

APPROVED

By Resolution of the annual General  
Shareholders' Meeting of JSC "Moscow  
United Electric Grid Company"  
(Minutes # 10 as of "23" June of 2011)

Chairman at the annual General  
Shareholders' Meeting  
Shvets N.N.

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**CHARTER of  
Joint-Stock Company  
"Moscow United Electric Grid Company"  
(NEW VERSION)**

Moscow  
2011

## **Article 1. General Provisions**

1.1. Joint-Stock Company “Moscow United Electric Grid Company” (hereinafter referred to as “Company”), renamed from JSC “Moscow Regional Electric Grid Company” (minutes # 3 as of 06.07.2006 of the Annual General Shareholders’ Meeting of JSC “Moscow Regional Electric Grid Company”), is established as a result of the reorganization of JSC “Mosenergo” by way of spinning off (minutes # 1 as of 29.06.2004 of the annual General Shareholders’ Meeting of JSC “Mosenergo”).

1.2. Company is a legal successor in relation to a part of rights and obligations of JSC “Mosenergo” according to the separation balance sheet of JSC “Mosenergo”, approved by the annual General Shareholders’ Meeting of JSC “Mosenergo” (minutes # 1 as of 29.06.2004).

1.3. Full business name of the Company in the Russian language – Открытое акционерное общество «Московская объединенная электросетевая компания», in the English language – Joint-Stock Company “Moscow United Electric Grid Company”.

1.4. Shortened business name of the Company in the Russian language:

- ОАО «Московская объединенная электросетевая компания»;
- ОАО «МОЭСК».

In the English language:

- JSC “MOESK”.

1.5. Company’s location: 115114, Russian Federation, Moscow, 2<sup>nd</sup> Paveletsky passage, 3, bld. 2.

1.6. Company is established without any restriction of the activities term.

## **Article 2. Company’s legal standing**

2.1. Company’s legal standing is determined by the Civil Code of the Russian Federation, by Federal law on “Joint-Stock companies”, other normative legal acts of the Russian Federation and also by the present Charter.

2.2. Company is a legal person according to the Russian Federation’s legislation.

2.3. Company owns self-standing property accounted at its independent balance sheet, can acquire on its behalf and implement property and personal non-property rights, discharge duties, be a plaintiff and defendant in the court.

2.4. According to the established order the Company has a right to open bank accounts in the Russian Federation’s territory and out of its bounds.

2.5. Company bears responsibility on its obligations by all the property belonging to it. Company shall be liable for the obligations of the state and its bodies and also for the obligations of its shareholders.

Company’s shareholders shall not be liable for the Company’s obligations, except for cases stipulated by the Russian Federation’s legislation.

Shareholders have a right to alienate the shares belonging to them without agreement of other shareholders and that of the Company.

Company’s shareholders bear a risk of losses, connected to its activities, in the range of the shares belonging to them.

2.6. Company has a round stamp containing its full business name in the Russian

language and mentioning of its location.

Company has a right to have stamps and pre-printed forms with its business name, its own emblem, and also the trademark registered in the established order and other visual identification means.

2.7. Company has the civil rights and incurs obligations, necessary to implement any types of activities not forbidden by federal laws.

2.8. Company can establish branches and open representative branches both in the territory of the Russian Federation and out of its bounds.

Company's branches and representative branches are not legal persons, act on the Company's behalf and on basis of provisions approved by the Company.

Company's branches and representative branches are given property which is accounted both at their separate balance sheets and on the Company's balance.

Chief of a branch or a representative branch of the Company is appointed by the Company's Director General and acts on basis of a proxy issued by the Company.

Company bears responsibility for the activities of its branch and representative branch.

Branches constitute the Company according to the list stated in Appendix # 1 to the present Charter. The Appendix is the present Charter's component.

2.9. Company can have subsidiaries and affiliates with the rights of a legal person in the territory of the Russian Federation, established according to Federal law "On joint-stock companies", to other federal laws and the present Charter, and out of the bounds of the Russian Federation's territory – according to the legislation of a foreign state, where the Company's subsidiary or affiliate is located, if something else isn't stipulated by international contract of the Russian Federation.

