of the Company.

#### **5. CALLING OF THE MANAGEMENT BOARD MEETINGS**

##### **Convocation of Ordinary Meetings of the Management Board.**

5.1. Ordinary meetings of the Management Board of the Company shall be convened by the Chairman of the Management Board of the Company.

5.2. Members of the Management Board may propose to the agenda of the Management Board sessions not later than 10 calendar days prior to the appointed date of the Management Board session.

- 5.3. The Chairman of the Management Board shall form agendas of the Management Board sessions not later than 7 calendar days prior to the date of the Management Board session.
- 5.4. At decision of the Chairman of the Management Board, officers and employees of the Company, advisors, experts and shareholders of the Company and other persons may be invited to sessions of the Management Board.
- 5.5. The Secretary of the Management Board shall notify members of the Management Board, speakers on matters of the agenda and other invited persons of the date and agenda of the meeting, not later than 7 calendar days prior to the date of the Management Board session.
- 5.6. Notifications of the Management Board sessions to be directed to members of the Management Board shall be performed in writing and shall contain:
- the date, time and place of the session;
  - the agenda of the session;
  - the list of information (materials) to be provided to members of the Management Board before the session or the order of examination of such information (materials).

Such notification shall be signed by the Chairman or, if so instructed by him/her, by the Secretary of the Management Board.

Notifications of the Management Board sessions, information (materials) to be provided to members of the Management Board for adoption of resolutions on questions of agendas shall be sent by letter and/or electronic message.

#### **Convocation of Extraordinary Meetings of the Management Board**

- 5.7. Extraordinary Meetings of the Management Board shall be convened by the Chairman of the Management Board at his/her own initiative or at request of a member of the Board of Directors of the Company or a member of the Management Board of the Company.
- 5.8. Requests of convocation of the Management Board sessions shall be submitted (sent) to the Chairman of the Management Board through the Secretary of the Management Board.

Requests of convocation of the Management Board sessions shall contain the following information:

- specification of the initiator of the meeting convocation (the name of the initiator or the name of the body or company submitting the request);
- proposed questions of the agenda and, if necessary, wording of resolutions;
- reasons to insert the specified questions to the agenda;
- information (materials) necessary for processing of the request;
- the address where the result of the request consideration shall be sent to.

A request of convocation of the Management Board session shall be signed by the initiator of such convocation.

If a request is made by a collective body of the Company, the request shall be signed by the chairman of such body.

Requests shall be accompanied with documents necessary for adoption of a resolution on questions of the proposed agenda of the Management Board session.

- 5.9. The Chairman of the Management Board shall not have right to reject convocation of any meeting unless:
- the request of the session convocation is contrary to provisions hereof;
  - the initiator of the convocation is not entitled to request convocation of the Management Board meetings.

- 5.10. The Chairman of the Management Board shall, within 3 business days from the date of a request, view the request and take his/her decision of the Management Board session whether to be convened or rejected.  
The date of the request shall be the date of reception thereof by the Company.
- 5.11. The Chairman shall notify initiators of session convocations of his/her decision not later than 3 business days from the date of his/her decision.
- 5.12. Sessions of the Management Board convened at requests of persons specified in Subpar. 5.7. shall be held at the nearest ordinary sessions of the Management Board or within 10 business days from the date of the request.
- 5.13. The order of forming of agendas and notifications to be sent to concerned persons shall be regulated by Subpar. 5.3.-5.6. hereof.
- 5.14. If neither the Chairman of the Management Board nor his/her deputy convenes a session of the Management Board at a request of persons specified in Subpar. 5.7. within the time limits designated herein, such meeting may be convened by any member of the Management Board.

