

**Approved by the resolution of  
of the Board of Directors of Mechel Open Joint-Stock Company,  
Minutes dated August 6, 2007**

**Chairman of the Board of Directors  
V. V. Proskurnya**

## **BYLAW**

### **on the Investments and Strategic Planning Committee of the Board of Directors of Mechel Open Joint-Stock Company**

#### **1. General Provisions**

1.1. This Bylaw is the main document regulating activities of the Mechel Open Joint-Stock Company (hereinafter, the “Company”) Board of Directors’ Investments and Strategic Planning Committee (hereinafter, “Investments and Strategic Planning Committee” or “Committee”) and sets forth the objectives and tasks of Committee’s activities and its functions, rights and obligations of members of Committee, procedure for forming Committee, and requirements to decision-making and Committee’s accountability to the Board of Directors.

1.2. Investments and Strategic Planning Committee is a standing Committee of the Board of Directors.

1.3. Committee shall be guided in its activities by the effective Russian Federation legislation, Charter of the Company, Bylaw on the Board of Directors, and this Bylaw.

1.4. Committee shall carry out its work based on interaction with the executive bodies and officers of the Company and with the executive bodies and officers of subsidiaries and affiliated companies of Mechel OAO.

#### **2. Objectives and Tasks of Committee**

2.1. The objective of Committee is preliminary qualified examining and preparing the matters for strategic planning of the main areas of the Company’s activities and for defining investment strategy to enable implementation of the planning proposed for consideration of such matters by the Board of Directors of the Company.

2.2. Proceeding from the objectives set, Committee shall accomplish the tasks as follows:

2.2.1. Preliminary assessment of and preparation of, if necessary, opinions on drafts of long-term technical and operational development plans of

major operational divisions developed by executive bodies and to be considered by the Board of Directors of the Company.

2.2.2. Developing proposals on the matters of development strategy for mining and steel operations and supporting infrastructure, as appropriate, to be considered by the Board of Directors of the Company.

2.2.3. Review of the Company's investment opportunities for development of proposals for defining long-term well-balanced program of capital investments in the areas of priority for the Company.

2.2.4. Coordination of the Company Board of Directors' and corporate executive bodies' activities falling within its competence.

2.2.5. Control and monitoring over fulfillment of resolutions of the Board of Directors on the matters falling within Committee's competence.

### **3. Functions of Committee**

3.1. To accomplish the tasks specified in clause 2.2. herein, Committee shall:

3.1.1. Analyze information on operations of the Company, its subsidiaries and affiliated companies to assess correspondence of their actual performance indicators with the planned (project) targets.

3.1.2. Assess investment, technical, management, and any other factors restraining development of operations.

3.1.3. Analyze initial measures to exclude any factors restraining operations or to minimize their adverse effect.

3.1.4. Take part and, as appropriate, arrange meetings on the matters falling within its competence, concerned heads and specialists of the Company and concerned organizations (upon agreement with the General Director of Mechel OAO and General Director of Mechel Management OOO) to be invited.

3.1.5. Prepare proposals on further development of mining and steel division facilities based on the analysis of their technical and economic performance indicators.

3.1.6. In accordance with its competence, provide assistance in solving certain issues of current activities and long-term development of the Company, subsidiaries, and affiliated companies.

3.1.7. Determine procedure for development and approval by respective units of the Company's executive office and specialists of the Company's subsidiaries and affiliated companies of materials on matters falling within its competence and scheduled for consideration by the Company Board of Directors.

3.1.8. Determine compliance of draft resolutions and supporting documents prepared by an executive body with the regulations on matters at issue set by the Board of Directors.

3.1.9. In accordance with its competence and in interaction with any other Committees of the Board of Directors, submit proposals for the Board of Director's consideration.

3.1.10. Participate in preparing draft resolutions of the Board of Directors on the matters falling within Committee's competence.

3.1.11. In accordance with its competence, monitor implementation of the Board of Directors' resolutions.

3.1.12. Prepare operational information and analytical materials on progress in implementation of the Board of Directors' directives.

3.1.13. Take part in preliminary consideration of projects for acquisition of new enterprises and prepare opinions for decision-making by the Board of Directors.

#### **4. Procedure for forming Committee. Membership of Committee**

4.1. Committee shall be formed from members of the Board of Directors on the basis of a resolution by the Board of Directors.

Chairman of Committee shall be appointed by a resolution of the Board of Directors to manage activities of Committee and coordinate its relations with the Board of Directors.