### **Article 3. Goals and activities types of the Company**

3.1. Main activities' goals of the Company are:

- receipt of profit by the Company;
- implementation of efficient and reliable facilities functioning of the distribution electric grid complex;
- stable development provision of the distribution electric grid complex;
- provision of reliable and qualitative energy supply of consumers (as to delivery and transmission of electric power).

3.2. To obtain profit, the Company has a right to implement any types of activities not forbidden by the law, including:

- services rendering on transmission and distribution of electric power;
- services rendering on connection to electric grids;
- services rendering on gathering, transmission and processing of technological information, including the data of measurements and accounting;
- diagnostics, operation, repair of electric grids and other facilities of the electric grid sector and technological governance by them;
- diagnostics, operation, repair of the technological communication's grids, measurement and accounting means, equipment of relay protection and emergency controls and other equipment connected with the functioning of the electric grid sector, technological equipment and also technological governance by them;
- elaboration of long-term forecasts, perspective and current plans of the

electric grid complex's development, target complex scientific and technical, economic and social programs;

- development of electric grids and other facilities of the electric grid sector, including designing, engineering surveys, construction, reconstruction, re-equipment, installation and set-up;

- development of the technological communication's grids, measurement and accounting means, equipment of relay protection and emergency controls and other technological equipment connected with the functioning of the electric grid sector, including designing, engineering surveys, construction, reconstruction, re-equipment, installation and set-up;

- operation of explosion-hazard, chemically and fire hazardous production facilities, connected to the functioning of the electric grid sector;

- preparation of the design documentation of the capital construction's facilities;

- activities implementation on construction, reconstruction and capital repair;

- activities in the sphere of energy saving and energy efficiency increase;

- schedules elaboration of the emergency restriction of the consumption regime;

- control measurements production of the load flow, loads and voltage levels in electric grids of the energy systems;

- services rendering on attestation making of working places by labor conditions;

- activities on prevention and fire extinguishing, installation, repair and servicing of fire safety devices of the buildings and constructions connected to the electric grid sector's functioning;

- technological control implementation, carrying out an expert examination of industrial safety and occupational safety at the electric grid sector's facilities;

- oil products storage used for technological goals;

- implementation of foreign economic activity, trade and economic and scientific and technical cooperation with foreign firms, for the goals of provision of the Company's activities types stipulated by the Charter;

- educational activities for the goals of training, re-training and teaching of the personnel, including the competence assessment of the personnel of the technical operation rules, fire safety rules and other normative documents;

- cargo and passengers carriage by automobile, railway and air transport in technological goals;

- operation, technical maintenance and repair of automobile, railway and air transport and hoisting machines, used in technological goals;

- safeguarding activity exceptionally for the sake of own safety interests, in terms of the Security Service established by the Company, which is guided in its activities by Law of RF "On private detective and safeguarding activity in the Russian Federation" and by the current legislation of RF;

- organization and holding of armament arrangements on the mobilization training issues, those of civil defense, emergency situations and data protection which represent the state secret, according to the current legislation of RF;

- liquidation of emergencies' consequences on communication lines, contact and power electric grids;

- other types of activities, not forbidden by the Russian Federation's

legislation;

- organization of twenty-four-hour operating and dispatching management by the agreed work of the electric grids and other facilities of the electric grid sector, prevention and liquidation of technological faults under transmission and distribution of electric power.

3.3. Company can run separate types of activities, the list of which is determined by federal laws, only on basis of a special permit (license).

A right of the Company to implement activities, for which a license receipt is necessary, arises from the moment of such a license receipt or within the term stated in it and lapses upon its duration expiry, if something else isn't established by the law and by other legal acts.

#### **Article 4. Company's authorized capital**

4.1. Company's authorized capital is composed of the Company's shares' nominal value, acquired by the shareholders (allotted shares).

Company's authorized capital amounts to RUR 24 353 545 787 (Twenty four billion three hundred fifty three million five hundred forty five thousand seven hundred eighty seven).

Company has placed the ordinary registered shares with the same nominal value of RUR 0,5 (zero point five tenth) for each share, in number of 48 707 091 574 (Forty eight billion seven hundred seven million ninety one thousand five hundred seventy four) pieces for the total sum by the nominal value -RUR 24 353 545 787 (Twenty four billion three hundred fifty three million five hundred forty five thousand seven hundred eighty seven).

