

Dated 4 December 2009

EVRAZ GROUP S.A.

as Issuer

and

BNY CORPORATE TRUSTEE SERVICES LIMITED

as Trustee

SECOND SUPPLEMENTAL TRUST DEED

modifying certain provisions of a Trust Deed dated 24 April 2008

constituting U.S.\$550,000,000 9.50% Notes due 2018

as supplemented by a Supplemental Trust Deed dated 27 May 2008

constituting U.S.\$150,000,000 9.50 per cent. Notes due 2018 which are consolidated and form a single series with the U.S.\$550,000,000 9.50% Notes due 2018

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This **Second Supplemental Trust Deed** is made on 4 December 2009 **between**:

- (1) **EVRAZ GROUP S.A.**, a company incorporated under the laws of the Grand-Duchy of Luxembourg, having its registered office at 1, Allée Scheffer, L-2520 Luxembourg and being registered with the Luxembourg register of commerce and companies under number B 105615 (the "**Issuer**"); and
- (2) **BNY CORPORATE TRUSTEE SERVICES LIMITED** (the "**Trustee**", which expression shall, wherever the context so admits, include such company and all other persons or companies for the time being the trustee or trustees of these presents) as trustee for the Noteholders (as defined below).

Whereas:

- (A) This Second Supplemental Trust Deed is supplemental to the trust deed dated 24 April 2008 constituting the U.S.\$550,000,000 9.50 per cent. Notes due 2018 (the "**Original Notes**") and the first supplemental trust deed dated 27 May 2008 constituting the U.S.\$150,000,000 9.50 per cent. Notes due 2018 which are consolidated and form a single series with the Original Notes (together with the Original Notes, the "**Notes**"), each made between the Issuer and the Trustee (the "**Principal Trust Deed**" and, together with this Supplemental Trust Deed, the "**Trust Deed**").
- (B) At a meeting of the holders for the time being of the Notes (the "**Noteholders**") duly convened and held on 4 December 2009, a resolution of the Noteholders was passed as an Extraordinary Resolution (the "**Extraordinary Resolution**") providing that the Principal Trust Deed be amended as set out herein.
- (C) The second supplemental trust deed referred to in the Extraordinary Resolution was a draft of this Second Supplemental Trust Deed and the Trustee, having been duly authorised, directed, requested and empowered to do so by the Extraordinary Resolution, has agreed with the Issuer to enter into this Second Supplemental Trust Deed.

This Second Supplemental Trust Deed witnesses and it is agreed and declared as follows:

1 Interpretation

- 1.1 **Definitions:** Save as expressly provided in this Second Supplemental Trust Deed, all expressions defined in the Principal Trust Deed shall, unless there is anything in the subject or context inconsistent therewith, have the same meanings in this Second Supplemental Trust Deed.
- 1.2 **Headings:** Headings shall be ignored in construing this Second Supplemental Trust Deed.

2 Modification of the Principal Trust Deed

The following modifications to the Principal Trust Deed will have effect from the date of this Second Supplemental Trust Deed:

- 2.1 the deletion of Condition 4.2 of Schedule 2 of the Principal Trust Deed in its entirety and its replacement with the following:

"4.2 Financial Covenants

- (a) Except as provided in Conditions 4.2(b) and 4.2(c), the Issuer shall not, and shall not permit any of its Subsidiaries to, incur any Indebtedness, except

that if (i) no Potential Event of Default nor Event of Default as defined in Condition 10.1 shall have occurred and be continuing at the time, or would occur as a consequence, of the incurrence of such Indebtedness (provided that for the purposes of this Condition 4.2 no Potential Event of Default with respect to an Event of Default falling within Condition 10.1(c)(i) shall be deemed to have occurred unless and until the expiry of the period of 30 days referred to therein) and (ii) the Leverage Ratio is 3:1 or lower:

