

APPROVED BY:
Resolution of the Management Board
of the energetic and electrification Joint-Stock Company of Russia”
RAO “UES of Russia”

Minutes No _____ of February 28, 2008.

Signature Anatoly B. Chubais
Chairman of the Management Board

ARTICLES OF ASSOCIATION
OF
“INTERREGIONAL DISTRIBUTION GRID COMPANY OF CENTRE AND VOLGA REGION,
JOINT STOCK COMPANY”
(NEW EDITION)

The City of Nizhny Novgorod
2008

Article No 1. General Provisions

1.1. The "Interregional Distribution Grid Company of Centre and Volga Region, Joint Stock Company" (Hereinafter referred to as "The Company") is established on the decision of the Founder (Chairman of the RAO "UES of Russia" Management Board Order No 193p of June 22, 2007) in compliance with the Civil Code of the Russian Federation, the Federal Law "On the Joint-Stock Companies" and other legal instruments of the Russian Federation.

1.2. The Company's activities will be governed by provisions of the Federal Law "On the Joint-Stock Companies", the Federal Law "On the function pattern of electrical energy industry during transition period and on the amending of certain legal acts of the Russian Federation and the renounce of certain legal acts of the Russian Federation in connection with the enactment of the Federal Law "On the electrical energy industry", other legal instruments of the Russian Federation and these present Articles of Association.

1.3. The Company's long firms name in the Russian language shall be "Открытое акционерное общество «Межрегиональная распределительная сетевая компания Центра и Приволжья»".

The Company's long firms name in the English language shall be "Interregional Distribution Grid Company of Centre and Volga Region, Joint Stock Company".

1.4. The abbreviated Company's firms name shall be "ОАО «МРСК Центра и Приволжья». The abbreviated Company's firms name shall be "IDGC of Centre and Volga Region, JSC".

1.5. Registered office of the Company will be located at: No 33, Rozhdestvenskaya Street, Nizhny Novgorod, 603950, Russian Federation.

1.6. The Company's continuance is unlimited.

1.7. As resolved by an extraordinary General Meeting of the Company shareholders held on the 25th of December, 2007 the Company is reorganized in the form of incorporating into the Company of the hereinafter mentioned "Vladimirenergo", JSC, "Ivenergo", JSC, "Kalugaenergo", JSC, "Kirovenergo", JSC, "Marienergo", JSC, "Nizhnovenergo", JSC, "Ryazanenergo", JSC, "Tulenergo", JSC and "Udmurtenergo", JSC.

As thereto compliant to the hereinafter listed:

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Vladimirenergo", Joint Stock Company held on the 14th of December, 2007 (Minutes No 3 of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Ivenergo", Joint Stock Company held on the 14th of December, 2007 (Minutes No 3 of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Kalugaenergo", Joint Stock Company held on the 11th of December, 2007 (Minutes of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Kirovenergo", Joint Stock Company held on the 11th of December, 2007 (Minutes No 22/B of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Marienergo", Joint Stock Company held on the 11th of December, 2007 (Minutes No 3 of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Nizhnovenergo", Joint Stock Company held on the 11th of December, 2007 (Minutes No 24 of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Ryazanenergo", Joint Stock Company held on the 11th of December, 2007 (Minutes No 24 of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Tulaenergo", Joint Stock Company held on the 14th of December, 2007 (Minutes No 3/19 of December 24, 2007),

Hand-Take-Over Certificate approved by an extraordinary General Meeting of shareholders of the "Udmurtenergo", Joint Stock Company held on the 11th of December, 2007 (Minutes No 22 of December 24, 2007), and

since the moment a respective registry on the cessation of activities of the above mentioned "Vladimirenergo", JSC, "Ivenergo", JSC, "Kalugaenergo", JSC, "Kirovenergo", JSC, "Marienergo", JSC, "Nizhnovenergo", JSC, "Ryazanenergo", JSC, "Tulaenergo", JSC and "Udmurtenergo", JSC is made to the Single public registry of the body corporate the Company shall become a legal successor of each of these afore listed companies inclusive of all their rights and obligations.

Article No 2. Legal Status of the Company.

2.1. The Legal Status of the Company is defined by the Civil Code of the Russian Federation, the Federal Law "On the Joint-Stock Companies", other legal instruments of the Russian Federation and these present Articles of Association.

2.2. The Company is a legal entity in law of the Russian Federation.

2.3. The Company shall have in possession separate property accountable on independent balance sheets, may in its name acquire and exercise proprietary and personal non-property rights, assume obligations, and appear as a plaintiff or a defendant before the Court.

2.4. The Company in established order shall be in the right to open bank accounts on the territory of the Russian Federation and abroad.

2.5. The Company shall be liable for its obligations with all of its assets.

The Company shall be not liable for the obligations of its Members.

Shareholders of the Company will be not kept liable for the obligations of the Company unless otherwise thereto stipulated for by the legislation of the Russian Federation.

Shareholders will be in the right to concede their shares without any consent of the Company or other shareholders thereto.

Shareholders of the Company will share the risk of losses related to activities of the Company within the value of their respective holding of shares.

2.6. The Company shall have a common seal with its long name and an indication to the location of the Company engraved on it.

The Company shall be in the right to have stamps and letterheads bearing its name, its own logo as well as a trade mark registered in the established order and other identification means.

2.7. The Company shall have Civil Rights and assume obligations required for the execution of any types of business activities that are not otherwise prohibited under any Laws of the Russian Federation.

2.8. The Company may establish affiliates and open representative agencies both on the territory of the Russian Federation and abroad.

Affiliates and Representative agencies will be not legal entities and act in the name of the Company on the basis of its respective Regulations approved by the Company.

Affiliates and Representative agencies shall be apportioned with the property accounted both on its separate-balance sheets and balance-sheets of the Company.

An Executive of an Affiliate or a Representative agency is appointed by Director General of the Company and will perform on the grounds of the power of attorney issued by the Company.

The Company will be kept liable for the operations of its Affiliate or a Representative agency.

Information on Affiliates and Representative agencies is exhibited in the Supplement to these present Articles of Association.

2.9. The Company may have daughter and associated companies with the rights of a body corporate on the territory of the Russian Federation incorporated in compliance with the Federal Law "On the Joint-Stock Companies", other federal laws of the Russian Federation and these present Articles of Association and outside the territory of the Russian Federation under the Laws of a jurisdiction of a foreign country on whose territory a daughter or subsidiary company is to be incorporated unless otherwise thereto provided for by an international treaty of the Russian Federation.

Article No 3. Objectives and types of the Company Activities.

3.1. The primary goal of the Company shall be gaining of profit.

3.2. In order to gain profit and provide for its own requirements the Company shall be in the right to exercise any types of lawful activities inclusive among other rendering and provision of the following:

- Services on the transfer of electrical energy;
- Operating and technological control;
- Services on the linkup of electric power consuming appliances (electric power installations) of a body corporate or natural persons' to the power supply network;
- Execute functions related to the collection, transmission and processing of technological information including updating and recordkeeping;
- Exercise safe maintenance supervision of consumers' electrical installations cut in the municipal power supply network;
- Power supply network operation;
- Services on the execution powers of an individual executive body of economic agents;
- Services on the asset and liability trust management;
- Securities trading in the order stipulated by the current legislation of the Russian Federation;
- Agency activities;
- Design and budget, pioneering, research and development works;
- Transportation and forwarding services;
- Consulting, consultancy and information services;

- Execution within the span of contractual relations of works stipulating parallel operating conditions compliant to respective practices of the Unified Energy System of Russia;
- Operation on contractual basis with respective owners of their power facilities that are not accounted on the Company's balance-sheets;
- Assurance of the power supply network equipment efficiency and operability in compliance with the regulatory requirements, carry out maintenance, diagnostics and repair of the power supply network equipment and other electrical grid facilities;
- Power installations test and measurement operations (including those of the users');
- Assurance of efficiency and operability, maintenance support, diagnostics and repair of technological communication means, measuring and recording equipment, relay protection and stability control schemes equipment as well as other technological equipment related to the operation of electrical grid facilities;
- Long-range forecasting, elaboration of the power supply network complex advanced development and on-going plans, target-oriented integrated scientific and technological research programs, economic and social development programmes;
- Development of power supply networks and other electrical grid facilities including design engineering, engineering survey, construction, renovation, technical upgrading, erection and start-up operations;
- Networking of technological communication means and telemechanics, measurement and recording means, relay protection and stability control schemes equipment as well as other technological equipment related to the operation of electrical grid facilities including design engineering, engineering survey, construction, renovation, technical upgrading, erection and start-up operations;
- Operational use of explosive, chemically hazardous and fire-hazardous production facilities;
- Development engineering and insertion of emerging equipment and technology that secure efficiency, fire-, industrial and environmental safety operation of production facilities, creating conditions for the development of electrical power system of Russia, carrying-out of industrial scientific and technological research and innovation programmes, participating in the raising of industrial R&D funds;
- Exercise industrial control over the technical safety state of hazardous production facilities;
- Management of occupational safety maintenance;
- Elimination of procedural violations at electrical grid facilities;
- Execution of certain types of activities related to environmental protection works and services;
- Activities which process relates to the impact on environment, industrial wastes generation, collection, utilization, neutralization, storage, dumping, handling, transportation and emplacement;
- Water bodies usage activities;
- Utilization of natural resources activities inclusive of the entrails of earth and forest resources;
- Activities in the sphere of metrology;
- Instrumentation production and repair activities;
- Services provision activities as to the erection, repair and maintenance of the measurement, control, navigation, detecting-and-ranging and other purposes measurement equipment and instrumentation;
- Hazardous wastes handling activities;
- Fire prevention and fire extinguishing activities;
- Execution of work as to the erection, repair and maintenance of supportive buildings and structures fire safety applications;
- Staff management and development including training and refresher training, personnel knowledge test of technical maintenance rules, preventive fire-fighting regulations and industrial safety rules as well as other rules and regulations compliant to the current regulatory documents applicable to electric power facilities;
- Passenger transportation and all-freight operations by road, railroad, air and inland water transport (including among other transportation of hazardous cargo);
- Rolling railway transport equipment maintenance and repair activities;
- Railway transport hardware components maintenance and repair activities;
- Railway transport loading - unloading activities (including among other handling of hazardous cargo);
- Inland water transport loading - unloading activities (including among other handling of hazardous cargo);

- Operation, maintenance and repair of road, railroad, air and inland water transport and hoisting mechanisms used for technological purposes;
- Foreign economic activities;
- Storage of oil, gas and refinery products;
- Execution of customer-developer function activities;
- Structural engineering of the I and II Criticality Rating Facilities in compliance with the Federal Standard;
- Construction of the I and II Criticality Rating Facilities in compliance with the Federal Standard;
- Local, inter-zone and intercity telephone communication services;
- Telecommunication channels rental lease;
- Telematics services (including among other electronic mail service, access to information resources control service, information inquiry service, telefax communication service, Comfax service, Bureaufax service, message handling service, voice-message service, voice information transmission service);
- Data communication service;
- Use of orbital frequency resources and radio frequencies for the TV and radio broadcasting (including among other broadcasting of additional information);
- Lease of buildings, facilities, equipment, machines and machinery;
- Safeguard and protection activities exclusively in the interests of inherent security within the framework of security service being built by the Company that is governed in its activities by the Federal Law “On the private detective and safeguard activities in the RF” and the legislation of the RF;
- Technical protection of confidential information activities;
- Management of arrangements related to the issues of preparedness activities, civil defence, prevention and recovery of emergency situations;
- State secrets protection and execution of works associated with the use of information that comprise of state secrets as compliant to the legislation and other normative regulations of the Russian federation;
- Management of arrangements intended for the maintenance of security and protection of information that constitute commercial secrets;
- Purchase (obtaining) of electric energy (power) in the wholesale market and from manufacturers in retail market for the purpose of reselling it to consumers in the retail market in case of acquiring the status of a guaranteeing electric power supplier in the order stipulated by the legislation of the Russian federation;
- Sale (delivery) of electric energy (power) to consumers in retail market in case of acquiring the status of a guaranteeing electric power supplier in the order stipulated by the legislation of the Russian federation;
- Medical practice including among other sanatorium-and-spa treatment;
- Educational activities;
- Operation and maintenance of facilities liable to supervision of the Rostekhnadzor of the RF;
- Execution of any other types of activities that are not prohibited under the current legislation of the Russian Federation.