4.2. Company's authorized capital can be:

- increased by way of the shares' nominal value increase or by way of the supplement shares placement ;

- decreased by way of the shares' nominal value decrease or by way of their total number decrease, including by way of acquisition and redemption of a part of the Company's outstanding shares according to the present Charter.

Increase of the Company's authorized capital is allowed only after its full payment.

Supplement shares payment placed by the Company by way of setoff of claims to the Company is allowed in cases stipulated by Federal law "On joint-stock companies".

Decrease of the Company's authorized capital is made in the order stipulated by the Russian Federation's legislation and by the present Charter.

Company must decrease its authorized capital in cases stipulated by Federal law "On joint-stock companies".

4.3. Company has a right to place additionally to the placed shares 3 718 126 (Three million seven hundred eighteen thousand one hundred twenty six) pieces registered ordinary shares with the nominal value of RUR 0,5 (zero point five tenth) for each share, for the total sum of RUR 1 859 063 (One million eight hundred fifty nine thousand sixty three) on the nominal cost.

Registered ordinary shares, declared by the Company to placement, represent their owners the rights, stipulated by item 6.2 of article 6 of the present Charter.

## **Article 5. Shares, bonds and other equity securities of the Company**

5.1. Company places ordinary shares and has a right to place one or several types of privileged shares, bonds and other equity securities in the order established by the Russian Federation's legislation.

5.2. Company has a right to implement placement of supplement shares and other equity securities by way of allocation of them among the Company's shareholders, subscription and conversion.

5.3. Conversion of ordinary shares into privileged shares, bonds and other securities is not allowed.

5.4. Placement by the Company of the Company's shares and other securities, convertible into shares, is made according to the Russian Federation's legal acts.

5.5. In cases stipulated by the Russian Federation's legislation, the Company's shareholders have a preemptive acquisition right of supplement shares and equity securities placed by way of subscription, convertible into shares, in number which is proportional to the number of this category's (type's) shares belonging to them.

5.6. If under a preemptive right exercising for acquisition of supplement shares and also under consolidation of shares, the acquisition by a shareholder of an integer number of shares is impossible, fractional shares are formed.

Fractional share represents the shareholders – its owner, the rights represented by a share of a corresponding category (type) in a volume, corresponding to a part of a full share which it composes.

Fractional shares circulate on equal terms with full shares. In case if one and the same person acquires two or more fractional shares of one category (type), these shares form one full and (or) fractional share, which is equal to these fractional shares' sum.

5.7. Payment of supplement shares placed by way of subscription can be implemented by money, securities, other things or by proprietary rights or by rights having a pecuniary valuation.

Form of supplement shares payment is determined by a decision on their placement.

Payment of other equity securities can be made only by money.

## **Article 6. Rights of the Company's shareholders**

6.1. That person is acknowledged to be the Company's shareholder, who owns the Company's shares on the grounds stipulated by the Russian Federation's legislation and by the present Charter.

6.2. Each registered ordinary share of the Company represents the shareholder – its owner the same volume of rights.

Shareholders-owners of the Company's registered ordinary shares have a right to:

- 1) take part in person or via representatives in the Company's General Shareholders' Meeting with a right to vote on all the issues of its competence;
- 2) introduce offers in an agenda of the general meeting in the order stipulated by the Russian Federation's legislation and by the present Charter;
- 3) get information on the Company's activities and get acquainted with the Company's documents according to article 91 of Federal law "On joint-stock

- companies”, other normative legal acts and to the present Charter;
- 4) get dividends declared by the Company;
  - 5) acquire preemptively supplement shares and equity securities placed by way of subscription, convertible into shares, in number which is proportional to the number of ordinary shares belonging to them, in cases stipulated by the Russian Federation’s legislation;
  - 6) receive a part of the Company’s property in case of its liquidation;
  - 7) implement other rights, stipulated by the Russian Federation’s legislation and by the present Charter.

## **Article 7. Dividends**

7.1. By the results of the first quarter, half year, nine months of the fiscal year and (or) by the fiscal year’s results the Company has a right to take decisions, declare on the dividends payout on the placed shares. Decision on payment (declaration) of dividends by the results of the first quarter, half year and nine months of the fiscal year can be taken within three months after the corresponding period’s end.

Company must pay out dividends declared on the shares on each category (type).