- (i) the Issuer, the Guarantor(s) (if any) or a Finance Subsidiary may incur Indebtedness; and
 - (ii) any Subsidiary (other than the Guarantor(s) (if any) or a Finance Subsidiary) of the Issuer may incur Indebtedness if Aggregate Subsidiary Indebtedness does not exceed the Subsidiary Indebtedness Threshold; and
 - (iii) a Subsidiary of the Issuer may incur Indebtedness (the "**Initial Indebtedness**") if, within 90 days after such incurrence, such Subsidiary fully and unconditionally guarantees (each, a "**Guarantee**" and collectively the "**Guarantee(s)**") the Notes and the Trust Deed and all amounts due under or in connection therewith in a deed supplemental to the Trust Deed the form of which must be satisfactory to the Trustee (each a "**Deed of Guarantee**") pursuant to which the obligations of the Guarantor constitute direct, unconditional and unsecured obligations of the Guarantor ranking at least *pari passu* with the Initial Indebtedness (each such Subsidiary of the Issuer, a "**Guarantor**" and collectively the "**Guarantor(s)**").
- (b) Condition 4.2(a) shall not, however, prohibit the incurrence by the Issuer or any Subsidiary of Acquired Indebtedness, provided that after giving pro forma effect to such acquisition or other transaction, (i) the Issuer would have been able to incur U.S.\$1.00 of additional Indebtedness pursuant to Condition 4.2(a) or (ii) the Leverage Ratio is less than it was immediately prior to giving effect to such acquisition or other transaction.
- (c) At any time when the Leverage Ratio is greater than 3:1, the Issuer and its Subsidiaries may only incur additional Indebtedness if it is permitted under Condition 4.2(b) or if it is Permitted Indebtedness."

2.2 by amending Condition 19 (Definitions) by insertion of the below definitions in the relevant position:

"**Capital Lease Obligations**" means an obligation that is required to be classified and accounted for as a capital or finance lease for financial reporting purposes in accordance with IFRS and the amount of Indebtedness represented by such obligation will be the capitalised amount of such obligation at the time any determination thereof is to be made as determined in conformity with IFRS, and the stated maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty.

"**Permitted Indebtedness**" means:

- (a) the incurrence by the Issuer or any Subsidiary of the Issuer of intercompany Indebtedness to the Issuer and/or any Subsidiary of the Issuer, provided that (i)

any disposition, pledge or transfer of the rights under any such Indebtedness to any Person other than a disposition, pledge or transfer to the Issuer or a Subsidiary of the Issuer and (ii) any transaction pursuant to which any Subsidiary of the Issuer that has Indebtedness owing to it from the Issuer or another Subsidiary ceases to be a Subsidiary of the Issuer, shall, in each case, be deemed to be an incurrence of such Indebtedness which shall not be permitted by this paragraph (a);

- (b) Refinancing Indebtedness in respect of (i) the Notes, (ii) Indebtedness outstanding on the Issue Date, (iii) Indebtedness incurred pursuant to Conditions 4.2(a) or 4.2(b) and (iv) Indebtedness incurred pursuant to this paragraph (b);
 - (c) obligations under hedging agreements entered into in the ordinary course of business for the purposes of protection against or benefiting from fluctuations in the rates of exchange or prices or interest rates and not for speculative purposes unrelated to transactions undertaken in the ordinary course of business;
 - (d) obligations in respect of performance, bid and surety bonds, completion guarantees, letters of credit, veksel (Russian rouble-denominated short-term promissory notes) or similar obligations provided by the Issuer or any Subsidiary of the Issuer in the ordinary course of business, provided that, upon demand being made under such obligations, such obligations are reimbursed or the Indebtedness thereunder repaid within 30 days following such drawing or occurrence;
 - (e) Indebtedness arising from netting arrangements and the honouring by a bank or other financial institution of a cheque, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided, however, that such Indebtedness is extinguished within five Business Days of its incurrence;
 - (f) Indebtedness arising from agreements of the Issuer or a Subsidiary of the Issuer providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the disposition of any business, assets or Capital Stock of any Subsidiary of the Issuer; provided that (i) the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds (including the Fair Market Value of non-cash consideration) actually received by (or held in escrow as collateral for such Indebtedness for later release to) the Issuer and its Subsidiaries in connection with such disposition (without giving effect to any subsequent changes in value) and (ii) such Indebtedness is not reflected on the balance sheet of the Issuer or any Subsidiary of the Issuer (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet shall not be deemed to be reflected on such balance sheet for purposes of this paragraph (f));
 - (g) Indebtedness in respect of workers' compensation claims or claims arising under similar legislation, or pursuant to self-insurance obligations and not in connection with the borrowing of money or the obtaining of advances or credit;
 - (h) Indebtedness in respect of Capital Lease Obligations and Purchase Money Indebtedness, provided that the aggregate principal amount of such Indebtedness does not exceed the aggregate of the Fair Market Value (on the date of the incurrence thereof including any refinancing of such Indebtedness that does not increase the aggregate principal amount (or accreted amount, if less) thereof as of the date of refinancing) of the property or assets acquired, constructed or leased and expenses in connection therewith, and provided further that the aggregate
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principal amount of such Indebtedness incurred under this paragraph (h) does not exceed U.S.\$20 million (or its equivalent in other currencies) at any time outstanding; and