4.2. Membership of Committee shall include no less than three members and may change in the course of its activities.

4.3. The structure of Committee may include subcommittees for different areas of Committee's activities, including:

- the subcommittee for steelmaking operations development strategy,
- the subcommittee for mining operations development strategy,
- the subcommittee for economics and finance.

A subcommittee membership to be comprised of members of the Board of Directors' of the Company. Activities of subcommittees to be performed at the discretion of Committee.

4.4. Persons who are not members of Committee or its subcommittees and possess necessary professional knowledge may be engaged in Committee's or its subcommittee's activities as experts.

4.5. Chairman of Committee and its members may be reelected an unlimited number of times. The Board of Directors shall be entitled to reelect Chairman of Committee at any time.

#### **5. Rights and obligations of Committee**

5.1. Committee may:

5.1.1. Under procedure prescribed and in accordance with its competence, interact with the executive and other bodies and officers of the Company and its subsidiaries and affiliated companies.

5.1.2. Under procedure prescribed, request and obtain from the Company's executive bodies materials and data necessary to Committee for performing the functions entrusted thereto.

5.1.3. Conduct meetings with participation of representatives of the executive bodies of the Company and its dependent companies and subsidiaries and, upon approval by the General Director of Mechel OAO and General Director of Mechel Management OOO, engage their specialists for consultancy and preparing documents on the matters falling within the competence of Committee.

5.1.4. Under procedure prescribed, use information data banks of the Company and affiliated companies.

5.1.5. Under procedure prescribed, use communication networks of the Company.

5.2. Committee shall:

5.2.1. Accomplish in full the tasks set forth herein.

5.2.2. Implement resolutions, directives, and prescripts of the Board of Directors.

## **6. Rights, Obligations, and Liability of Members of Committee**

6.1. Members of Committee shall:

6.1.1. Comprehensively and fully participate in activities of Committee.

6.1.2. Timely attend Committee's meetings and take active part in discussing items on the agenda.

6.1.3. Examine documents presented at and for Committee's meetings.

6.1.4. Immediately inform Committee on any vested interest in making one or another decision.

6.1.5. Refrain from any actions that may compromise Committee's competence or question professionalism of its members.

6.1.6. Observe principles of good faith and prudence in relation to the Company.

6.2. Members of Committee may:

6.2.1. Request from the Board of Directors, Management Board, General Director, audit commission or auditor of the Company any information and documents related to the matters within Committee's competence.

6.2.2. Participate in internal meetings of the Company's executive bodies on the matters falling within Committee's competence.

6.3. Members of Committee shall be liable for any consequences of decisions made on the matters falling within its competence.

## **7. Rights and Obligations of Chairman of Committee**

7.1. Chairman of Committee shall:

7.1.1. Carry out general coordination of Committee's activities.

7.1.2. Carry out general management of Committee's activities and bear personal liability for proper accomplishment of the tasks and functions entrusted to Committee as provided for herein.

7.1.3. Plan activities of Committee.

7.1.4. Carry out control and take operational measures for Committee's compliance with the deadlines set by the Board of Directors for implementing its directives.

7.1.5. In accordance with his/her competence, endorse and sign documents concerning Committee's activities.

7.1.6. Ensure objectiveness in development of Committee's opinions for the Company Board of Directors on the matters falling within Committee's competence.

7.1.7. Call meetings of Committee, ensure notification of Committee members on each next meeting of Committee under the procedure pursuant to this Bylaw, determine the agenda for and form of conducting the meetings either in presence or by absentee voting (provided such form has not been established earlier by Committee's decision), and supervise the process of conducting the meetings by absentee voting.

7.1.8. Perform functions of the chairperson at Committee's meetings:

- fix quorum availability or lack thereof at the meetings and inform Committee members on availability of quorum for making decisions by Committee on respective items;
- formally open a meeting or inform Committee members present at a meeting on the meeting being unqualified;
- take measures to adjourn a meeting with a given agenda thereof in the event there is no quorum and arrange informing the absentees on a decision made;
- introduce attendants to Committee members and carry out control to ensure participation of attendants for specific matters of the meeting;
- give floor to speakers and those wishing to comment and, as appropriate, open free discussion on the relevant issue;
- record formal proposals of Committee members on Committee's respective draft resolution(s);
- put to a vote draft resolutions proposed by Committee members at a meeting and/or in the process of preparation thereof on a FIFO basis;
- arrange voting on Committee's draft resolution put to a vote;
- formally announce resolutions passed at a meeting of Committee held in presence (following voting results) or inform in writing all of Committee members of resolutions passed by absentee voting at a respective meeting;
- formally close a meeting of Committee when all issues on the meeting agenda have been settled or in compliance with Committee's resolution on early termination of the meeting; and
- acting as the chairperson, sign minutes of Committee's meeting.