7.2. Company’s doesn’t have a right to pay out the declared dividends on the shares:

- if as of the payout day the Company meets the criteria for financial insolvency (bankruptcy) according to the Russian Federation’s legislation on financial insolvency (bankruptcy) or if the stated criteria appear at the Company as a result of the dividends payout;

- if as of the payout day the net assets’ cost of the Company is less than the sum of its authorized capital, reserve fund or becomes less than the stated sum as a result of the dividends payout;

- in other cases, stipulated by federal laws.

Upon the obligations termination stated in the present item, the Company must pay out the shareholders the declared dividends.

7.3. Decisions on payout (declaration) of dividends, including decisions on the dividends’ amount and form of their payout on the shares of each category (type) are taken by the Company’s General Shareholders’ Meeting.

Amount of the dividends can’t be more than the one recommended by the Company’s Board of Directors.

Company’s General Shareholders’ Meeting has a right to take a decision on non-payment of dividends on shares of certain categories (types).

7.4. Company’s doesn’t have a right to take a decision (declare) on the dividends payout on the shares:

- till the full payment of all the Company’s authorized capital;

- till buyback by the Company of all the shares which must be bought back according to article 76 of Federal law “On joint-stock companies”;

- if as of the day of such decision taking the Company meets the criteria for financial insolvency (bankruptcy) according to the Russian Federation’s legislation on financial insolvency (bankruptcy) or if the stated criteria appear at the Company as a result of the dividends payout;

- if as of the day of such a decision taking, the net assets’ cost of the Company is

less than the sum of its authorized capital and reserve fund or becomes less than the stated sum as a result of such a decision taking;

- in other cases, stipulated by federal laws.

7.5. Resource of the dividends payout is the Company's profit after taxation (the Company's net profit). The Company's net profit is determined according to the data of the Company's accounting reports.

7.6. Order and term of the dividends payout are determined by a decision of the General Shareholders' Meeting on the dividends payout. Term of the dividends payout shall not exceed 60 (Sixty) days after a decision taking on their payout. If no term of the dividends payout is determined by a decision of the General Shareholders' Meeting on their payout, the term is believed to be equal to 60 (Sixty) days after a decision taking on the dividends payout. Company doesn't have a right to represent any privilege in terms of the dividends' payouts to separate shares owners of one category (type). Payout of the declared dividends on the shares of each category (type) is made simultaneously to all the shares owners of the given category (type).

List of persons having a right to get dividends is composed as of the date of the persons' list compilation, having a right to take part in the General Shareholders' Meeting at which a decision is taken on the corresponding dividends payout. To compose a list of persons having a right to get dividends, the nominal holder of shares represents the data on persons in whose interests he/she owns the shares.

7.7. If within a term of the dividends payout, determined according to item 7.6 of the present Charter, the declared dividends are not paid out to a person included in the list of person having a right to get dividends, such person has a right to appeal to the Company with a claim on payout to him of the declared dividends. It is done within three years after the stated term expiration.

The term within which the appeal with a claim on the declared dividends payout can be done is not subjected to recovery if missed; exception is a case if a person having a right to get dividends gave in the stated claim influenced by violence or threat.

Upon the term expiration stated in the present item, the dividends declared and unclaimed by a shareholder are recovered in the structure of the Company's retained profit.

## **Article 8. Company's funds**

8.1. Company establishes the Reserve fund in the amount of 5 (Five) percent of the Company's authorized capital.

Amount of obligatory annual allocations in the Company's Reserve fund amounts to 5 (Five) percent of the Company's net profit, till the established amount achievement by the Reserve fund.

8.2. Company's Reserve fund is meant for losses coverage of the Company and also for the Company's bonds redemption and shares buyback of the Company in case of other funds absence.

Company's Reserve fund can't be used for other goals.

8.3. Company has a right to form other funds according to the current legislation's requirements of the Russian Federation, providing its financial and economic activities as a business entity.



## **Article 9. Company's governance and control bodies**

9.1. Company's governance bodies are:

- General Shareholders' Meeting;
- Board of Directors;
- Management Board;
- Director General.

9.2. Internal Audit Commission of the Company is the body of control over the financial and economic activities of the Company.