- (i) Indebtedness in an aggregate principal amount up to U.S.\$75 million (or its equivalent in other currencies) incurred by the Issuer or a Subsidiary of the Issuer, provided however, that if an item of Indebtedness initially incurred pursuant to this paragraph (i) can subsequently be incurred pursuant to Condition 4.2(a), such Indebtedness shall be deemed to have been incurred under Condition 4.2(a) and not under this paragraph (i);

"Purchase Money Indebtedness" means Indebtedness:

- (a) where the aggregate principal amount of such Indebtedness does not exceed the Fair Market Value of the property, plant, equipment or capital assets purchased for use in the business of the Group as at the date of the incurrence thereof, including any refinancing of such Indebtedness that does not increase the aggregate principal amount (or accreted amount, if less) thereof as of the date of refinancing and the maturity of such Indebtedness does not exceed the anticipated useful life of the property, plant, equipment or capital assets being financed; and
- (b) incurred to finance the acquisition, construction, improvement or lease of such property, plant, equipment or capital assets, including additions and improvements thereto;

provided, however, that such Indebtedness is incurred within 180 days after the acquisition, construction, improvement or lease of such property, plant equipment or capital assets by the Issuer or a Subsidiary of the Issuer;

"Refinance" means, in respect of any Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue Indebtedness in exchange or replacement for, such Indebtedness in whole or in part. "Refinanced" and "Refinancing" shall have correlative meanings;

"Refinancing Indebtedness" means Indebtedness that Refinances any Indebtedness of the Issuer or any Subsidiary of the Issuer, to the extent that;

- (a) such Refinancing does not result in an increase in the aggregate principal amount of the consolidated Indebtedness of the Issuer as of the date of such proposed Refinancing (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and plus the amount of reasonable fees and expenses incurred by the Issuer in connection with such Refinancing);
- (b) such Refinancing does not create Indebtedness with:
 - (i) a Weighted Average Life to Maturity that is less than the Weighted Average Life to Maturity of the Indebtedness being Refinanced; or
 - (ii) a final maturity earlier than the final maturity of the Indebtedness being Refinanced; and
- (c) if the Indebtedness being Refinanced is subordinated in right of payment to the Notes, such Refinancing Indebtedness is subordinated in right of payment to the Notes at least to the same extent as the Indebtedness being Refinanced; and

- (d) if the Indebtedness being refinanced is solely Indebtedness of the Issuer, then either (i) such Refinancing Indebtedness shall be Indebtedness solely of the Issuer or (ii) such Refinancing Indebtedness shall comply with Condition 4.2(a)(ii) or (iii).

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- (a) the then outstanding aggregate principal amount or liquidation preference, as the case may be, of such Indebtedness into
- (b) the sum of the products obtained by multiplying:
 - (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal or liquidation preference, as the case may be, including payment at final maturity, in respect thereof, by
 - (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.”