3.3. The Company on authority of a special permit (License) only may engage in certain types of activities the list of which is determined by Federal Laws.

The Right of the Company to execute activities that require obtaining of a special license shall arise since the moment of obtaining such a license or the moment stipulated thereto and shall terminate as it may therein expire unless otherwise provided for by the Law or other legal acts.

Article No 4. Stated Capital of the Company

4.1. Stated Capital of the Company shall be built up of the nominal value of the Company shares acquired by shareholders (distributed shares).

Stated Capital of the Company shall total to 10,000,000 (Ten Million) Roubles only.

4.2. Ordinary shares of an equal nominal value of 10 (Ten) Kopeks each are distributed by the Company at par value in the quantity of 100,000,000 (One Hundred Million) pieces to the total amount of 10,000,000 (Ten Million) Roubles only.

4.3. The Stated Capital of the Company can be:

- Increased by the increase in the nominal value or distribution of additional shares;

– Reduced as compliant to these present Articles of Association by decreasing the nominal value of shares or reduction of its total quantity whereat among other by way of purchasing and paying off a stock of distributed shares.

4.4. Any increase in the Stated Capital of the Company shall be allowed after it is paid up in full only. No increase in the Stated Capital of the Company to defray expenses incurred by the Company or to meet overdue trade liabilities is allowed.

4.5. The reduction of the Stated Capital of the Company shall proceed in the order stipulated by the legislation of the Russian Federation and these present Articles of Association.

The Company shall have to reduce its Stated Capital in the events stipulated by the Federal Law “On the Joint-Stock Companies”.

4.6. The Company shall additionally declare distribution of 112,600,000,000 (One Hundred and Twelve Billion Six Hundred Million) pieces of ordinary registered shares in the nominal value of 10 (Ten) Kopeks each to the total amount at par value of 11,260,000,000 (Eleven Billion Two Hundred and Sixty million) Roubles only.

4.7. Ordinary registered shares declared for the distribution by the Company confer on its holder rights stipulated by Item 6.2 of these present Articles of Association.

Article No 5. Shares, Debentures and other Emissive Securities of the Company.

5.1. The Company is distributing ordinary shares and shall be in the right to distribute one or more class of privileged shares, debentures and other emissive securities in the order stipulated by the legislation of the Russian Federation.

5.2. No conversion of ordinary shares into privileged shares, debentures and other emissive securities is allowed.

5.3. Distribution by the Company of shares and other securities convertible into shares shall be made in compliance with the legal acts of the Russian Federation.

5.4. The Company is in the right to effect placement of additional shares and other emissive securities by way of distributing them among shareholders of the Company, subscription and conversion.

5.5. In events stipulated by the legislation of the Russian Federation shareholders of the Company shall have prior right to the acquisition of distributed by way of subscription additional shares and emissive securities convertible into shares in proportion to the number of their respective holding of shares of that class (type).

5.6. If in the course of exercising his prior right to acquire additional shares as well as in the event of consolidation of shares the acquisition by a shareholder of a whole number of shares may deem impossible fractions of shares shall form (fractional share).

A fractional share confer on a shareholder rights equal to those conferred by an ordinary share of respective class (type) in the amount corresponding to the part of a whole share that it constitutes a fraction of.

Fractional shares equally circulate with whole shares. When a single person acquire two or more fractional shares of the same class (type) such shares form one whole and (or) fractional share equal to the total of such fractional shares.

5.7. Payment for additional shares distributed by way of subscription may be made in cash, securities, in kind or by property rights or any other rights that may have pecuniary valuation.

The mode of payment for additional shares is determined by a resolution of its distribution.

Payment for other emissive securities may be made in cash only.

Article No 6. Rights of Shareholders of the Company.

6.1. Any person who on the grounds stipulated by the legislation of the Russian Federation and these present Articles of Association keeps the Company shares in possession shall be recognize a shareholder of the Company.

6.2. Avery ordinary registered share confer on a shareholder – owner of it an equal amount of rights.

Shareholders – owners of ordinary registered shares will be in the right to:

1) Take part personally or by proxy in a General meeting of the Company shareholders with the right to vote any issue to the extent of their powers;

2) Suggest points to be put on agenda of a General meeting of shareholders of the Company in the order stipulated by the current legislation of the Russian Federation and these present Articles of Association;

3) To be furnished with information on operations of the Company and familiarize with documents of the Company as compliant to the Article No 91 of the Federal Law “On the Joint-Stock Companies” and these present Articles of Association;

4) Collect dividends declared by the Company;

5) Pre-emptively acquire distributed by way of subscription additional shares and emissive securities convertible into shares in the quantity proportional to their respective holding of ordinary shares in the events stipulated by the legislation of the Russian Federation;

6) Be apportioned with a part of property in the event of the liquidation of the Company;

7) Exercise other rights stipulated by the legislation of the Russian Federation and these present Articles of Association.

Article No 7. Dividends.

7.1. The Company based on results of the first quarter, half-year, nine month of financial year and (or) based on results of a financial year the Company shall be in the right to decide (declare) paying out of dividends on distributed shares. A decision to pay out (declare) dividends based on results of the first quarter, half-year and nine month of financial year can be made within three months after the end of respective period.

The Company shall have to pay out declared dividends on shares of each class (type);

7.2. A decision to pay out (declare) dividends including the decision on the amount of a dividend and the mode of payment on shares of each class (type) shall be made by a General meeting of the Company shareholders.

The size of a dividend may be no bigger than that recommended by the Board of Directors of the Company.

A General meeting of the Company shareholders shall be in the right to resolve not to pay out dividends on ordinary shares.

7.3. The Company shall have no right to decide to pay out (declare) dividends on shares and have no right to pay out dividends on shares in the events stipulated by the current legislation of the Russian Federation.

7.4. The source of paying out dividends is the net-of-tax earnings of the Company (Net profit of the Company). Net profit of the Company is fixed according to accounting reports of the Company.

7.5. The time of paying out dividends shall be resolved by a General meeting of the Company shareholders but not later than sixty days since the date a decision to pay out dividends is made.

Article No 8. Funds of the Company.

8.1. The Company shall build up a Reserve fund in proportion to 5 (Five) percent of the Company's Stated Capital. The amount of annual deductions to the Reserve fund of the Company shall make 5 (Five) per cent of the Company's net profit until the fund amounts to its determined total.

8.2. The Reserve fund is intended to cover for the losses of the Company as well as for the paying off bonds of the Company and the redemption of shares in the event any other means are insufficient.

The Reserve fund may be not used for any other purposes.

8.3. Subject to requirements of the legislation of the Russian Federation the Company is in the right to generate other funds so to provide for its economic-and-financial activities as an agent of the civil circulation.

Article No 9. Governing and Control Bodies of the Company

9.1. Governing Bodies of the Company are as follows:

- General meeting of the Company shareholders;
- Board of Directors;
- Executive Board;
- Director General.

9.2. The Control Body over the economic-and-financial activities of the Company is the Auditing Committee of the Company.

Article No 10. General meeting of the Company shareholders.

10.1. General meeting of the Company shareholders is the supreme Governing Body of the Company.

10.2. The following issues shall be within the powers of a General meeting of the Company shareholders:

- 1) Making amendments and supplements to the Articles of Association and the approval of the Articles of Association in the new wording;
- 2) Reorganization of the Company;
- 3) Liquidation of the Company, appointment of the liquidation committee and approval of the intermediate and final liquidation balances;
- 4) Estimation of the quantity, nominal value, class (type) of authorized shares and the scope of rights conferred by such shares;
- 5) Increase in the stated Capital by means of increasing the nominal value of shares or by way of distributing additional shares;
- 6) Reduction of the stated Capital of the Company by means of decreasing the nominal value of shares, by way of redemption by the Company of a part of the stock of shares with the purpose of further reduction of its total quantity as well as by means of paying off shares acquired or purchased by the Company;
- 7) Splitting and consolidation of shares;
- 8) Resolving issues on the distribution by the Company of Debentures convertible into shares and other emissive securities convertible into shares;

- 9) Setting up of numerical strength of the Board of Directors of the Company, election of its members and a pre-term termination of their authority;
- 10) Election of members of the Auditing Committee of the Company and a pre-term termination of their authority;
- 11) Approval of the Auditor of the Company;
- 12) Resolve the issue on the delegation of authority of an individual executive body of the Company to a management company (Managing director) and a pre-term termination of its authority;
- 13) Approval of annual returns, annual accounting statements including but not limited to the profit and loss statements (profit and loss accounts) of the Company as well as distribution of profit (including but not limited to the paying out (declaring) dividends except for the profit distributed as dividends following results of the first quarter, half-year and nine month of financial year) and losses of the Company based on results of financial year;
- 14) Paying out (declaring) dividends based on results of the first quarter, half-year and nine month of financial year;
- 15) Setting up a proceeding order of a General meeting of the Company shareholders;
- 16) Resolving issues on the approval of transactions stipulated by the Article No 83 of the Federal Law "On the Joint-Stock Companies";
- 17) Resolving issues on the approval of major deals in events stipulated by the Article No 79 of the Federal Law "On the Joint-Stock Companies";
- 18) Resolving issues on the participation in financial-and-industrial groups, associations and other amalgamations of commercial companies;
- 19) Approval of internal documents of the Company that regulate internal activities of the Company;
- 20) Resolving issues on the paying out remuneration and (or) compensations for expenses to the members of the Auditing Committee of the Companies;
- 21) Resolving issues on the remuneration and (or) compensations for expenses to the members of the Board of Directors of the Company;
- 22) Resolving other issues stipulated by the Federal Law "On the Joint-Stock Companies".