## **Article 10. General Shareholders' Meeting of the Company**

10.1. General Shareholders' Meeting is the supreme governance body of the Company.

10.2. The following issues shall refer to the competence of the General Shareholders' Meeting:

1) introduction of amendments and additions in the Charter or the Charter approval in new version;

2) reorganization of the Company;

3) liquidation of the Company, appointment of a liquidation commission and approval of a intermediate and final liquidation balance-sheets;

4) definition of quantity, nominal value, category (type) of the declared shares and rights represented by these shares;

5) increase of the Company's authorized capital by way of the shares' nominal value increase or by way of the supplement shares placement;

6) decrease of the Company's authorized capital by way of the shares' nominal value decrease, by way of acquisition by the Company of a part of shares in order to decrease their total number, and also by way of the shares redemption acquired or bought back by the Company;

7) Company's shares split and consolidation;

8) decision taking on placement by the Company of bonds, convertible into shares and other equity securities convertible into shares;

9) election of members of the Company's Board of Directors and early termination of their authorities;

10) election of members of the Company's Internal Audit Commission and early termination of their authorities;

11) approval of the Company's Auditor;

12) decision taking on the authorities delegation of the Company's Sole Executive Body to a managing organization (manager) and early termination authorities of a managing organization (manager);

13) approval of an annual report, the annual accounting reports, including profit and losses reports (profit and losses accounts) of the Company and also the profit distribution, (including payout (declaration) of dividends, except for profit distributed as dividends by the results of the first quarter, half year, nine months of the fiscal year) and Company's losses by the fiscal year's results;

14) payout (declaration) of dividends by the results of the first quarter, half year, nine months of the fiscal year;

- 15) order definition of conduct of the Company's General Shareholders' Meeting;
- 16) decisions taking on the transactions approval in cases stipulated by article 83 Of Federal law "On joint-stock companies";
- 17) decisions taking on the large transactions approval in cases stipulated by article 79 of Federal law "On joint-stock companies";
- 18) decision taking on membership in the financial and industrial groups, associations and other groupings of commercial entities;
- 19) internal documents approval regulating the activities of the Company's bodies;
- 20) decision taking on the remunerations and (or) compensations payout to members of the Company's Internal Audit Commission;
- 21) decision taking on the remunerations and (or) compensations payout to members of the Company's Board of Directors;
- 22) other issues deciding, stipulated by Federal law "On joint-stock companies".

10.3. Issues related to the competence of the General Shareholders' Meeting can't be transferred for a decision to the Board of Directors, Management Board and Director General of the Company.

General Shareholders' Meeting doesn't have a right to consider and take decisions on issues, not related to its competence by Federal law "On joint-stock companies".

10.4. Decision of the General Shareholders' Meeting on the issue, put to vote, is taken by the majority of the shareholders' votes – owners of the Company's voting shares, taking part in the meeting, if anything else isn't established by Federal law "On joint-stock companies".

10.5. Decisions of the General Shareholders' Meeting of the Company are taken by the majority of the shareholders' votes in three quarters – owners of the Company's voting shares taking part in the Company's General Shareholders' Meeting, on the following issues:

- introduction of amendments and additions in the Charter or the Charter approval in a new version ;
- reorganization of the Company;
- liquidation of the Company, appointment of a liquidation commission and approval of an intermediate and final liquidation balance sheets;
- definition of quantity, nominal value, category (type) of the declared shares and rights represented by these shares;
- decrease of the Company's authorized capital by way of the shares' nominal value decrease;
- placement of shares (equity securities of the Company convertible into shares) by way of a private placement upon a decision of the General Shareholders' Meeting on the Company's authorized capital increase by way of supplement shares placement (on placement of the Company's equity securities convertible into shares);
- placement by way of a public subscription of ordinary shares making over 25 (Twenty five) percent of ordinary shares placed earlier;
- placement by way of a public subscription of equity securities convertible into ordinary shares. The equity securities can be converted into ordinary shares making over 25 (Twenty five) percent of ordinary shares placed earlier;
- decisions taking on a large transaction approval, the subject of which is

property, the cost of which amounts to over 50 (Fifty) percent of the assets' balance sheet value of the Company;

- In other cases stipulated by Federal law "On joint-stock companies".

Decision on an interested party transaction approval according to article 81 of Federal law "On joint-stock companies", is taken by the General Shareholders' Meeting of the Company according to article 83 FL "On joint-stock companies".

