

APPROVED
by the Board of Directors
of Open Joint-Stock Company
Obyedinenniye Mashinostroitelniye Zavody
(Uralmash-Izhora Group)
on November 16, 2004

**BYLAW ON THE CORPORATE SECRETARY
OF OPEN JOINT-STOCK COMPANY
OBYEDINENNIYE MASHINOSTROITELNIYE ZAVODY
(URALMASH-IZHORA GROUP)**

City of Yekaterinburg
2004

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1. General Provisions

1.1. This Regulation determines the mission of the Corporate Secretary (hereinafter the "Corporate Secretary") of the Company, his/her rights and obligations, the procedure for the appointment and early termination of his/her powers, as well as the requirements that the nominee for the Corporate Secretary has to meet.

1.2 The activities of the Corporate Secretary shall be governed by the laws of the Russian Federation, the Company's Charter, this Regulation and other internal documents related to the his/her activities.

2. Mission of the Corporate Secretary

The primary mission of the Corporate Secretary is to ensure the compliance by the Company's bodies and officers with the requirements of the applicable law, the Charter and Company's internal documents, with a view to enable the Company and its shareholders to exercise their rights and lawful interests to the maximum extent possible.

3. Rights and Obligations of the Corporate Secretary

3.1. The Corporate Secretary prepares and organizes the General Shareholders Meeting on the basis of the relevant decision, including:

- arranges for preparation by the registrar of the list of persons entitled to participate in the General Shareholders Meeting, on the basis of the relevant decision of the Board of Directors or decisions of other persons authorized to make such decisions;
- arranges for notification of the persons entitled to participate in the General Shareholders Meeting of the meeting, as well as all members of the Board of Directors, the General Director, members of the Audit Commission (the internal auditor) and the Auditor of the Company;
- prepares the voting ballots and organizes their distribution to the shareholders;
- compiles the materials to be presented at the General Shareholders Meeting, makes such documents and the list of persons entitled to participate in the General Shareholders Meeting available for review, provides extracts from such list, certifies and provides copies of the relevant documents upon request of persons entitled to participate in the General Shareholders Meeting and to receive the information requested;
- supervises the preparation of reports on the matters of the agenda of the General Shareholders Meeting;
- ensures compliance by the Company's registrar of the procedures for registering the participants in the General Shareholders Meeting;

- arranges for keeping the minutes of the General Shareholders Meeting and their preparation within the period determined by the law and the Company's Charter;
- supervises the compliance by the Company's registrar, acting as the counting commission, with the procedure and the timeline for the calculation of votes represented by ballots received by the Company prior to, or during the General Shareholders Meeting;
- arranges for timely notification of the persons entitled to participate in the General Shareholders Meeting of the voting results in case such results were not announced at the General Shareholders Meeting;
- answers questions by the participants of the General Shareholders Meeting and takes the necessary steps to resolve any conflicts arising in the process of preparation and during the General Shareholders Meeting;
- performs other functions pursuant to the powers he/she has, as set forth in the Charter, this Regulation and other internal documents of the Company.

3.2. The Corporate Secretary prepares and organizes the meetings of the Board of Directors of the Company in accordance with the requirements of the law, the Charter and other internal documents of the Company, including:

- takes care of all organizational issues related to the preparation and holding of the meetings;
- notifies all members of the Board of Directors of the forthcoming meeting, arranges for forwarding (delivery) of the voting ballots to them, and collects completed ballots (written opinions) of the members of the Board of Directors and hands them over to the Chairman of the meeting.
- ensures proper compliance with the meeting procedures;
- prepares the minutes of the Board of Directors meeting held in person and the absentee voting results protocol;
- provides the minutes of the meetings to the members of the Board of Directors.

3.3. The Corporate Secretary assists the members of the Board of Directors with the performance of their functions, including:

assists the members of the Board of Directors with obtaining the necessary information through the provision of the required documents of the Company's executive body, minutes of meetings and opinions of the Audit Commission and the Company's Auditor, in accordance with the Company's information policy;

- clarifies to newly elected members of the Board of Directors the rules and procedures of the Board of Directors and other Company bodies, explains the Company's organizational structure, introduces the Company's officers, makes available the Company's internal documents, current decisions of the General Shareholders Meeting and the Board of Directors for review, provides other information necessary for the members of the Board of Directors to perform their duties;
- provides members of the Board of Directors with explanations concerning legal requirements, provisions of the Charter and the Company's internal documents related to the

preparation and holding of the General Shareholders Meetings, meetings of the Board of Directors, disclosure (submission) of information on the Company.