10.3. Issues pertaining to the powers of a General meeting of shareholders may be not delegated for decision-making to the Board of Directors, Executive Board and Director General of the Company.

A General meeting of shareholders shall have no right to consider and resolve issues that subject to the Federal Law "On the Joint-Stock Companies" may not refer to its powers.

10.4. Resolutions on issues put to vote shall be taken by majority vote of the Company shareholders – owners of voting shares of the Company entitled to vote at a General meeting unless otherwise stipulated for by the Federal Law "On the Joint-Stock Companies".

10.5. Resolutions of a General meeting of the Company shareholders to be taken by majority vote of not less than by two-thirds out of the total number of votes of the Company shareholders – owners of voting shares of the Company entitled to vote at a General meeting of the Company shall be taken on the following issues:

- Making amendments and supplements to the Articles of Association and the approval of the Articles of Association in the new wording;
- Reorganization of the Company;
- Liquidation of the Company, appointment of the liquidation committee and approval of the intermediate and final liquidation balances;
- Setting up of the quantity, nominal value, class (type) of authorized shares and the scope of rights conferred by such shares;
- Reduction of the stated Capital of the Company by means of decreasing the nominal value of shares;
- Distribution of shares (emissive securities of the Company convertible into shares) by way of private offering following the decision of a General meeting of the Company shareholders on the increase in the Stated Capital of the Company by way of placement of additional shares (distribution of emissive securities of the Company convertible into shares);
- Distribution by way of public subscription of ordinary shares that make up more than twenty five percent of the earlier distributed ordinary shares of the Company;
- Distribution by way of public subscription of emissive securities convertible into ordinary shares that can be converted into ordinary shares that make up more than twenty five percent of the earlier distributed ordinary shares of the Company;
- Making decision on the approval of a major deal which subject matter is the property the value of which makes up not less than 50 (Fifty) per cent of the balance sheet assets of the Company;
- In other events stipulated for by the Federal Law "On the Joint-Stock Companies".

10.6. Resolutions on issues specified under Subsections 2, 5, 7, 8, 12 – 20 and 20 – 25 of Item 10.2 of the Article No 10 here above of these present Articles of Association as well as issues on the reduction of the Stated Capital by way of decreasing the nominal value of shares shall be made by a General meeting of shareholders on the proposal of the Board of Director of the Company only.

10.7. A General meeting of shareholders of the Company shall have no right to consider and resolve issues that are not on the agenda of a General meeting of shareholders of the Company as well as make changes to the agenda.

10.8. Votes at a general meeting of the Company shareholders shall be casted on the principle "One voting share – one vote" except for cumulative vote while voting an issue on the election of the Board of Directors of the Company.

In the event of cumulative vote the number of votes owned by a shareholder is multiplied times the number of persons who are going to be elected to the Board of Directors of the Company and a shareholder shall be in the right to cast votes acquired that way for a single candidate or share them out among two or more candidates.

Candidates who secure the majority vote shall be considered elected to the Board of Directors of the Company.

10.9. A General meeting of the Company shareholders may be held either in Moscow at the location place of the Company or at any other place as thereto may be decided for by the Board of Directors of the Company.

The exact venue for the holding of a General meeting of the Company shareholders will be decided by the Board of Directors while considering issues related to the holding of a General meeting of the Company shareholders.

10.10. Chairman of the Board of Directors of the Company shall execute Chairman's functions at a general meeting of the Company shareholders.

In the event Chairman of the Board of Directors of the Company is not present at a General meeting of shareholders then Deputy Chairman of the Board of Directors of the Company shall execute Chairman's functions at a general meeting of the Company shareholders.

In the event Chairman of the Board of Directors and his Deputy are not present then any of the members of the Board of Directors of the Company may execute Chairman's functions at a general meeting of the Company shareholders as thereto resolved by the Board of Directors of the Company or decided by members of the Board of Directors of the Company who participate at a General meeting of shareholders.

10.11. When at an extraordinary general meeting convened on request of persons who are in the right to request calling of an extraordinary General meeting persons who subject to provisions of this very Item normally preside over a general meeting of the Company shareholders are absent then the person (or his proxy) who made up a decision to call of an extraordinary General meeting of the Company shareholders shall preside over the meeting or if a decision to call of an extraordinary General meeting of the Company shareholders is made by several people then one of them named by their decision shall be Chairman.

10.12. In case all of the voting shares of the Company belong to a single shareholder then issues pertaining to the powers of a General meeting of the Company shareholders shall be resolved by such shareholder (Authorized Control Body of the shareholder) documented in writing and brought to notice of the Company shareholders. Such be the case provisions of Articles 10 – 15 of these present Articles of Association that set forth terms and the order of preparation, convocation and holding of a General meeting of the Company shareholders shall not apply except for the terms related to the calling of an annual General meeting of shareholders.

Article No 11. Holding of a General Meeting of the Company Shareholders in the Form of Collective Presence.

11.1. A General meeting of the Company shareholders shall be called of no sooner than two months and no later than six months after the end of financial year of the Company.

An annual General meeting of shareholders shall in obligatory procedure consider issues on the election of members of the Board of Directors and the Auditing Committee of the Company, approval of the Auditor of the Company, approval of an Annual Return rendered by the Board of Directors, annual accounting statements including but not limited to the profit and loss statements (profit and loss accounts) of the Company as well as distribution of profit (including but not limited to the paying out (declaring) dividends and losses of the Company based on results of financial year and may also resolve issues pertaining to the powers of the general meeting of the Company shareholders.

11.2. A General meeting of shareholders shall be held in the form of collective presence of shareholders (their representatives) to deliberate over the issues on agenda and resolve issues put to vote.

Subject to provisions of the Article No 12 of these present Articles of Association resolutions of a General meeting of shareholders can be decided by way of absentee vote (by means of questionnaire).

11.3. Functions of Returning board at a General meeting of shareholders shall be executed by a professional member of the market of securities who is the keeper of the Company register (Registrar of the Company).

11.4. The list of persons entitled to participate in a General meeting of the Company shareholders shall be made up on the basis of the register of the Company shareholders.

The list of persons of the Company entitled to participate in a General meeting of the Company shareholders may be not dated earlier than the date when a decision to hold a General meeting of the Company shareholders is made and more

than 50 (Fifty) days before the date of the holding of a General meeting of the Company shareholders except for events stipulated by Item 14.9 of these present Articles of Association.

11.5. A notification on the holding of a General meeting of the Company shareholders shall be published by the Company in the newspaper "Izvestiya" and placed also on the website of the Company in the Internet no later than 30 (Thirty) days before the date of holding the meeting.

11.6. Voting bulletins to cast votes on issues put on agenda shall be dispatched to the address as it appear in the list of persons entitled to participate in a General meeting of shareholders via registered mail or delivered to every person named within the said list of persons entitled to participate in a General meeting of shareholders no later than 20 (Twenty) days before the date of holding of a General meeting of shareholders against receipt.

Every person named within the list shall be furnished with one copy of a voting bulletin to vote all the issues or one copy each of two or more bulletins to vote different issues.

11.7. Materials (information) on the issues of agenda of a General meeting of shareholders shall within 20 (Twenty) days and in case of the holding of a General meeting of shareholders with the point of a reorganization of the Company put on agenda - within 30 (Thirty) days before the date of the holding of such meeting have to be made available to persons entitled to participate in a General meeting of shareholders for familiarization in the office of Executive Body of the Company and other places which location is to be indicated in the notice on the holding of a General meeting of shareholders. Said information (materials) shall have to be made available to persons who participate in a General meeting of shareholders in the course of its holding.

The order of familiarizing persons entitled to participate in a General meeting of shareholders with such information (materials) on the issues on agenda of a General meeting of shareholders and the list of such information (materials) shall be determined by the Board of Directors of the Company.

11.8. The Right to participate in a General meeting of shareholders shall be exercised by a shareholder either personally or by his representative. In the event a Company share falls under participatory share ownership of several persons then these persons are furnished with one copy of a voting bulletin to vote all the issues or one copy each of two or more bulletins to vote different issues and the right to vote at a General meeting of shareholders shall be exercised at their discretion by one of the partakers of such participatory share ownership or their general representative.

Legal powers of such persons must be properly formalized.

11.9. When holding of a General meeting of shareholders in the form of collective presence persons (their representatives) entitled to participate in a General meeting of shareholders will be in the right to take part in such meeting or submit filled up bulletins to the Company.

11.10. A General meeting of shareholders shall be legally competent (the quorum is secured) if shareholders who own an aggregate of more than a half of votes of distributed voting shares of the Company participate in the meeting.

Shareholders who registered for the participation in the meeting and shareholders whose voting bulletins were received not later than two days before the date of holding of a General meeting of shareholders shall be considered to have taken part in the general meeting of shareholders.

When the agenda of a General meeting of shareholders comprise issues that need to be voted by a different composition of voters then quorum required to resolve such issues shall have to be tallied up separately.

The absence of a quorum in this case to vote issues voted by a single composition of voters may not prevent from resolving issues by another composition of voters where the quorum is secured.

11.11. When a quorum for the holding of an annual General meeting of the Company shareholders is not present then another General meeting of the Company shareholders with the same agenda shall have to be held. When there is no quorum for the holding of an extraordinary General meeting of shareholders another General meeting of shareholders with the same agenda may be held.

A decision to call of another General meeting of the Company shareholders is to be made by the Board of Directors of the Company.

The second General meeting of the Company shareholders convened instead of the failed one shall be legally competent (quorum secured) if shareholders who participated in it have an aggregate of no less than thirty percent of votes of distributed voting shares of the Company.

In case of holding the second General meeting of the Company shareholders no less than 40 (Forty) days after a failed General meeting of shareholders persons entitled to participate in a General meeting of shareholders shall be identified in compliance with the list of persons entitled to participate in the failed General meeting of shareholders.

11.12. Report of proceedings at a General meeting of shareholders shall be made up in two copies no later than 15 (Fifteen) days since the General meeting of shareholders is closed. Both copies shall be signed by the officer presiding over the General meeting of shareholders and the Secretary of the General meeting of shareholders (Corporate Secretary).

11.13. The summary of voting and resolutions passed by the General meeting of the Company shareholders may be made public at the General meeting of the Company shareholders.

If the summary of voting and resolutions passed by the General meeting of the Company shareholders were not made public at the General meeting of the Company shareholders then no later than 10 (Ten) days after the Minutes on the summary of voting are signed the resolutions passed by the General meeting of the Company shareholders as well as the summary of voting in the form of a report on the summary of voting will be brought to the notice of persons entitled to participate in a General meeting of shareholders as thereto provided for under Item 11.5 of the present Article here above.

Article No 12. Holding of a General Meeting of Shareholders in the Form of Absentee Vote.