3 Further Assurance

The Issuer undertakes to the Trustee to execute all such other documents and comply with all such other legal and regulatory requirements to effect the amendments contemplated hereby and any other matter incidental thereto as the Trustee may require.

4 Full Force and Effect

Save as expressly modified by this Second Supplemental Trust Deed, the Principal Trust Deed in respect of the Notes shall remain in full force and effect. The Principal Trust Deed and this Second Supplemental Trust Deed shall henceforth be read and construed in conjunction as one deed.

5 Notification

The Issuer shall notify the Noteholders as soon as practicable following the execution of this Deed by all the parties hereto.

6 Contracts (Rights of Third Parties) Act 1999

Subject to the provision of the Principal Trust Deed, a person who is not a party to this Second Supplemental Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Second Supplemental Trust Deed.

7 Governing Law

This Second Supplemental Trust Deed is governed by, and shall be construed in accordance with, English law. For the avoidance of doubt, the provisions of articles 86 to 94-8 of the Luxembourg law dated 10 August 1915 on commercial companies, as amended, are hereby excluded.

8 Submission to Jurisdiction

- 8.1** The Issuer irrevocably agrees for the benefit of the Trustee and the Noteholders that the courts of England are to have exclusive jurisdiction to settle any dispute which may arise

out of or in connection with this Second Supplemental Trust Deed and accordingly submit to the exclusive jurisdiction of the English courts. The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee and the Noteholders may take any suit, action or proceeding arising out of or in connection with this Second Supplemental Trust Deed (together referred to as "**Proceedings**") against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

8.2 The Issuer irrevocably and unconditionally appoints GLN Representatives Limited at its registered office for the time being and, in the event of its ceasing so to act, will appoint such other person as the Trustee may approve and as the Issuer may nominate in writing to the Trustee for the purpose of accepting service of process on its behalf in England in respect of any Proceedings. The Issuer:

8.2.1 agrees to procure that, so long as any of the New Notes remains liable to prescription, there shall be in force an appointment of such a person approved by the Trustee with an office in London with authority to accept service as aforesaid;

8.2.2 agrees that failure by any such person to give notice of such service of process to the Issuer shall not impair the validity of such service or of any judgment based thereon;

8.2.3 consents to the service of process in respect of any Proceedings by the airmailing of copies, postage prepaid, to the Issuer in accordance with Clause 23 of the Principal Trust Deed; and

8.2.4 agrees that nothing in this Second Supplemental Trust Deed shall affect the right to serve process in any other manner permitted by law.

9 Counterparts

This Second Supplemental Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. Any party to this Second Supplemental Trust Deed may enter into this Second Supplemental Trust Deed by executing any such counterpart. Counterpart copies of this Second Supplemental Trust Deed may be delivered by facsimile, and each such facsimile copy shall have the same effect as an original executed copy thereof.

IN WITNESS WHEREOF this Second Supplemental Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the date first before written.

Signatories

EXECUTED as a DEED by
EVRAZ GROUP S.A.
acting by and acting under the
authority of that company
in the presence of:

} *Ciacomo Bairini*

Witness's signature



Name *Rostislav Rozbitski*

Address *Bldg. 415, 15 Dolgorukovskaya Str.
127282 Moscow, Russia*

Occupation *Manager*

EXECUTED AS A DEED BY
BNY CORPORATE TRUSTEE
SERVICES LIMITED

}

Signatories

**EXECUTED as a DEED by
EVRAZ GROUP S.A.**
acting by and acting under the
authority of that company
in the presence of:

}

Witness's signature

Name
Address

Occupation

**EXECUTED AS A DEED BY
BNY CORPORATE TRUSTEE
SERVICES LIMITED**

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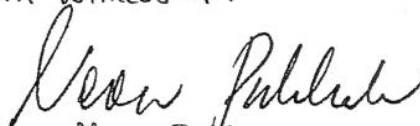


**Amy Bowley
Senior Associate**



**Paul Cattermole
Vice President**

In witness of:



**Noora Pankala
Senior Associate**

The Bank of New York Mellon
One Canada Square
London E14 5AL