

APPROVED

by resolution of the General Meeting of Shareholders
of Open Joint Stock Company PhosAgro
Minutes dd. 11 January 2013, w/o No.

Management Board Regulations
of Open Joint Stock Company
PhosAgro
(edition 1)

Moscow
2012

Clause 1. GENERAL PROVISIONS

- 1.1. The Management Board is a collective executive body of Open Joint Stock Company PhosAgro (“the Company”) which manages the Company's day-to-day business in cooperation with the Chief Executive Officer.
- 1.2. The Management Board adheres to the Russian legislation, the Company`s Charter, these Management Board Regulations and other internal regulations of the Company, approved by the General Shareholders` Meeting, and pertaining, in particular, to the Management Board`s activities.
- 1.3. The Management Board remit shall be stipulated by the Company`s Charter.

Clause 2. COMPOSITION AND STRUCTURE

- 2.1. The Management Board composition shall be approved by resolution of the Company`s Board of Directors for the period of one (1) year.
- 2.2. Only employees can be members of the Company`s Management Board.
- 2.3. Persons elected as members of the Company`s Management Board may be re-elected an unlimited number of times.
- 2.4. Upon recommendation of the Management Board Chairman, Management Board members shall appoint the Secretary of the Management Board who shall keep the minutes of meetings. The Secretary may be either a member of the Management Board of the Company or any other person who is not a member of the Management Board.
- 2.5. The rights and duties of the Management Board members with respect to day-to-day management shall be determined by the relevant legislation of the Russian Federation (including the Federal Law “On Joint Stock Companies”), the Company's Charter, these Regulations and an agreement concluded by each of them with the Company. Such agreement shall be signed on behalf of the Company by the Chairman of the Board of Directors or a person duly authorized by the Company`s Board of Directors.

Clause 3. TERM OF OFFICE

- 3.1. Term of office of the Management Board members shall commence upon approval by the Board of Directors resolution and continue until approval of the new Management Board composition.

Clause 4. CHAIRMAN

- 4.1. Functions of the Management Board Chairman shall be performed by a person acting as the sole executive body (CEO) of the Company.
- 4.2. Chairman of the Company`s Management Board shall:
 - arrange the work of the Management Board;
 - convene and chair meetings of the Management Board;
 - arrange keeping minutes of the Management Board meetings and sign such minutes.
- 4.3. In the absence of the Management Board Chairman from a meeting, the Chairman functions shall be performed by the Deputy Chairman of the Company`s Management Board, who may be elected by majority vote of the total number of votes of the Management Board members, or, in

the absence of the Deputy Chairman, by another member of the Management Board elected by majority vote of the Management Board members attending the meeting.

Clause 5. EARLY TERMINATION

- 5.1. The Company's Board of Directors may at any time resolve to terminate office of the Management Board members and establish a new Management Board. Members of the Management Board may at any time voluntarily resign by prior written notification of the Management Board Chairman at least 2 (two) weeks in advance, while the office of the other Management Board members shall not be terminated unless otherwise stipulated by Item 5.2 of these Regulations.
- 5.2. Should the number of the Management Board members become less than the number required for a quorum to hold a meeting of the Management Board, the CEO shall request the Board of Directors to convene the Board of Directors meeting to resolve on establishing a new Management Board.
- 5.3. The Company's Board of Directors may adopt a resolution on early termination of office of any member or all members of the Company's Management Board.

Clause 6. MEETING PROCEDURES

- 6.1. Meetings of the Management Board shall be held by the Management Board Chairman as and when necessary, but at least once a quarter.
- 6.2. Meetings of the Company's Management Board shall have quorum if attended by at least half of the elected members of the Management Board. When determining the quorum and voting results on agenda items of the Management Board meetings, written opinions of the Management Board members absent from the meeting, received by the Chairman of the Management Board before the meeting began, shall be taken into account. Written opinions of the Management Board members may be sent by mail, e-mail or fax. The Management Board Chairman shall decide on the resolution of the Management Board to be adopted with due account of written opinions of absent members. Resolutions of the Management Board may be adopted without holding a meeting (joint attendance of the Management Board members to discuss agenda items and take decisions on issues put to vote) by absentee vote, where all members of the Management Board submit their written opinions.

Meetings may be held by teleconference or by conference call.

- 6.3. Resolutions shall be adopted at the Management Board meetings by majority vote of the Management Board members attending the meeting.
- 6.4. Each member of the Management Board shall have one vote when addressing issues at the Management Board meetings. No member of the Management Board may assign his voting rights to any other person, including other members of the Management Board. The Management Board Chairman shall have the casting vote in case of equality of votes of the Management Board members.
- 6.5. Chairman of the Management Board shall adopt resolutions on holding the Management Board meetings. Such resolution shall provide for:
 - meeting agenda and form (joint attendance or absentee vote);
 - date, time and venue, if the meeting is held by joint attendance, or the closing date for written opinions of the Management Board members on agenda items;