3.4. The Corporate Secretary ensures disclosure of information on the Company, and safekeeping of the Company's documents, including:

- ensures compliance with the requirements for safekeeping and disclosure (filing) of information on the Company as set forth in the laws, the Charter and other internal documents of the Company;
- arranges for preparation of all forms of reports to be filed by the Company with the Federal Commission for the Securities Market in accordance with the legal requirements, timely disclosure of information contained in the Company's prospectuses, its quarterly reports, and information on material facts concerning the financial and business activity of the Company;
- arranges for preparation and timely submission of information to the Ministry for Antimonopoly Policy and Support of Entrepreneurship as required by law on behalf of the Company and its officers;
- arranges for preparation of documents and performance of all necessary actions pursuant to the legal requirements in connection with the Company's participation in commercial and non-profit organizations, financial and industrial groups, associations and other unions;
- arranges for safekeeping of the documents (except for the accounting documents and reports) which the Company is required to keep and provide upon shareholders' request in accordance with legal requirements, makes them available for review, and provides and certifies copies thereof.

3.5. The Corporate Secretary provides for the proper consideration by the Company of shareholders' requests and resolution of any conflicts related to the violation of shareholder rights, including:

- supervises timely consideration by the Company's bodies and departments of the shareholders' requests;
- ensures fast and efficient settlement of conflicts related to the keeping of the shareholders register.

3.6. The Corporate Secretary supervises the preparation and holding of the General Shareholders Meetings, meetings of the Board of Directors of the Company's subsidiaries, and disclosure by them of information in accordance with legal requirements.

3.7. Efficient performance by the Corporate Secretary of his/her duties is possible only if he/she has necessary powers.

In addition to other rights set forth in the Charter, this Regulation and other internal documents of the Company, the Corporate Secretary has the right to ask the registrar for any explanations immediately upon receipt of any claims from shareholders. The registrar is required to provide the relevant explanations, and such registrar's obligation is set forth in the contract between the Company and the registrar.

The Corporate Secretary is authorized to instruct the registrar to prepare the list of persons entitled to participate in the General Shareholders Meeting and has the right to certify any extracts from such list.

The Corporate Secretary is authorized, on the basis of the relevant power of attorney, to undersign responses to shareholders and disclosure documents to be submitted to the Federal Service for Financial Market by the Company.

With a view to ensure efficient performance by the Corporate Secretary of his/her duties the Company may create a separate division (office of the Corporate Secretary), whose staff members, number of employees and scope of duties shall be determined by the Corporate Secretary and approved by the Company's General Director.

The Company's bodies and officers shall assist the Corporate Secretary in the performance of his/her functions.

All facts impeding the compliance with the procedures which the Corporate Secretary is required to ensure (actions or omission of the Company's officers, the Company's registrar, other facts violating the procedure of preparation and holding of the General Shareholders Meeting, meetings of the Board of Directors, the disclosure (filing) of information) shall be reported by the Corporate Secretary to the Board of Directors within a reasonable period of time.

4. Appointment of the Corporate Secretary

4.1. Appointment of the Corporate Secretary and the early termination of his/her powers is within the competence of the Board of Directors.

4.2. The Corporate Secretary shall have an impeccable reputation.

A person having committed an economic crime or a crime against the state, interests of state services or interests of a local government, or an administrative offence, especially in the sphere of entrepreneurship, finance, taxes, securities market, may not be appointed as the Corporate Secretary.

4.3. The Corporate Secretary shall have a higher education and at least 5-year experience in the sphere of corporate law.

4.4. A person affiliated with any of the Company's officers cannot be appointed as the Corporate Secretary.

4.5. The Corporate Secretary may not perform any functions within the Company other than the functions of the Corporate Secretary (head of the Company's division being the Corporate Secretary office).

4.6. Any nominee for the position of the Corporate Secretary shall provide the Board of Directors with the following personal information: age, education, positions held in the last five years, position held at the time of nomination, nature of his/her relations with the Company, board memberships or positions held in other entities, and nominations (appointments) to boards of directors or positions in other entities, details of his/her relations with affiliated parties and major partners of the Company.

In case of changes to any of the above-mentioned information the Corporate Secretary shall immediately inform the Board of Directors thereof.