12.1. Resolutions of a General meeting of shareholders may be decided without holding a meeting (collective presence of shareholders for the deliberation over the points of agenda and resolving of businesses put to vote) by means of casting absentee vote (by means of questionnaire).

Casting votes over the issues put on agenda of a General meeting of shareholders held in the form of absentee vote shall be made by voting bulletins only.

12.2. A General meeting of shareholders which agenda comprise issues on the election of the Board of Directors and the Auditing Committee of the Company, approval of the Auditor of the Company as well as other issues stipulated by Sub item 13 of the Article No 10 of these present Articles of Association may be not decided by means of an absentee vote (by means of questionnaire).

A new General meeting of shareholders may be not held in the form of absentee vote (by means of questionnaire) instead of the failed General meeting of shareholders that would have to be held in the form of collective presence.

12.3. The list of persons entitled to participate in the absentee vote on issues put on agenda of a General meeting of the Company shareholders shall be made up on the basis of the register of the Company shareholders.

The list of persons of the Company entitled to participate in the absentee vote on issues put on agenda of a General meeting of the Company shareholders may be not dated earlier than the date when a decision to hold a General meeting of the Company shareholders is made and more than 50 (Fifty) days before the date when voting bulletins stop to be accepted by the Company.

12.4. A notification on the holding of a General meeting of shareholders in the form of absentee vote shall be published by the Company in the newspaper "Izvestiya" and placed also on the website of the Company in the Internet no later than 30 (Thirty) days before the date when voting bulletins stop to be accepted by the Company.

12.5. Voting bulletins to cast votes over the issues put on agenda shall be extended to persons entitled to participate in a General meeting of shareholders or delivered to a person named within the said list of persons entitled to participate in a General meeting of shareholders no later than 20 (Twenty) days before the date when voting bulletins stop to be accepted by the Company.

Every person named within the list shall be furnished with one copy of a voting bulletin to vote all the issues or one copy each of two or more bulletins to vote different issues.

The order of familiarizing persons entitled to participate in a General meeting of shareholders with such information (materials) on the issues of agenda of a General meeting of shareholders and the list of such information (materials) shall be determined by the Board of Directors of the Company.

12.6. A General meeting of shareholders held in the form of the absentee vote shall be legally competent (the quorum is secured) if shareholders who own an aggregate of more than a half of votes of distributed voting shares of the Company participated in the meeting.

Shareholders whose voting bulletins were received before the date shown therein when voting bulletins stop to be accepted by the Company shall be considered to have taken part in the general meeting of shareholders held in the form of absentee vote.

12.7. Minutes on the summary of voting shall be made up in two copies no later than 15 (Fifteen) days since the date when voting bulletins stop to be accepted by the Company. Both copies shall be signed by Chairman of the General meeting of shareholders and the Secretary of the General meeting of shareholders (Corporate Secretary).

12.8. No later than 10 (Ten) days after the Minutes on the summary of voting are made the resolutions passed by the General meeting of shareholders as well as the summary of voting in the form of a report on the summary of voting will be brought to the notice of persons entitled to participate in a General meeting of shareholders as thereto provided for under Item 12.4 of the present Article here above.

Article No 13. Points Put on Agenda of an Annual General Meeting of the Company Shareholders.

13.1. No later than 60 (Sixty) days since the end of financial year shareholders (a shareholder) of the Company who own an aggregate of no less than 2 (Two) per cent of the voting shares of the Company shall be in the right to propose points to put on agenda of an annual General meeting of shareholders and nominate candidates for the Board of Directors and the Auditing Committee of the Company whose number may not exceed the numerical strength of a respective body.

13.2. A proposal of points to be put on agenda of a General meeting of shareholders and the nomination of candidates shall be served in writing and should indicate the name (designation) of a shareholder (shareholders) who made it, the number and class (type) of shares owned and be signed by such shareholder (shareholders).

13.3. A proposal of points to be put on agenda of a General meeting of shareholders should offer the wording of each proposed point and the nomination of candidates – the name and the reference data of identity documents (series and (or) the No of a document, the date and place of issue and the issuing body) of each nominated candidate as well as the body of the Company where he is going to be elected for.

13.4. No later than 5 (Five) days after the term stipulated under Item 13.1 of the present Article is expired the Board of Directors of the Company shall have to consider suggested points and resolve either to put them on agenda of a General meeting of the Company shareholders or to reject putting them on said agenda.

13.5. The Board of Directors of the Company shall be in the right to reject putting points suggested by a shareholder (shareholders) on agenda or enrol candidates in the list of candidacies nominated for the election for a respective body of the Company on the grounds stipulated by the Federal Law "On the Joint-Stock Companies" and other legal acts of the Russian Federation.

13.6. A motivated resolution of the Board of Directors of the Company on the rejection to put the point on agenda of a General meeting of the Company shareholders or enrol a candidate in the list of candidacies nominated for the election for a respective body of the Company shall be extended to the shareholder (shareholders) who proposed the point or nominated the candidate no later than 3 (Three) days since the moment it is made.

13.7. The Board of Directors of the Company shall have no right to amend the wording of points proposed for the putting on agenda of a General meeting of shareholders (if any) and the wording of resolutions on such issues.

Except for the points proposed by shareholders to put on agenda of a General meeting of shareholders as well as in case of the absence of such proposals, the lack of or shortage in the number of candidates nominated by shareholders for the formation of a respective body of the Company the Board of Directors of the Company will be in the right to put points on agenda of a General meeting of shareholders or enrol candidates in the list of candidacies at their discretion.

Article No 14. Convocation of an Extraordinary General meeting of the Company shareholders.

14.1. Meetings held apart from an annual General meeting of the Company shareholders shall be considered extraordinary.

14.2. An extraordinary General meeting of shareholders shall be convened as decided by the Board of Directors of the Company on the grounds of its own initiative, on request of the Auditing Committee of the Company, Auditor of the Company as well as shareholders (a shareholder) who on the date of submitting a request own an aggregate of not less than 10 (Ten) per cent of voting shares of the Company.

14.3. A convocation of an extraordinary General meeting of shareholders on request of the Auditing Committee of the Company, Auditor of the Company or shareholders (a shareholder) who own an aggregate of not less than 10 (Ten) per cent of the voting shares of the Company shall be made by the Board of Directors of the Company.

Such meeting of shareholders shall have to be held not later than 40 (Forty) days since the date when a request to call of an extraordinary General meeting of the Company shareholders is made except for event stipulated under Item 14.9 of these present Articles of Association.

14.4. A request to call of an extraordinary General meeting of the Company shareholders shall have to contain the wording of points to be put on agenda of a general meeting.

Persons (a person) who request calling of an extraordinary General meeting of the Company shareholders will be in the right to propose a draft decision of an extraordinary General meeting of the Company shareholders, a suggestion as to the form of the holding of a General meeting of shareholders. In the event when such a request to call of an extraordinary General meeting of shareholders may contain a proposal to nominate candidates then such a proposal shall fall under respective provisions of the Article No 13 of these present Articles of Association.

The Board of Directors of the Company shall be not in the right to amend the wording of points on agenda, the wording of resolutions on such issues and change the proposed form of holding of an extraordinary General meeting of shareholders convened on request of the Auditing Committee of the Company, Auditor of the Company or shareholders (a shareholder) owners of not less than 10 (Ten) percent of the voting shares of the Company.

14.5. In the event when a request to call of an extraordinary General meeting of the Company shareholders is made by a shareholder (shareholders) it should show the name (designation) of a shareholder (shareholders) who request calling of the meeting, indicate the number and class (type) of the Company shares being in his possession.

A request to call of an extraordinary General meeting of the Company shareholders shall be signed by the person (persons) who request calling of an extraordinary General meeting of the Company shareholders.

14.6. Within five days since a request of the Auditing Committee of the Company, Auditor of the Company or shareholders (a shareholder) owners of not less than 10 (Ten) percent of the voting shares of the Company to call of an ex-

traordinary General meeting of the Company shareholders is made the Board of Directors of the Company shall have to make a decision either to convene an extraordinary General meeting of the Company shareholders or reject holding of it.

14.7. A resolution of the Board of Directors of the Company on the calling of an extraordinary General meeting of the Company shareholders or a motivated refusal to convene it shall be extended to persons who request calling of it no later than three days since the moment such decision is resolved.

14.8. If within the period stipulated under Item 14.6 of the Article No 14 of these present Articles of Association a decision of the Board of Directors of the Company to call of an extraordinary General meeting of the Company shareholders is not made or a rejection to call of it was resolved then an extraordinary General meeting of the Company shareholders may be convened by persons who require the calling of it.

In this regard the authorities and persons who call of an extraordinary General meeting of shareholders shall have powers vested by the Federal Law "On the Joint-Stock Companies" required for the calling and holding of an extraordinary General meeting of shareholders.

14.9. In the event a proposed agenda of an extraordinary General meeting of shareholders include a point on the election of members to the Board of Directors of the Company then:

14.9.1. A General meeting of shareholders shall have to be held within 90 (Ninety) days since the moment a request to call of an extraordinary General meeting of the Company shareholders is made.

14.9.2. Shareholders (a shareholder) of the Company who own an aggregate of not less than 2 (Two) per cent of voting shares of the Company shall be in the right to nominate candidates for the election to the Board of Directors of the Company whose number may not exceed the numerical strength of the Board of Directors of the Company.

Such proposals shall have to be submitted to the Company no later than (Thirty) days before the date of the holding of an extraordinary General meeting of shareholders.

No later than 5 (Five) days since the end of the term stipulated under Paragraph 2 of the present Sub Item the Board of Directors of the Company shall have to consider received proposals and make a decision either to put them on agenda of an extraordinary General meeting of shareholders or reject putting them on said agenda.

14.9.3. The list of persons entitled to participate in a General meeting of the Company shareholders may be not dated earlier than the date when a decision to hold a General meeting of the Company shareholders is made and more than 85 (Eighty Five) days before the date of holding of a General meeting of the Company shareholders.

14.9.4. A notification on the holding of an extraordinary General meeting of shareholders shall have to be made no later than 70 (Seventy) days before the date it is to be held.

Article No 15. Board of Directors of the Company.

15.1. The Board of Directors of the Company shall direct general management of businesses of the Company except for resolving issues referred by the Federal Law "On the Joint-Stock Companies" and these present Articles of Association to the powers of a General meeting of shareholders.

