

**Proposal for Nomination of Candidates for the Board of Directors  
of VSMPO-AVISMA Corporation**

Company's Address – **1 Parkovaya St., Verkhnyaya Salda, Sverdlovsk Region.**

**Dear Shareholder!**

**VSMPO-AVISMA Corporation** hereby notifies that in view of the request from the shareholder holding over 10% of the Company's shares as of August 24, 2006, the Company's Board of Directors took a decision on September 4, 2006, to hold a Special General Shareholders Meeting on **November 7, 2006**.

The special meeting agenda includes termination of authorities of the existing Board of Directors of VSMPO-AVISMA Corporation and election of members of the Board of Directors of VSMPO-AVISMA Corporation.

**VSMPO-AVISMA Corporation** suggests that the shareholder(s) holding in the aggregate not less than 2% of VSMPO-AVISMA Corporation voting shares should nominate candidates for the Board of Directors of VSMPO-AVISMA Corporation. The number of nominees for the Board of Directors shall not exceed **7 (seven)** members.

The shareholder(s) shall submit the proposals for nomination of candidates for the Board of Directors of VSMPO-AVISMA Corporation **to the Company not later than October 7, 2006**.

The shareholder(s) may either send their proposals for nomination of candidates for VSMPO-AVISMA Corporation Board of Directors by mail to VSMPO-AVISMA Corporation postal address (location) – 1 Parkovaya St., Verkhnyaya Salda, Sverdlovsk Region, 624760, Russia, or hand them over in the Company's location against signature to a person authorized to accept such written correspondence addressed to VSMPO-AVISMA Corporation.

Please, note that the proposal for nomination of candidates for the Board of Directors of VSMPO-AVISMA Corporation should be made out in accordance with Article 53 of the Federal Law On Joint-Stock Companies dated December 24, 1995, No. 208-FZ and in accordance with VSMPO-AVISMA Corporation By-Laws, and shall contain the nominee's particulars, such as the first name, middle name, last name, the identity document data (series and (or) number, date and place of issue, issuing authority), date of birth, place of work, positions held during the recent five years, and contact address; as well as the number and category of the shares held by each shareholder who has signed the proposal. The nominee's written consent for being a candidate for VSMPO-AVISMA Corporation Board of Directors shall be attached to the proposal for nomination.

Also, the documents confirming share ownership in the aggregate not less than 2% of VSMPO-AVISMA Corporation voting shares must be attached to the shareholder(s)' proposal.

In the event the proposal for nomination is signed by the shareholder's representative, the letter of attorney issued in accordance with the Federal Law On Joint-Stock Companies dated December 24, 1995 No. 208-FZ shall be attached to the proposal.

**VSMPO-AVISMA Corporation Board of Directors**