10.6. Submission for decision to the Company' General Shareholders' Meeting of issues stipulated by sub items 2,5,7,8,12-20 of item 10.2 of article 10 of the present Charter, and also the present Charter and also the authorized capital decrease by way of the shares' nominal value decrease, is made only by an offer of the Company's Board of Directors.

10.7. General Shareholders' Meeting of the Company doesn't have a right to take decisions on issues not included in the Company's agenda of the Company's General Shareholder's Meeting and also to change the agenda.

Decisions of the General Shareholders' Meeting taken on issues not included in the agenda of the General Shareholders' Meeting (except for a case if all the Company's shareholders' have taken part in it) or with the competence violation of the General Shareholders' Meeting, under a quorum absence for conduct of the General Shareholders' Meeting or without the votes majority of the shareholders being necessary for the decision taking, don't have any force independently off lodging a complaint in a judicial procedure.

10.8. Voting at the General Shareholders' Meeting is made by a principle "one voting share – one vote", except for a cumulative voting on the issue on members election of the Company's Board of Directors.

Under cumulative voting the number of votes belonging to each shareholder, is multiplied by the number of persons who must be elected in the Company's Board of Directors, and a shareholder has a right to give fully the votes got by such a way for one candidate or distribute them between two and more candidates.

Those candidates are believed to be elected in the structure of the Company's Board of Directors who have mustered the biggest number of votes.

10.9. General Shareholders' Meeting of the Company can be held where is the Company located or in Moscow city.

Concrete address of holding of the Company's General Shareholders' Meeting is established by the Board of Directors under issues deciding connected to the preparation to holding of the General Shareholders' Meeting.

10.10. Functions of the Chairman at the General Shareholders' Meeting are discharged by a Chairman of the Board of Directors.

If the Chairman of the Board of Directors is absent at the General Shareholders' Meeting, the functions of the Chairman at the General Shareholders' Meeting are discharged by a Deputy Chairman of the Board of Directors.

If the Chairman of the Board of Directors and his Deputy are absent at the General Shareholders' Meeting, the functions of the Chairman at the General Shareholders' Meeting can be discharged by any member of the Board of Directors, upon a decision of the Board of Directors' members attending the General Shareholders' Meeting.

## **Article 11. Conduct of the Company's General Shareholders' Meeting by way of compresence**

11.1. Annual General Shareholders' Meeting of the Company is held not earlier than in two months and no later than in six months after the fiscal year's end.

The following issues are obligatorily decided at the annual General Shareholders' Meeting: the issues of election of the Board of Directors, Internal Audit Commission, approval of the Company's Auditor, the issues of the following documents approval represented by the Company's Board of Directors – annual report of the Company, annual accounting reports, including profit and losses reports (profit and losses accounts) of the Company and also profit distribution (including payout (declaration) of dividends, except for profit distributed as dividends by the results of the first quarter, half year, nine months of the fiscal year) and losses of the Company by the fiscal year's results.

11.2. General Shareholders' Meeting is held by way of compresence of the shareholders (shareholders' representatives) in order to discuss the agenda's issues and take decisions by the issues put to voting.

Decisions of the General Shareholders' Meeting can be taken by way of an absent voting conduct (by poll) according to article 12 of the present Charter.

11.3. Functions of the ballot committee at the General Shareholders' Meeting are discharged by a professional participant of the securities' market, who is a holder of the Company's register of shareholders (the Company's registrar).

11.4. List of persons having a right to take part in the General Shareholders' Meeting, is composed on basis of the register's data of the Company's shareholders.

Compilation date of the Company's list of persons having a right to take part in the General Shareholders' Meeting of the Company can't be established earlier than the date of a decision taking on conduct of the Company's General Shareholders' Meeting and in advance of over 50 (Fifty) days before the date of the General Shareholders' Meeting conduct, except for a case stipulated by item 14.9 of the present Charter.

11.5. Notice on conduct of the General Shareholders' Meeting is sent (or handed in) each person stated in the list of persons having a right to take part in the General Shareholders' Meeting, and also is published by the Company no later than in advance of 30 (Thirty) days before the date of its conduct in socio-political newspaper "Izvestiya".