## **6.MEETINGS OF THE MANAGEMENT BOARD. RESOLUTIONS**

- 6.1. The Management Board shall adopt its resolutions at its meetings.  
Ordinary meetings of the Management Board shall be held at least one time per month. The Management Board shall be entitled to approve a schedule of ordinary meetings of the Management Board.  
All other meetings of the Management Board shall be extraordinary.
- 6.2. A meeting shall be deemed competent (having quorum) if members of the Management Board constituting a half and more of the total number of members of the Management Board are present thereat.
- 6.3. All meetings of the Management Board shall be held by way of joint attendance (meeting).
- 6.4. Resolutions of the Management Board meetings shall be adopted by the majority of votes of members of the Management Board of the Company participating thereat.
- 6.5. In discussion of questions at a session of the Management Board, each member of the Management Board shall have one vote.  
No transfer of voting right by a member of the Management Board to other person including other member of the Management Board shall be permitted.  
In case of the equality of votes in adoption of resolutions, the Chairman of the Management Board shall have the casting vote.
- 6.6. Resolutions of the Management Board shall come into force from the date of their adoption by the Management Board.

## **7.MINUTES OF THE MANAGEMENT BOARD MEETINGS**

- 7.1. At meetings of the Management Board, the Secretary of the Management Board shall keep their minutes.
- 7.2. Minutes of the Management Board sessions shall be performed by the Secretary of the Management Board in two originals, not later than 3 days upon the session completion. Minutes of sessions shall be performed on the letterhead form of the Company containing:
- the reference number of the minutes;
  - the date and time of the meeting;
  - the place of the meeting;
  - the nominal list of members of the Management Board and invited persons present at the meeting; reasons of absence of the Management Board members;
  - the agenda of the meeting;
  - key statements spoken;
  - questions put to voting and voting results;

- adopted resolutions;
- supplemented materials.

The recommended **Form of Minutes of the Management Board Meeting** is attached hereto as the **Supplement N 2**.

- 7.3. Minutes of the Management Board meetings shall be signed by the presiding of the meeting and the Secretary of the Management Board.
- 7.4. Internal documents of the Company approved by the Management Board and other necessary documents shall be attached to one of the originals of the minutes of the Management Board meeting.
- 7.5. A member of the Management Board who has not agreed a resolution of the Management Board shall be entitled, within 3 business days from the date of the meeting completion, to submit his/her special opinion in writing and require it to be attached to the minutes.
- 7.6. The Company shall file minutes of the Management Board meetings at the location of its executive body in the manner and during the time periods designated by legal acts of the Russian Federation.
- 7.7. The Secretary of the Management Board shall provide each member of the Management Board, against receipt, with copies of minutes of meetings of the Management Board, not later than 3 business days after performance of such minutes. The Secretary shall notify officers of the Company being responsible for fulfillment of resolutions adopted by the Management Board of such resolutions providing them with extracts thereof, at least within 3 business days after performance of such minutes. The Secretary shall fix in the Register of Minutes Extracts the date and the fact of obtainment, against receipt, of an extract (a copy) of minutes by the respective officer, member of the Management Board or other persons.
- 7.8. Minutes of the Management Board meetings shall be provided, within 7 days from the date of the respective request, to:
  - a member of the Management Board;
  - a member of the Board of Directors of the Company;
  - the Audit Commission of the Company;
  - the Auditor of the Company;
  - shareholders (a shareholder) of the Company holding in aggregate at least 25 percent of voting shares of the Companyto be familiarized therewith not leaving the premises of the Company's executive body. Minutes of the Management Board meetings shall be provided to the said persons, other than members of the Management Board, by the Secretary of the Management Board by order of the Chairman of the Management Board.

## **8.CONTROL OVER FULFILLMENT OF THE MANAGEMENT BOARD RESOLUTIONS**

- 8.1. Fulfillment of resolutions of the Board of Directors shall be supervised by the Audit Commission of the Company in the manner prescribed by the Regulations of the Audit Commission of the Company; by the Secretary of the Management Board in the manner prescribed in Subpar. 8.2. hereof.
- 8.2. The Secretary of the Management Board shall, at the beginning of each ordinary meeting of the Management Board, inform the Management Board of fulfillment of the Management Board's resolutions and shall, not less than one time per half a year, provide the Management Board of the Company with a report of fulfillment of resolutions adopted by the Management Board of the Company.