- list of information (hand-outs) to be submitted to the Management Board members while arranging the Management Board meetings;
 - the date when draft resolutions on agenda items and other information (hand-outs) shall be submitted to the Management Board members.
- 6.6. Resolutions (copies of resolutions) on holding the Management Board meetings, signed by the Chairman of the Management Board, as well as draft resolutions on agenda items of the Management Board meetings and other information (hand-outs) included in the list of information (hand-outs) to be submitted to the Management Board members while arranging the Management Board meetings shall be delivered to each member of the Management Board against receipt or sent by registered mail, e-mail or fax, prior to the date stipulated by the resolution on holding the Management Board meeting as the closing date to provide the Management Board members with draft resolutions on agenda items and other information (hand-outs).
- 6.7. The Management Board meetings shall be convened by the Chairman of the Management Board on his own initiative, upon request of a member of the Management Board, a member of the Review Committee, or the auditor of the Company.
- 6.8. Requests to convene the Management Board meetings shall be made in writing and signed by the initiator of the meeting. The date of such requests shall be the date of their submission to the Company's administration support office.
- 6.9. Requests to convene the Management Board meetings should specify:
- the initiator of the meeting;
 - meeting agenda;
 - substantiation of agenda items.
- 6.10. Chairman of the Management Board shall consider a request to convene the Management Board meeting and decide on holding a meeting or rejecting to hold a meeting within 10 (ten) calendar days upon such request submission.
- Upon receipt of request to convene a meeting of the Management Board, the Management Board Chairman shall render a decision on holding a meeting of the Management Board, except where:
- it does not comply with the requirements specified in Items 6.8 and 6.9 of these Regulations;
 - all items suggested for inclusion in the meeting agenda are not within the Management Board remit and (or) do not comply with legislation of the Russian Federation.
- 6.11. Issues specified in requests to convene a meeting of the Management Board shall be included in the meeting agenda, unless such issues are not within its remit and (or) do not comply with legislation of the Russian Federation.
- 6.12. Substantiated decision of the Management Board Chairman to reject a meeting of the Management Board or to reject inclusion in the meeting agenda of issues specified in the request to convene a meeting of the Management Board shall be sent to the person (body) that submitted the request to hold a meeting of the Management Board within 5 (five) calendar days upon its adoption.
- 6.13. If the Management Board meeting was not convened by the deadline and in compliance with the procedure specified by these Regulations, however (i) all members of the Management Board attended the meeting and agreed to consider agenda items, and/or members of the Management

Board who were absent from the meeting submitted their written opinions, or (ii) all members of the Management Board sent duly filled in voting ballots by the deadline specified in the notice on adoption of the Management Board resolutions by absentee vote, such meeting (adopted resolution) shall be deemed valid.

Clause 7. MINUTES OF MEETINGS

7.1. Minutes shall be kept at the Management Board meetings.

Such minutes shall be drafted within 3 (three) business days following the Management Board meeting.

The minutes shall indicate:

- venue and time of the meeting;
- form of holding the meeting (joint attendance or absentee vote);
- persons attending the meeting;
- meeting agenda;
- issues put to the vote and voting results;
- resolutions adopted.

Minutes of the Management Board meetings shall be signed by the Chairman of the Company's Management Board or the person presiding at the Management Board meeting.

7.2. Minutes of the Management Board meetings shall be submitted to members of the Company's Board of Directors, Review Committee and the Company's auditor upon request.

7.3. The Company shall keep minutes of the Management Board meetings at the seat of the Company's executive body.

Clause 8. INTERACTION WITH OTHER MANAGEMENT AND CONTROL BODIES

8.1. Resolutions of the General Meeting of Shareholders and the Board of Directors adopted within the scope of their remit shall be binding on the Company's Management Board. The Chairman of the Management Board shall speak on behalf of the Management Board at the meetings of the Company's Board of Directors. Any member of the Management Board who has his own opinion may offer it at the meetings of the Company's Board of Directors.

8.2. Members of the Company's Management Board may not simultaneously be members of the Company's Review Committee.

Clause 9. LIABILITY OF MEMBERS

9.1. In exercising their rights and performing their duties, members of the Company's Management Board shall act to the Company's benefit, reasonably and in good faith.

9.2. Management Board members shall be liable to the Company for losses caused to the Company by their wrongful acts (omission), unless other grounds and extent of liability are established by federal laws. The Management Board members who voted against the resolution which caused losses to the Company or did not participate in voting shall not be liable for such losses.

- 9.3. When determining the grounds and extent of the Management Board members' liability, common business practice and other relevant factors shall be taken into account.
- 9.4. The Company or shareholders (shareholder) holding in aggregate at least 1 (one) per cent of the Company's allotted ordinary shares may file a lawsuit in court against a member of the Management Board for reimbursement of losses incurred by the Company in cases stipulated by Item 9.2 of these Regulations.

Clause 10. APPROVAL AND AMENDMENT PROCEDURES

- 10.1. Management Board Regulations of the Company shall be approved by the Company's General Meeting of Shareholders. Resolution on approval of the Regulations shall be adopted by majority vote of shareholders attending the meeting and holding voting shares which entitle to vote on all matters within the General Shareholders Meeting remit.
- 10.2. Proposals for amendments or additions to the Management Board Regulations shall be made according to the procedure stipulated by the Company's Charter for making proposals on the agenda of Annual or Extraordinary General Meetings of Shareholders.
- 10.3. Resolutions on introducing amendments or additions to the Management Board Regulations shall be adopted by the General Meeting of Shareholders of the Company by majority vote of shareholders attending the meeting and holding voting shares which entitle to vote on all matters within the General Shareholders Meeting remit.
- 10.4. If amendments to Russian laws and regulations result in conflict with certain provisions of the Management Board Regulations, such provisions shall become invalid, and until amendments are made to the Management Board Regulations, members of the Management Board shall be governed by Russian laws and regulations.