7.1.9. Arrange and control Committee members' access to information on the Company's activities.

7.1.10. Accounting for Committee members' opinions, provide formal comment on resolutions of Committee adopted and present Committee's opinion on issues considered at Committee's meetings but not reflected in respective resolutions of the Board of Directors.

7.1.11. Arrange for taking into account personal opinions of each member of Committee on a resolution adopted by Committee.

7.1.12. In accordance with his/her competence, exercise other authorities required for performing the tasks and functions entrusted to him/her.

## **8. Meetings of Committee**

8.1. Meetings of Committee shall be called by its Chairman at his/her own discretion or on request of Committee members, the executive body of the Company, members of the Board of Directors of the Company or Chairman of the Board of Directors of the Company.

8.2. Meetings of Committee shall be conducted when necessary but no less than once per quarter.

8.3. Notifications on conducting Committee's meetings shall be sent to each member of Committee in writing or electronically no later than three days prior to respective dates. Notifications shall include proposed agenda for the meetings. Committee members may submit to Chairman of Committee their comments and proposals on items on the agenda no later than one day prior to respective dates.

8.4. Agenda for a meeting shall be determined by a person initiating the convocation provided that any member of Committee is provided with the opportunity to include his/her own issues into the agenda. Agenda may be modified and supplemented by mutual consent of Committee members.

8.5. Members of the Board of Directors of the Company may take part in Committee's meetings. Executive bodies of the Company, officers of the Company, and experts and specialists including those from other subsidiaries shall be engaged in Committee's meetings on approval under procedure prescribed.

8.6. Attendance of at least half of the number of Committee members shall constitute quorum for conducting a Committee's meeting.

8.7. Meetings of Committee may be conducted both in presence (id est through joint presence of Committee members for discussing items on the agenda and adopting respective resolutions) and by absentee voting.

In the event of absentee voting at a respective Committee's meeting, written absentee opinions shall be sent to Committee members. Written absentee opinions to be sent to Committee members in such an event shall be prepared by Chairman of Committee or any other person authorized by Chairman of Committee and signed by a duly authorized person.

In the event Committee's meetings are conducted in presence, a member of Committee unable to attend the meeting is entitled to submit the written absentee opinion on items on the agenda to Chairman of Committee.

8.8. All members of Committee shall have one vote each. Transfer of votes by any member of Committee to any other person, including any other member of Committee, shall be impermissible.

8.9. Committee's meetings are minuted. Minutes shall be completed not later than three days on the date the meeting was held. The chairperson at a Committee's meeting shall be charged with arrangement of minuting. Minutes shall specify:

- location and time of the meeting,
- persons participating in the meeting and persons submitting written absentee opinions on items on the agenda,
- the agenda,
- items put to the vote and respective voting,
- resolutions adopted.

Minutes of Committee's meetings shall be signed by the chairperson at a meeting liable for reliability of minuting.

8.10. Resolutions at a Committee's meeting shall be adopted by majority of votes of Committee members participating in the meeting. In the event there is equality of votes of Committee members when adopting a resolution, the vote of Chairman of Committee shall be the casting vote.

8.11. Committee's resolutions shall be executed as opinions. In the event a Committee's meeting is held at the request of the Board of Directors and/or executive bodies of the Company separate opinions shall be provided at any such requests. Opinions shall be signed by Committee members participating in a meeting or, in the event a meeting is held by absentee voting, the above shall be signed by Chairman of Committee and supplemented with written absentee opinions.

8.12. Minutes of Committee's meetings and opinions shall be accessible to any member of the Board of Directors of the Company.

Records of Committee's activities shall be kept at the Company Board of Directors' archive.

## **9. Accountability of Committee**

9.1. Committee shall notify the Board of Directors on its own activity through at least quarterly submissions of information on Committee's activities to the Board of Directors.

9.2. Committee shall provide the Board of Directors with annual information on progress in meeting objectives of Committee.

## **10. Final Provisions**

10.1. Any amendments to this Bylaw shall be made in writing and subject to approval by a resolution by the Board of Directors.