The following issues shall pertain to the powers of the Board of Directors of the Company:

- 1) Setting up priority lines of the Company activities;
- 2) Calling of an annual and extraordinary General meetings of the Company shareholders except for events stipulated under Item 14.8 of the Article No 14 of these present Articles of Association as well as an announcement of the date of holding of a new General meeting of shareholders instead of the one failed on the lack of quorum;
- 3) Approval of agenda of a General meetings of the Company shareholders;
- 4) Election of the Secretary of a General meetings of the Company shareholders;
- 5) Setting up of the date of making up the list of shareholders entitled to participate in a General meetings of the Company shareholders, approval of estimated costs of holding of a General meetings of the Company shareholders and resolving of other issues related to the preparation and holding of a General meetings of the Company shareholders;
- 6) Bringing up points stipulated under Sub Items 2, 5, 7, 8, 12 – 20 and Item 10.2 of the Article No 10 of these present Articles of Association to be resolved by a General meetings of the Company shareholders as well as issues on the reduction of the Stated Capital of the Company by means of decreasing the nominal value of shares;
- 7) Placement by the Company of debentures and other emissive securities except for events stipulated by the legislation of the Russian Federation and these present Articles of Association;
- 8) Approval of a resolution on the issue of securities, prospectus for securities issue and report on the summary of the issue of securities, approval of reports on the summary of redemption of shares from the Company shareholders, reports on the summary of paying off shares, reports on the summary of requests made by the Company shareholders for the redemption of their holding of shares;
- 9) Price evaluation (pecuniary valuation) of property, the cost of placement and redemption of emissive securities in events stipulated by the Federal Law "On the Joint-Stock Companies" as well as in case of resolving issues stipulated under Sub Items 11, 21, 22 and 38 of Item 15.1 of the Article No 15 of these present Articles of Association;

- 10) Acquisition of distributed by the Company shares, debentures and other emissive securities in events stipulated by the Federal Law "On the Joint-Stock Companies";
- 11) Carving-out (sale) of the Company shares that come at the disposal of the Company following its acquisition or redemption from the Company shareholders as well as in other cases stipulated by the Federal Law "On the Joint-Stock Companies";
- 12) Election of Director General of the Company and the abortion of his powers including among other a decision on the early termination of the labour contract with him;
- 13) Setting up the numerical strength of the Executive Board of the Company, election of members of the Executive Board of the Company, fixing the size of remunerations and compensations paid out to them, abortion of their powers including among other an early termination of a labour contract with them;
- 14) Recommendations to a General meeting of the Company shareholders as to the size of remunerations and compensations paid out to members of the Executive Board of the Company and fixing the size of payment for services of the Auditor of the Company;
- 15) Recommendations as to the size of a dividend per shares and the order of paying it out;
- 16) Approval of internal documents of the Company that specify the order of generation and use of special purpose funds of the Company;
- 17) Resolving issues as to the use of Company funds, approval of estimates of expenditures per special purpose funds of the Company and examine results of disbursement of such estimates of expenditures related to the use of special purpose funds;
- 18) Approval of internal documents of the Company except for internal documents which approval is referred to the powers of a General meeting of shareholders as well as other internal documents of the Company which approval under these present Articles of Association is referred to the powers of executive bodies of the Company;
- 19) Approval of a Business-plan (corrected Business-plan) including an investment program and the report on results of its execution as well as approval (adjustment) of target values of the Company cash flow;
- 20) Founding of affiliates and opening of Representative agencies of the Company and winding it up as well as making amendments and supplements to the Articles of Association related to the foundation of affiliates and opening of Representative agencies of the Company (including among other changes of information on the designation and the place of location of such affiliates and Representative agencies of the Company) and the liquidation of it;
- 21) Making a decision as to the participation of the Company in other organizations (enlistment in an existing organization or the founding of a new organization including among other correlation of Constituent documents) and also (considering provisions of Sub Item 22 of Item 15.1 of the Article No 15 of these present Articles of Association) acquisition, carving-out and encumbrance of shares and stakes in stated capitals of organizations where the Company is a participant, change of a share of participation in a stated capital of a respective organization and termination of participation in other organizations;
- 22) Resolve on making by the Company of one or several interrelated deals on the alienation, pledge or other encumbrance of shares and stakes in subsidiary and dependant organizations that are not engaged in production, transmission of electrical energy, dispatching or distribution and sale of electrical and thermal power in events when the market value of shares and stakes being subject matter of the deal shall (according to the statement of an independent estimator) exceed 30 million Roubles as well as in other cases (sizes) determined by separate decisions of the Board of Directors of the Company;
- 23) Setting up of a credit policy of the Company in the part of issuing by the Company of loans, entering credit and loan agreements, granting of sureties, assuming obligations ensuing from a bill (issuance of promissory notes and bills of exchange), pledging the property and resolving decisions on the execution by the Company of said transactions when the order to resolve such issues is not determined by the credit policy of the Company as well as making a decision stipulated by the credit policy of the Company on the adjustment of a debt stand of the Company in accordance with limits imposed by the credit policy of the Company;
- 24) Approval of major deals in events stipulated by Article X of the Federal Law "On the Joint-Stock Companies";
- 25) Approval of major deals in events stipulated by Article XI of the Federal Law "On the Joint-Stock Companies";
- 26) Approval of the Registrar of the Company, terms of agreement with the Registrar as well as termination of such an agreement;
- 27) Election of Chairman of the Board of Directors of the Company and a preterm termination off his powers;
- 28) Election of a Deputy Chairman of the Board of Directors of the Company and a preterm termination off his powers;
- 29) Election of the Secretary of the Board of Directors of the Company and a preterm termination off his powers;
- 30) Preliminary approval of resolution on the execution by the Company deals related to gratuitous transfer of the property or property rights (claims) of the Company to yourself or a third party; deals related to the deliverance

from the property responsibilities to yourself or a third party; deals related to a gratuitous rendering by the Company of services (execution of works) to third parties in the events (sizes) determined by separate decisions of the Board of Directors of the Company and resolve decisions on making by the Company of such deals when the above mentioned cases (sizes) are not specified;

- 31) Resolution on the suspension of authority of the management company (Managing director);
- 32) Resolution on the appointment of the acting Director General as well as bringing him to disciplinary responsibility;
- 33) Subject to the Labour Legislation of the Russian Federation bringing of Director General of the Company and members of the Board of Directors of the Company to disciplinary responsibility and granting incentives to them;
- 34) Considering reports of Director General on activities of the Company (including among other execution by him of his functions), on the execution of resolutions of a General meeting of the Company shareholders;
- 35) Approval of the Company's coordination procedures with other organizations where the Company is a participant;
- 36) Setting up of the Company (Representatives' of the Company) position including among other instructions either to take part or do not participate in the voting points put on agenda, cast votes "Pro", "Con" or "Abstain from voting" for draft resolutions on the following (enumerated hereinafter) issues put on agenda of a general meeting of shareholders (participants) of daughter and dependent economic companies (hereinafter referred to as the D&DC) (except for events when functions of general meetings of the D&DC are fulfilled by the Board of Directors of the Company) and meetings of the boards of directors of the D&DC (except for the issue on the approval of the agenda of general meetings of shareholders of the D&DC when functions of general meetings of the D&DC are fulfilled by the Board of Directors of the Company):
 - a) on the setting up of agenda of a general meeting of shareholders (participants) of the D&DC;
 - b) on the reorganization, winding-up of the D&DC;
 - c) on the setting up of a numerical strength of the boards of directors of the D&DC, nomination of candidates for and election of its members and a preterm termination of their powers;
 - d) on the setting up of the quantity, nominal value, class (type) of authorized shares of the D&DC and the scope of rights conferred by such shares;
 - e) on the increase in the stated Capital of a D&DC by means of increasing the nominal value of shares or by way of distributing additional shares;
 - f) on the distribution of shares (emissive securities of the D&DC convertible into shares);
 - g) on the splitting and consolidation of the D&DC shares;
 - h) on the approval of major deals executed by the D&DC;
 - i) on the participation of the D&DC in other organizations (enlistment in an existing organization or the founding of a new organization) and also acquisition, carving-out and pledge of shares and stakes in stated capitals of organizations where a D&DC is a participant, change of the share of participation in a stated capital of a respective organization;
 - j) on making up by the D&DC deals (including several interrelated deals) related to the alienation, possible alienation of property that is a part of capital assets, intangible assets, carry-over construction facilities used for the purpose of production, transmission of electrical energy, dispatching, distribution of electrical and thermal power in events (sizes) determined by the order of cooperative relations of the Company with organizations where the Company is a participant which is approved by the Board of Directors of the Company;
 - k) on making amendments and supplements to constituent documents of the D&DC;
 - l) on the order of payment remunerations to the members of the Board of Directors and the Auditing Committee of the D&DC;
 - m) on the approval of target values of key performance indices (corrected target values of key performance indices);
 - n) on the approval of a progress report on fulfilment of the estimated values of the annual and quarterly key performance indices;
 - o) on the approval of a business-plan (corrected business-plan);
 - p) on the approval (considering) of a progress report on fulfilment of the business-plan;
 - q) on the approval of profit and loss distribution according to results of a financial year;
 - r) on recommendations as to the size of a dividend per shares and the order of paying it out;
 - s) on paying out (declaring) dividends based on results of the first quarter, half-year and nine month of financial year as well as according to results of a financial year;
 - t) on the approval (correction) of an investment programme;
 - u) on the approval (considering) of a progress report on fulfilment of an investment programme;
 - v) on the approval of Regulations for the provision of insurance coverage of the D&DC;
 - w) on the approval of insurers of the D&DC (approval of results of the selection of insurers of the D&DC);