## **9. APPROVAL AND AMENDMENT OF THESE REGULATIONS**

- 9.1. These Regulations shall be approved by the General Meeting of Shareholders of the Company.
- 9.2. The resolution of approval hereof shall be adopted by the majority of votes of shareholders present at the session being holders of voting shares.
- 9.3. Proposals of amendments hereto or approval hereof in a new version shall be made in the manner stipulated by the provisions of the Charter of the Company concerning proposals to agendas of General Meetings of Shareholders.
- 9.4. A resolution of amendments hereto or approval hereof in a new version shall be adopted by the General Meeting of Shareholders by the majority of votes of holders of voting shares participating at the session who are entitled to vote on all matters of the General Meeting of Shareholders competence.
- 9.5. If separate paragraphs hereof in view of any amendments made to laws of the Russian Federation become inconsistent therewith, such paragraphs shall be invalid and until the date of the respective amendments hereto concerning the appropriate provisions the respective provisions of laws of the Russian Federation shall be the substitution thereto.

**To the Chairman  
of the Board of Directors  
of Open Joint Stock Company Uralkali**

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According to Art. 53 of the Federal Law "On Joint Stock Companies", I/we propose the following candidates to (to the position of) \_\_\_\_\_ (the body of the Company) of the Company:

Full name of the candidate		
Date of birth		
Education	Education institute	
	Graduation date	
	Qualification	
Workplaces and positions for the late five years	Company	
	Position	
	Period	
Positions in management authorities of other companies for the late five years	Company	
	Position	
	Period	
List of companies to which the candidate is a shareholder, with the specification of the number of shares, portions and holdings belonging to him/her in the authorized (joint) capital of such companies	Company	
	Shares in the authorized (joint) capital	
List of persons to which the candidate is an affiliated person with the specification of the affiliation reasons	Full name of the person	
	Reason of the affiliation	
Criminal records		
If a managerial responsibility by way of disqualification was applied to the candidate proposed to management authorities of the Company		

Note. Specify for each candidate

\_\_\_\_\_ 20 \_\_\_\_\_

Signature:

N	Full name (company name) of the shareholder proposing the candidate (s)	Shares belonging to the shareholder		Signature of the shareholder (authorized representative)	Position of the director (for shareholders being corporations)	Abbreviations expansion
		Category (type)	Pieces			
1.						
2.						
	Total number of voting shares belonging to the shareholders proposing on matters of the agenda of the annual General Meeting of Shareholders					

I, \_\_\_\_\_ (full name of the candidate), hereby declare my consent as to be appointed to (to the position of) \_\_\_\_\_ as appointed by the Board of Directors of the Company.

\_\_\_\_\_ (signature) / Initials and surname of the candidate

**MINUTES N \_\_\_\_\_**  
**of the Management Board Meeting,**  
**Open Joint Stock Company Uralkali**

Date of the meeting: \_\_\_\_\_

Time of the meeting: \_\_\_\_\_

Place of the meeting: \_\_\_\_\_

**There are present:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ members of the Management Board are present. According to Subpar. \_\_\_\_\_ of the Regulations of the Management Board of Open Joint Stock Company Uralkali, the Management Board is entitled to discuss questions of the agenda.

Invited persons: \_\_\_\_\_

Presiding: \_\_\_\_\_

Secretary: \_\_\_\_\_

**Agenda of the meeting:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Resolutions on all matters of the agenda of the Management Board sessions are to be adopted by the simple majority of votes of the members participating at sessions of the Management Board of the Company.

**QUESTION OF THE AGENDA N 1 \_\_\_\_\_**

Speaker: \_\_\_\_\_

**The question put to voting:** \_\_\_\_\_

**Results of voting:** \_\_\_\_\_

**The resolution has been adopted.**

These Minutes are performed on \_\_\_\_\_

Supplements:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

\_\_\_\_\_ (position)

\_\_\_\_\_ (signature)

\_\_\_\_\_ (initials and surname)

Secretary of the Management Board of Open Joint Stock Company Uralkali

\_\_\_\_\_ (signature)

\_\_\_\_\_ (initials and surname)