If a nominal holder of shares is a person registered in the Company's shareholders' register, a notice on conduct of the General Shareholders' Meeting is sent in the address of the shares' nominal holder, provided that no other postal address (to which a notice on conduct of the General Shareholders' Meeting must be sent) is stated in the list of persons having a right to take part in the General Shareholders' Meeting.

11.6. Voting bulletins by the agenda's issues are sent by a registered letter to the address stated in the list of persons, having a right to take part in the General Shareholders' Meeting, or are handed in against a signature to each person, stated in the list of persons having a right to take part in the General Shareholders' Meeting, no later than in advance of 20 (Twenty) days before the date of conduct of the General Shareholders' Meeting.

Each person included in the list is represented one exemplar of a voting bulletin by all the issues or per one exemplar of two and more voting bulletins by different issues.

11.7. Information (materials) by the agenda's issues of the General Shareholders' Meeting must be accessible to persons having a right to take part in the General Shareholders' Meeting for getting acquainted in a building of the Company' executive

body and in other places, the addresses of which are stated in notice on conduct of the General Shareholders' Meeting. It should be done within 20 (Twenty) days and in case of conduct of the General Shareholders' Meeting the agenda of which contains an issue on the Company's reorganization, - within 30 (Thirty) days before conduct of the General Shareholders' Meeting. The states information (materials) must be accessible to persons taking part in the General Shareholders' Meeting, during its conduct.

Order of getting acquainted of persons having a right to take part in the General Shareholder's Meeting, with the information (materials) by the agenda's issues of the General Shareholder's Meeting and the list of such information (materials) are determined by a decision of the Company's Board of Directors.

11.8. Right for the participation in the General Shareholder's Meeting is implemented by a shareholder both in person and via his/her representative.

If a share of the Company is in common ownership of several persons then these persons are represented one exemplar of a voting bulletin by all the issues or per one exemplar of two and more voting bulletins by different issues. And legal powers on voting at the General Shareholders' Meeting are implemented at their discretion by one of the participants of the Joint ownership or by their common representative.

Legal powers of each of the stated persons must be drawn up properly.

11.9. Under conduct of the General Shareholders' Meeting by way of compresence, persons included in the list of persons having a right to take part in the General Shareholders' Meeting (their representatives), have a right to take part in such a meeting or send the filled in bulletins to the Company.

11.10. General Shareholders' Meeting is legally qualified (has a quorum), if the shareholders possessing in total of over than votes' half of the placed voting shares of the Company, have taken part in it.

Those shareholders are believed to have taken part in the General Shareholders' Meeting, who registered in order to participate in it, and shareholders whose bulletins are received no later than in advance of two days before the date of conduct of the General Shareholders' Meeting.

11.11. Under a quorum absence for conduct of the annual General Shareholders' Meeting, a repeated General Shareholders' Meeting of the Company must be conducted with the same agenda. Under a quorum absence for conduct of an extraordinary General Shareholder's Meeting of the Company, a repeated General Shareholders' Meeting of the Company can be conducted with the same agenda.

Decision on convocation of a repeated General Shareholders' Meeting of the Company is taken by the Company's Board of Directors.

Repeated General Shareholders' Meeting of the Company, convened instead of the one not having taken place is legally qualified if the shareholders possessing in total at least 30 percent of votes of the Company's placed voting shares have taken part in it.

Under conduct of a repeated General Shareholders' Meeting in a shorter period than 40 (Forty) days after not having taken place General Shareholders' Meeting, the persons having a right to take part in the General Shareholders' Meeting are determined according to a list of persons who had a right to take part in not having taken place General Shareholders' Meeting.

Under a quorum absence for conduct on basis of a court's decision of an annual General Shareholders' Meeting, a repeated General Shareholders' Meeting with the same agenda must be conducted no later than in 60 days. Thereby no additional production in court is required. A repeated General Shareholders' Meeting is convened and conducted

by a person or a body of the Company, stated in the court's decision, and if the stated person or body of the Company didn't convene an annual General Shareholders' Meeting within a term determined by the court's decision, a repeated Shareholders' Meeting is convened and conducted by other persons or body of the Company, who file a lawsuit in court provided that these persons or body of the Company are stated in the court's decision.

Under a quorum absence for conduct on basis of a court's decision of an extraordinary General Shareholders' Meeting, no repeated General Shareholders' Meeting is conducted.