- x) on the approval of an insurance broker to carry out selection of insurers of the D&DC;
- y) on the approval of an Insurance coverage programme of the D&DC;
- z) on the approval of changes of an Insurance coverage programme of the D&DC;
- aa) on considering of an individual executive body report of the D&DC on the provision of insurance coverage;
- 37) Setting up of the Company (Representatives' of the Company) position on the following issues put on agenda (including among other instructions either to take part or do not participate in the voting points put on agenda, cast votes "Pro", "Con" or "Abstain from voting") to read as follows:
 - a) setting up of the D&DC Representatives' position on issues put on agenda of general meetings of shareholders (participants) and meetings of the boards of directors of the daughter and dependant companies dependants with regards to the D&DC pertaining to the making up (approval) deals (including several interrelated deals) related to the alienation, possible alienation of property that makes up capital assets, intangible assets, carry-over construction facilities used for the purpose of production, transmission, dispatching, distribution of electrical and thermal power in the events (sizes) determined by the order of cooperative relations of the Company with organizations where the Company is a participant which is approved by the Board of Directors of the Company;
 - b) setting up of the D&DC Representatives' position on issues put on agenda of general meetings of shareholders (participants) and meetings of the boards of directors of the daughter and dependant with regards to the D&DC companies that engage in production, transmission, dispatching, distribution and sale of electrical and thermal power on the reorganization, winding-up, increase in the stated capital of such companies by means of distributing additional shares, placement of securities convertible into ordinary shares;
- 38) Preliminary approval of resolutions on the execution by the Company of:
 - a) deals which subject matter shall be non-current assets of the Company in the amount of more than 10 per cent of the value of such assets of the Company evaluated over the last reporting period immediately preceding the date when a decision to effect the transaction is made;
 - b) deals (including several interrelated deals) related to the alienation or a possibility of the alienation of property that makes up capital assets, intangible assets, carry-over construction facilities used for the purpose of production, transmission, dispatching, distribution of electrical and thermal power in the events (sizes) determined by separate decisions of the Board of Directors of the Company;
 - c) deals (including several interrelated deals) related to the alienation or a possibility of the alienation of property that makes up capital assets, intangible assets, carry-over construction facilities used for the purpose of production, transmission, dispatching, distribution of electrical and thermal power in the events (sizes) determined by separate decisions of the Board of Directors of the Company;
- 39) Proposal by the Company of candidates for the election to the position in an individual executive body and other executive bodies, control bodies as well as a candidate for the auditor of companies engaged in production, transmission, dispatching, distribution and sale of electrical and thermal power as well as repair and maintenance activities where the Company is a participant;
- 40) Setting up lines for the provision of insurance coverage of the Company including among other the approval of the insurer of the Company;
- 41) Approval of the structure of the executive machinery of the Company and amending it;
- 42) Co-ordinating of candidacies for certain posts in the executive machinery of the Company determined by the Board of Directors of the Company;
- 43) Preliminary approval of a collective agreement, agreements made by the Company within the framework of the social-and-employment relationship;
- 44) Creation of committees of the Board of Directors of the Company, election of committees' members of the Board of Directors of the Company and a preterm termination of their powers, election of chairmen of committees of the Board of Directors of the Company and a preterm termination of their powers;
- 45) Candidacy approval of an independent estimator (estimators) for the valuation of shares, property and other assets of the Company in events stipulated by the Federal Law "On the Joint-Stock Companies", these present Articles of Association as well as separate decisions of the Board of Directors of the Company;
- 46) Approval of a Candidacy for a financial consultant invited in compliance with the Federal Law "On the market of securities" as well as approval of sponsor candidates for the issuing of securities and advisers on transactions directly related to the attraction of financial resources in the form of public loans;
- 47) Preliminary approval of transactions that can result in the arising of liabilities denominated in foreign exchange (or) liabilities the size of which is linked to foreign exchange) in events and amounts determined by separate decisions of the Board of Directors of the Company as well as when said events and amounts are not determined by decisions of the Board of Directors of the Company;
- 48) Setting up of procurement policy of the Company including among other an approval of Regulations for the order to transect administered purchases of goods, works and services, approval of the executive head of the Cen-

tral procurement body of the Company and its members as well as approval of an annual procurement programme and resolving of any other issues compliant to the approved documents of the Company that specify procurement activities of the Company;

- 49) Resolving a decision on nominating Director General of the Company as a candidate singled out for government awards;
- 50) Approval of target values (adjusted values) of key performance indices (KPI) of the Company and progress reports on its fulfilment;
- 51) Setting up of the Company policy oriented to reliability enhancement of a distribution complex of electrical networks and other power network facilities including among other the approval of strategic programmes of the Company on reliability enhancement of the power network complex, development of the power network complex and its safety;
- 52) Setting up of the housing policy of the Company in the part of providing company employees with the corporate support for improvement of their housing conditions in the form of subsidies, compensation for expenses, interest-free loans and resolving issues on providing such support when the order of its provision is not determined by decisions of the Board of Directors of the Company;
- 53) Other issues referred by the Federal Law "On the Joint-Stock Companies" and these present Articles of Association to the powers of the Board of Directors of the Company.

15.2. Issues pertaining to the powers of the Board of Directors of the Company may be not delegated for decision-making to Director General and the Executive Board of the Company.

15.3. Members of the Board of Directors of the Company in pursuance of their right and execution of their duties shall have to operate in the interests of the Company and discharge their rights and duties reasonably and in good faith.

15.4. Members of the Board of Directors will be kept liable to the Company for the losses caused to the Company as a result of their wrong-doing (negligence) unless otherwise other causes and the scope of responsibility may be established by the federal laws.

15.5. This being the case members of the Board of Directors who did not participate in the vote or counter voted decisions that entailed losses to the Company are exempt from liabilities.

Article No 16. Election of the Board of Directors of the Company.

16.1. The numeric strength of the Board of Directors of the Company shall make up 11 (Eleven) persons.

16.2. Members of the Board of Directors of the Company shall be elected by a General meeting of the Company shareholders in the order stipulated by Item 10.8 of the Article No 10 of these present Articles of Association for a term until the next annual General meeting of shareholders.

In the event when the Board of Directors of the Company is elected by an extraordinary General meeting of shareholders then members of the Board of Directors will be considered elected for a term until the date of holding of an annual General meeting of the Company shareholders.

If an annual general meeting of the Company shareholders within the terms stipulated by Item 11.1 of the Article No 11 of these present Articles of Association is not held then powers of the Board of Directors of the Company shall be terminated except for powers related to the preparation, call and holding of an annual General meeting of shareholders.

16.3. A member of the Board of Directors of the Company may be a natural person only.

16.4. Persons elected to the Board of Directors of the Company may be re-elected unlimited number of times.

16.5. Powers of members of the Board of Directors of the Company may be aborted as thereto resolved by a General meeting of shareholders.

A resolution of a General meeting of shareholders to abort powers may be taken in respect of all members of the Board of Directors of the Company only.

Article No 17. Chairman of the Board of Directors of the Company.

17.1. Chairman of the Board of Directors of the Company shall be elected by members of the Board of Directors of the Company from among its members by the majority vote out of the total number of votes of members of the Board of Directors of the Company.

The Board of Directors of the Company shall be any time in the right to re-elect its Chairman by the majority vote out of the total number of votes of members of the Board of Directors of the Company.

17.2. Chairman of the Board of Directors of the Company shall direct management of activities of the Board of Directors, call of meetings and preside over it, make arrangements for the keeping of minutes at such meetings and preside over a General meeting of the Company shareholders.

17.3. In the event Chairman of the Board of Directors of the Company is not present his functions shall be performed by a Deputy Chairman of the Board of Directors of the Company elected from among members of the Board of Directors by the majority vote out of the total number of votes of members of the Board of Directors of the Company.

Article No 18. Meetings of the Board of Directors of the Company

18.1. The order of calling and holding of meetings of the Board of Directors of the Company shall be stipulated by an internal document approved by a General meeting of the Company shareholders.

18.2. Meetings of the Board of Directors of the Company shall be held as it may deem necessary but at least ones every three months.

A meeting of the Board of Directors shall be called by Chairman of the Board of Directors of the Company (or a Deputy Chairman of the Board of Directors in events stipulated by Item 17.3 of the Article No 17 of these present Articles of Association) on his own initiative, on request of a member of the Board of Directors, Auditing Committee of the Company, Director General of the Company, a member of the Executive Board and the Auditor of the Company.

18.3. The first meeting of the Board of Directors of the Company shall have to obligatory resolve issues on the election of Chairman of the Board of Directors, Deputy Chairman of the Board of Directors and the Corporate Secretary of the Company.

Said meeting of the Board of Directors shall be convened by one of the members of the Board of Directors of the Company subject to provisions of an internal document that regulates the order of calling and holding of a meeting of the Board of Directors of the Company.

18.4. A decision of the Board of Directors of the Company may be resolved by the absentee vote (by means of questionnaire). In case of the absentee vote every member of the Board of Directors is furnished with materials on the issues of agenda and a questionnaire for the voting indicating the date until which the filled in and signed questionnaire shall have to be submitted to the Board of Directors of the Company.

18.5. A member of the Board of Directors who is not present at a face-to-face meeting of the Board of Directors of the Company shall be in the right to express his opinion on points put to agenda in writing in the order as thereto stipulated for by the internal document of the Company that governs the order of calling and holding of a meeting of the Board of Directors of the Company.

18.6. Assignment by a member of the Board of Directors of the Company of his right to vote to another person inclusive of other members of the Board of Directors of the Company is not allowed.

18.7. Resolutions at a meeting of the Board of Directors of the Company shall be made by majority vote of the members of the Board of Directors of the Company who participate in the meeting except for events otherwise provided for by the legislation of the Russian Federation and these present Articles of Association.

In cases a deal shall have to be approved on several grounds (stipulated by these present Articles of Association and stipulated by Article X or Article XI of the Federal Law "On the Joint-Stock Companies") the order of its approval falls under provisions of the Federal Law "On the Joint-Stock Companies".

18.8. A resolution of the Board of Directors of the Company on the issue of the approval of a major deal shall be taken by unanimous majority vote of all members of the Board of Directors of the Company.

Resolutions of the Board of Directors of the Company shall be made by majority vote of at least two-thirds out of the total number of members of the Board of Directors of the Company votes on the issues as follows:

- on the suspension of authority of the management company (Managing director) and on the appointment of the acting Director General of the Company;

- on the call of an extraordinary General meeting of the Company shareholders in events stipulated under Items 21.11, 21.12 of these present Articles of Association;

Resolutions of the Board of Directors of the Company made under provisions of this Item of these present Articles of Association shall be decided regardless to votes of retired members of the Board of Directors.

Such being the case retired should be considered members dropped out of the Board of Directors on the grounds related to their death, being legally incapable at law or missing.

18.9. A resolution on the approval of a related party transaction shall be made by the Board of Directors of the Company as thereto provided for by Article 83 of the Federal Law "On the Joint-Stock Companies".

18.10. Resolutions on issues specified under Sub Items 21 – 23 and 35 – 37 of Item 15.1 of the Article No 15 of these present Articles of Association here above shall be taken by the Board of Directors of the Company by the majority vote of not less than two-thirds of votes of members of the Board of Directors of the Company who take part in the meeting.

18.11. In order to resolve issues at the meeting of the Board of Directors of the Company every member of the Board of Directors shall have one vote. In case votes during the voting split equality Chairman of the Board of Directors shall have the casting vote.

18.12. Quorum required for the holding of a meeting of the Board of Directors shall be made by the presence of no less than a half of elected members of the Board of Directors of the Company.

In case the number of members of the Board of Directors of the Company may become less than the number required to secure the quorum then the Board of Directors shall have to resolve calling of an extraordinary General meeting of shareholders for the election of the new membership of the Board of Directors of the Company. The remaining members of the Board of Directors of the Company shall be in the right to decide on the calling of such an extraordinary General meeting of shareholders only. In this case the quorum required for the holding of a meeting of the Board of Directors shall be made of no less than a half of the total number of the remaining members of the Board of Directors.

18.13. Minutes are to be kept during a meeting of the Board of Directors of the Company. Minutes at the meeting of the Board of Directors of the Company shall be made no later than 3 (Three) days since the day the meeting was held and signed by the officer presiding over the meeting and the Corporate Secretary of the Company who are kept liable for the accuracy of making such minutes. Minutes shall be accompanied by materials attached thereto on every point put to agenda of the meeting and approved by the Board of Directors.

When resolutions of the Board of Directors of the Company are made by the absentee vote then Minutes shall have to be accompanied by questionnaires signed by the members of the Board of Directors attached thereto.

Article No 19. Committees of the Board of Directors of the Company.

19.1. Committees of the Board of Directors shall be created as resolved by the Board of Directors.

19.2. Committees of the Board of Directors shall be created for the purpose of working out issues that lie within the field of competence of the Board of Directors or being studied by the Board of Directors in the course of managing activities of an executive body of the Company and the development of recommendations required to the Board of Directors and the executive bodies of the Company.

19.3. Regulations for activities, procedures of creation, a frame of reference and the term of authority of such committees of the Board of Directors shall be determined by separate resolutions of the Board of Directors.

Article No 20. Corporate Secretary of the Company.

20.1. A Corporate Secretary of the Company may be elected by the Board of Directors of the Company in order to secure proper execution in the Company of procedures on the preparation for and holding of a General meeting of the Company shareholders and operations of the Board of Directors of the Company.

20.2. A contract with the Corporate Secretary shall be signed by Chairman of the Board of Directors of the Company in the name of the Company or a person authorized thereto by the Board of Directors of the Company.

20.3. Conditions of a contract with the Corporate Secretary of the Company including among other the amount of remunerations shall be signed by Chairman of the Board of Directors of the Company or a person authorized thereto by the Board of Directors of the Company.

20.4. The Corporate Secretary of the Company shall to the extent of his powers participate in the preparation for and holding of a General meeting of the Company shareholders, meetings of the Board of Directors of the Company as thereto provided for by requirements of the legislation of the Russian Federation, Articles of Association and other internal documents of the Company.

20.5. Members of the governing bodies and executive officers of the Company shall be obligated to assist the Corporate Secretary in the discharging by him of his functions. The Corporate Secretary of the Company shall be accountable in his activities to the Board of Directors of the Company.

20.6. Regulations for activities, the order of appointment and termination of powers, the term of authority, the scope of rights and duties of the Corporate Secretary of the Company shall be determined by the Regulations for a Corporate Secretary approved by the Board of Directors of the Company.

Article No 21. Executive Bodies of the Company.

21.1. Management of the day-to-day activities of the Company shall be directed by an individual executive authority – Director General and a collective executive body - Executive Board of the Company.

21.2. Director General and the Executive Board shall report to the General meeting of shareholders and the Board of Directors of the Company.

21.3. As resolved by a General meeting of shareholders powers of an individual executive authority of the Company may be delegated under the contract to a management company or a managing director.

Rights and duties of the management company (Managing Director) on the management of current operations of the Company will be stipulated by the legislation of the Russian Federation and a contract made by the management company (managing director) with the Company.

The contract with the management company (managing director) shall be signed in the name of the Company by Chairman of the Board of Directors of the Company or a person authorized thereto by the Board of Directors of the Company.

Terms and conditions of the contract with the management company (managing director) including within its framework the term of authority shall be signed by Chairman of the Board of Directors of the Company or a person authorized thereto by the Board of Directors of the Company.

21.4. Creation of executive bodies of the Company and the abortion of its activities shall be exercised as thereto resolved by the Board of Directors of the Company except for events stipulated by the federal legislation and these present Articles of Association.

21.5. Rights and duties of Director General and members of the Executive Board of the Company on the management of the current businesses of the Company shall be determined by the legislation of the Russian Federation, these present Articles of Association and a labour contract made between each of them and the Company.

21.6. A labour contract shall be signed in the name of the Company by Chairman of the Board of Directors of the Company or a person authorized thereto by the Board of Directors of the Company.

21.7. Terms and conditions of a labour contract including within its framework the term of authority shall be determined by the Board of Directors of the Company or a person authorized by the Board of Directors of the Company for the signing of a labour contract as thereto provided for under Item 21.6 of the Article No 21 of these present Articles of Association.

21.8. Combining by Director General and members of the Executive Board of posts in governing bodies of other organizations as well other gainful occupations in other organizations shall be only allowed on the consent of the Board of Directors of the Company.

21.9. Employer rights and duties pertaining to Director General and members of the Executive Board of the Company will be exercised in the name of the Company by the Board of Directors of the Company or a person authorized thereto by the Board of Directors of the Company.

21.10. The Board of Directors of the Company shall be any time in the right to resolve as to abort powers of Director General of the Company, members of the Executive Board and on the creation of new executive bodies.

The termination of powers of Director General and members of the Executive Board shall be exercised on the grounds stipulated by the legislation of the Russian Federation and a labour contract made between each of them and the Company.

21.11. A General meeting of shareholders shall be any time in the right to resolve on the abortion of powers of the management company (managing director).

The Board of Directors of the Company shall be in the right to resolve on the suspension of authorities of the management company or a managing director. The Board of Directors of the Company shall simultaneously with the above mentioned decision have to resolve on the appointment of an acting Director General of the Company and on the holding of an extraordinary General meeting of shareholders to resolve issues on the abortion of powers of the management company (managing director) and unless otherwise resolved by the Board of Directors of the Company on the transfer of authorities of an individual executive authority of the Company to a management company (managing director).

21.12. In the event when the management company (managing director) is unable to discharge its duties the Board of Directors of the Company will be in the right to resolve on the appointment of an acting Director General of the Company and on the holding of an extraordinary General meeting of shareholders to resolve issues on the abortion of powers of the management company (managing director) and unless otherwise resolved by the Board of Directors of the Company on the transfer of authorities of an individual executive authority of the Company to the other management company (managing director).

21.13. Unless otherwise resolved by the Board of Directors the acting Director General of the Company shall direct management of the current businesses of the Company to the extent of authority of executive bodies of the Company.

21.14. Director General, members of the Executive Board, Acting Director General of the Company as well as the management company (managing director) in pursuance of their rights and execution of their duties shall have to operate in the interests of the Company and to discharge their rights and duties reasonably and in good faith.

21.15. Director General, members of the Executive Board, Acting Director General of the Company as well as the management company (managing director) will be kept liable to the Company for the losses caused to the Company as a result of their wrong-doing (negligence) unless otherwise other causes and the scope of responsibility may be established by the federal laws.

A personal responsibility for the management of arrangements on the protection of information that comprise state secrets as well as for the failure to comply with restrictions set forth by the legislation on the familiarization with the above mentioned information shall be imposed upon director general.

Liabilities set forth under this Item will not rest with members of the Board of Directors who did not participate in the vote or counter voted the decision that entailed losses to the Company.

21.16. In the event when Director General is temporally missing (because of the illness, leave, business errand) then execution of his functions may be on a respective order vested on one of his deputies.

Article No 22. Executive Board of the Company.

22.1. The Executive Board of the Company shall function on the grounds of these present Articles of Association and also Regulations for the Executive Board approved by a General meeting of shareholders which determine terms and the order of calling and holding of its meetings as well as a decision-making procedure.

22.2. The following issues shall pertain to the powers of the Executive Board of the Company:

1) Elaboration and submission of a strategic profile of the Company to the attention of the Board of Directors of the Company;

2) Preparation of an annual (quarterly) Business-plan including an investment program and a report on the summary of results on its execution as well as approval (adjustment) of the Company cash flows (budget);

3) Preparation of an annual return on the economic-and-financial operations of the Company and execution by the Executive Board of resolutions made by a General meeting of shareholders and the Board of Directors of the Company;

4) Consideration of progress reports rendered by deputies of Director General of the Company, heads of stand-alone subdivisions of the Company on the execution of approved plans, programmes, directives, deliberation over reports, documents and other information on the operations of the Company and its daughter and dependant companies.

5) Resolving of issues pertaining to the powers of the top management bodies of economic companies where 100 (One Hundred) per cent of its stated capital belong to the Company (considering provisions under Sub Items 36 and 37 of Item 15.1 of the Article No 15 of these present Articles of Association);

6) Preparation and submitting to the Board of Directors for a deliberation of returns on economic-and-financial operations of economic companies where 100 (One Hundred) per cent of its stated capital belong to the Company;

7) Resolve on the making of deals where subject matter is the property, works and services which value shall total from 1 up to 25 per cent of the balance value of the Company's assets as accounted over the last reporting period immediately preceding the date when a decision to settle the deal is made (except for events stipulated under Sub Item 38 of Item 15.1 of these present Articles of Association);

8) Resolving of other issues related to the management of the current operations of the Company in compliance with the resolutions of a General meeting of shareholders, the Board of Directors of the Company as well as other issues rendered by Director General of the Company to the attention of the Executive Board.

22.3. Members of the Executive Board shall be elected by the Board of Directors of the Company in the number determined by a resolution of the Board of Directors of the Company on a proposal of Director General of the Company.

In the event when candidates for the Executive Board nominated by Director General are rejected by the Board of Directors of the Company then the Board of Directors of the Company will be in the right to elect candidates to the Executive Board nominated by a member (members) of the Board of Directors of the Company.

The numeric strength of the Executive Board of the Company may be not less than 3 (Three) persons.

22.4. The Executive Board shall be legally competent if not less than a half of elected members of the Executive Board participate in the meeting (absentee voting).

22.5. Any resolutions shall be made by the Executive Board by the simple majority vote out of the total number of votes of members of the Executive Board who are present at the meeting (took part in the absentee vote). In case votes during the voting split equality Chairman of the Executive Board shall have the casting vote.

22.6. Assignment by a member of the Executive Board of the Company of his right to vote to another person inclusive of other members of the Executive Board of the Company is not allowed.

Article No 23. Director General of the Company.

23.1. Director General of the Company shall direct current businesses of the Company as thereto decided for by resolutions of a General meeting of the Company shareholders, the Board of Directors and Executive Board of the Company made to the extent of its powers.

23.2. Any issues related to the managements of current activities of the Company shall pertain to the authority of Director General of the Company except for the issues referred to the powers of a General meeting of shareholders, the Board of Directors and Executive Board of the Company.

23.3. Director General of the Company shall without any need for a letter of attorney direct management in the name of the Company compliant to restrictions imposed by the legislation, these present Articles of Association and resolutions of the Board of Directors of the Company and among other shall:

- Enforce implementation of operating plans of the Company required for the execution of his objectives;
- Make arrangements for the book-and record-keeping in the Company;
- Administer property of the Company, settle deals in the name of the Company, issue Letters of Attorney, open current and other accounts of the Company with banks and other credit institutions (as well as in events stipulated by the law with organizations – professional participants of the market of securities);

- make orders, approve (accept) instructions, local normative acts and other internal documents of the Company to the extent of his powers, give commands that are binding upon all the Company employees;
- Approve of Regulations for affiliates and representative agencies of the Company;
- Subject to the organizational structure of the executive machinery of the Company approve of the personnel list and official salaries of the Company employees;
- Exercise in respect of the Company employees the employer rights and duties stipulated by the labour legislation;
- Perform functions of Chairman of the Executive Board of the Company;
- Assign spheres of responsibility to the deputies of Director General of the Company;
- Render for the attention of the Board of Directors reports on financial-and-economic activities of daughter and dependant companies, shares (stakes) owned by the Company as well as information on other organizations where the Company is a participant except for events stipulated under Sub Item 6 of Item 22 of these present Articles of Association;
- No later than 45 (Forty Five) days before the date of holding of an annual General meeting of the Company shareholders render for the attention of the Board of Directors an annual return, annual accounting statements, profit-and-loss account of the Company, distribution of income and expenditures of the Company;
- Resolve other aspects of the current activities of the Company except for issues pertaining to the authority of a General meeting of shareholders, the Board of Directors and Executive Board of the Company.

23.4. Director General is elected by the Board of Directors of the Company by the majority vote of members of the Board of Directors who participate in the meeting.

The nomination of candidates to be elected by the Board of Directors of the Company for the post of Director General of the Company shall be governed by the internal document that regulates the order of the calling and holding of a meeting of the Board of Directors of the Company.

Article 24. Auditing Committee and Auditor of the Company.

24.1. Auditing Committee of the Company is elected for a period until the next annual General meeting of shareholders with a view to exercise control over the economic and financial activities of the Company and a General meeting of shareholders.

In the event the Auditing Committee of the Company is elected by an extraordinary General meeting of shareholders members of the Auditing Committee shall be considered elected until the date of holding of an annual General meeting of the Company shareholders.

The numeric strength of the Auditing Committee of the Company shall make up 5 (Five) persons.

24.2. Powers of all or certain members of the Auditing Committee of the Company may be aborted as thereto resolved by a General meeting of the Company shareholders.

24.3. The following issues shall pertain to the powers of the Auditing Committee of the Company:

- Consistency verification of data contained in an Annual Return, annual accounting statements and the profit-and-loss account of the Company.
- Analysis of a financial status of the Company, elicitation of reserves for the improvement of the economic status of the Company, elaboration of recommendations for the governing bodies of the Company;
- Arrangement and holding of an inspection (audit) of financial-and-economic operations of the Company inclusive of in particular:
 - Inspection of the preservation and utilization of capital assets;
 - Inspection of compliance with an established procedure for the writing off insolvent debtor indebtedness to the losses of the Company;
 - Inspection of the drawing on cash assets of the Company in compliance with the approved business plan and budget of the Company;
 - Inspection of the creation and spending of the reserve and other special funds of the Company;

- Inspection of the accuracy and promptitude in the distribution of and paying out dividends per shares of the Company, yield of bonds and returns on other securities;
- Control of earlier assigned actions on the elimination of infractions and shortfalls revealed by previous inspections (audit);
- Perform other activities (arrangements) related to the inspection of financial-and-economic operations of the Company;

24.4. Resolution on any issue pertaining to the powers of the Auditing Committee will be taken by the simple majority vote out of the total number of votes of its members.

24.5. The Auditing Committee of the Company will be in the right and in case of revealing serious infringements in financial-and-economic operations of the Company shall have to request calling of an extraordinary General meeting of the Company shareholders.

24.6. Operating procedure of the Auditing Committee of the Company shall be determined by an internal document of the Company approved by a General meeting of the Company shareholders.

The Auditing Committee in pursuance of a resolution to hold an inspection (audit) will be in the right for the purpose of the holding of such an inspection (audit) to invite experts in respective fields of economics, law, finances, business accounting, management, economic security including among other specialized organizations.

24.7. An inspection (audit) of financial-and-economic operations of the Company may be carried out any time on the initiative of the Auditing Committee of the Company, resolution of a General meeting of shareholders, the Board of Directors of the Company or on the request of a shareholder (shareholders) who owns an aggregate of not less than 10 per cent of voting shares of the Company.

24.8. A General meeting of shareholders shall annually approve of the Auditor of the Company for the inspection and verification of annual financial statements of the Company.

24.9. The amount of payment for the services of the Auditor shall be fixed by the Board of Directors of the Company.

24.10. The Auditor of the Company shall make examinations of financial and economic activities of the Company as thereto provided for by requirements of legal acts of the Russian Federation and on the authority of a contract signed with the Auditor.

24.11. Based on the summary of results of financial and economic activities of the Company the Auditor of the Company shall draw up a report that will have to comprise the following:

- Verification of the consistency of data contained in reports and other financial documents of the Company;
- Information on contraventions in the order of maintenance accounts and submission of financial reporting stipulated by the legal acts of the Russian Federation as well as any other breach of legal acts of the Russian Federation committed in the course of maintaining financial and economic activities of the Company.

The order and terms of the drawing up a report on the summary of results of financial and economic operations of the Company shall be stipulated by legal acts of the Russian Federation and internal documents of the Company.

Article No 25. Business Accounting and Financial Returns of the Company

25.1. The company shall maintain accounts and submit financial reports in the order stipulated by the current legislation of the Russian Federation and these present Articles of Association.

25.2. Subject to the legal acts of the Russian Federation and these present Articles of Association Director General of the Company shall be kept liable for the arrangement, state and accuracy of accounting in the Company, timely rendering of an Annual Return and other financial statements to respective governmental authorities as well as information on the operations of the Company furnished to shareholders, creditors and mass media.

25.3. The accuracy of data contained in an Annual Return of the Company, annual accounting statements shall have to be approved by the Auditing Committee and Auditor of the Company.

25.4. An annual return of the Company, annual accounting statements, the profit-and-loss account of the Company, distribution of income and expenditures of the Company shall be subject to a preliminary approval by the Board of Directors of the Company no later than 30 (Thirty) days before the date of holding of an annual General meeting of the Company shareholders.

Article No 26. Storage of Documents by the Company. Delivery of Information by the Company.

26.1. The Company shall have to maintain safekeeping of the following documents:

- 1) The resolution on the foundation of the Company;

- 2) Article of Association of the Company, amendments and supplements made to the Article of Association of the Company filed in established order and the certificate of Public registration of the Company;
- 3) Documentary evidence of the Company's rights to the property accounted on its balance sheets;
- 4) Internal documents of the Company approved by the governing bodies of the Company;
- 5) Regulations for affiliates and representative agencies of the Company;
- 6) Annual returns;
- 7) Prospectus for the issue of bond, quarterly issuer reports and other documents that contain information that falls under requirements to be published or otherwise disclosed in compliance with federal laws;
- 8) Accounting documents;
- 9) Documents of accounting statements;
- 10) Reports of proceedings at general meetings of shareholders, Minutes of meetings of the Board of Directors of the Company, the Auditing Committee and Executive Board of the Company;
- 11) Voting bulletins as well proxy cards (copies of proxy cards) for the participation in a General meeting of shareholders;
- 12) Reports of independent appraisers;
- 13) Lists of affiliated persons of the Company;
- 14) Lists of persons entitled to participate in a General meeting of shareholders, entitled to the distribution of profit as well as other lists made by the Company for the purpose of exercising by shareholders of their rights as thereto provided for by requirements stipulated by the Federal Law "On the Joint-Stock Companies";
- 15) Findings of the Auditing Committee of the Company, Auditor of the Company, governmental and municipal financial control authorities;
- 16) Other documents stipulated by the legislation of the Russian Federation, these present Articles of Association, internal documents of the Company and resolutions of the governing bodies of the Company.

26.2. The Company shall maintain storage of documents stipulated under Item 26.2 of the present Article as above at the centre of location of the executive of the Company in the order and during the period stipulated by the federal government authority on the market of securities.

26.3. Under reorganization of the Company all the documents shall in established order be handed-over to the assignee.

26.4. Under liquidation as Company permanent storage documents of scientific-and-historic importance will be handed-over to the Federal Archive Service of Russia for the state safe-keeping; personnel documents (orders, personal files and record cards, personal account etc.) shall be handed-over for the safe-keeping to a respective archival depository of a constituent entity of the Russian Federation.

Handing-over and the sorting of documents shall be made in compliance with requirements of archival authorities.

Information on the Company shall be furnished to them in compliance with the legislation of the Russian Federation.

26.5. The Company shall provide shareholders with access to documents stipulated under Item 26.1 of the present Article compliant to restrictions imposed by the legislation of the Russian Federation.

Shareholders (a shareholder) who have an aggregate of not less than 25 (Twenty Five) per cent of voting shares of the Company shall have access to accounting documents and minutes of meetings of the Executive Board of the Company.

26.6. The Company shall have to furnish documents stipulated under Item 26.1 of the present Article for the familiarization in the office of the executive body of the Company within 7 (Seven) days since the day a respective request is made.

On request of persons who are in the right to access documents stipulated under Item 26.1 of the present Article the Company shall be obligated to furnish them with copies of such documents.

26.7. The amount of charge shall be fixed by Director General of the Company and may not exceed the cost of reproduction of such documents.

26.8. The Company shall grant shareholders and employees of the Company access to information in compliance with requirements set forth by the legislation of the Russian Federation on state secrets.

Article No 27. Reorganization and Liquidation as Company.

27.1. The Company may be voluntary reorganized by means of merger, amalgamation, separation, detachment and transformation as well as by virtue of and in the order stipulated by the Civil Code of the Russian Federation and federal laws.

27.2. The Company may be wound-up voluntarily or on the decision of Court in the order stipulated by the Civil Code of the Russian Federation, Federal Law "On the Joint-Stock Companies" and these present Articles of Association.

27.3. In case of reorganization, winding up of the Company or closing down of works that contain information which constitutes a state secret the Company shall have to secure safety of such information and its media by means of development and implementation of security system arrangements to protect information, ПД ТР, secure safe-keeping and fire prevention.

Supplement No 1
To the Articles of Association
Of "Interregional Distribution Grid Company
Of Centre and Volga Region Joint Stock Company"

List of Affiliates and Representative Agencies
of the
"IDGC of Centre and Volga Region, JSC"

No	Designation	Address
1.	Affiliate "Vladimirenergo"	No 106, Bolzhaya Nizhegorodskaya Street, Vladimir, 600016, Russia
2.	Affiliate "Ivenergo"	No 3B, Suzdalskaya Street, Ivanovo, 153021, Russian Federation
3.	Affiliate "Kalugaenergo"	No 35, Grabtzevskoye Zhosse, Kaluga, 248009, Russian Federation
4.	Affiliate "Kirovenergo"	No 51, Drelevsky Street, Kirov, 610000, Russian Federation
5.	Affiliate "Marienergo"	No 39A, Panfilov Street, Yozhkar –Ola, 424003, Russian Federation
6.	Affiliate "Nizhnovenergo"	No 33, Rozhdestvenskaya Street, Nizhny Novgorod, 603950, Russia
7.	Affiliate "Ryazanenergo"	No 12, MOGES Street, Ryazan, 390013, Russian Federation
8.	Affiliate "Tulenergo"	No 99, Timiryazev Street, Tula, 300600, Russian Federation
9.	Affiliate "Udmurtenergo"	No 30, Sovetskaya Street, Izhevsk, 426004, Russian Federation

33 (Thirty Three) pages
Laced and numbered
Whereunto a seal is affixed
Signature A.A. Zakharov
Executive secretary of the Executive Board
Of the RAO "UES of Russia", JSC

Stamp