11.12. Minutes of the General Shareholders' Meeting is drawn up in two exemplars no later than in 3 (three) working days after closing of the General Shareholders' Meeting. Both exemplars are signed by a Chairman at the General Shareholders' Meeting and by the Secretary of the General Shareholders' Meeting (Corporate secretary).

11.13. Voting results and decisions taken by the General Shareholders' Meeting of the Company, can be announced at the General Shareholders' Meeting of the Company.

If the voting results and decisions taken by the General Shareholders' Meeting of the Company, have not been announced at the General Shareholders' Meeting, then decisions taken by the General Shareholders' Meeting of the Company, and also voting results are published by the Company in socio-political newspaper "Izvestiya" in form of report on the voting results, no later than in 10 (Ten) days after the minutes drawing up on the voting results.

## **Article 12. Conduct of the General Shareholders' Meeting in form of absent meeting**

12.1. Decision of the General Shareholders' Meeting can be taken without a conduct of a meeting (compresence of shareholders for discussion of the agenda's issues and decisions taking on issues put to voting) by way of an absent voting conduct (by poll).

Voting by the agenda's issues of the General Shareholders' Meeting conducted by way of an absent voting, is implemented only by voting bulletins.

12.2. General Shareholders' Meeting the agenda of which includes the issues on election of the Company's Board of Directors, Company's Internal Audit Commission, on approval of the Company's Auditor and also issues stipulated by subitem 13 of item 10.2 of article 10 of the present Charter, can't be conducted in form of an absent voting.

They can't conduct a new General Shareholders' Meeting in form of an absent voting (by poll) instead of not having taken place General Shareholders' Meeting, which was to have been conducted by way of compresence.

12.3. List of persons having a right to take part in the absent voting by the agenda's issues of the General Shareholders' Meeting, is composed on basis of data of the Company's register of shareholders.

Compilation date of a list of persons having a right to take part in the absent voting by the agenda's issues of the General Shareholders' Meeting, can't be established earlier than the date of a decision taking on conduct of the General Shareholders' Meeting of the Company and in advance of over than 50 (Fifty) days before the acceptance end of bulletins by the Company.

12.4. Notice on conduct of the General Shareholders' Meeting by way of an

absent voting is published by the Company in socio-political newspaper "Izvestiya" no later than in advance of 30 (Thirty) days before the date of the acceptance end of bulletins by the Company.

12.5. Voting bulletins by the agenda's issues are sent by a registered letter to the address stated in the list of persons having a right to take part in the General Shareholders' Meeting, or are handed in against a signature to a person stated in the list of persons, having a right to take part in the General Shareholders' Meeting, no later than in advance of 20 (Twenty) days before the date of the acceptance end of bulletins by the Company.

Each person included in the list of persons having a right to take part in the General Shareholders' Meeting is represented one exemplar of voting bulletin by all the issues or per one exemplar of two and more voting bulletins by different issues.

Order of the persons getting acquainted, having a right to take part in the General Shareholders' Meeting, with information (materials) by the agenda's issues of the General Shareholders' Meeting and list of such information (materials) are determined by a decision of the Company's Board of Directors.

12.6. General Shareholders' Meeting, conducted by way of an absent voting is legally qualified (has a quorum), if the shareholders possessing in total of over half of votes of the Company's placed voting shares have taken part in it.

Those shareholders are believed to have taken part in the General Shareholders' Meeting, conducted in form of an absent voting, whose bulletins are got no later than the date stated in them of the acceptance's end of bulletins by the Company.

12.7. Minutes on the voting results is drawn up in two exemplars and signed by the Company's registrar no later than 3 (Three) working days after date of end of the bulletins acceptance.

Minutes of the General Shareholders' Meeting is drawn up in two exemplars no later than in 3 (Three) working days after the bulletins acceptance end by the Company. Both exemplars are signed by the Chairman of the General Shareholders' Meeting and by Secretary of the General Shareholders' Meeting.

12.8. Decisions taken by the General Shareholders' Meeting, and also voting results in form of the report on the voting results are published in socio-political newspaper "Izvestiya" no later than in 10 (Ten) days after the minutes drawing up on the voting results.

### **Article 13. Offers in the agenda of the annual General Shareholders' Meeting of the Company**

13.1. Shareholders (shareholders) who are owners collectionwise of at least 2 percent of the Company's voting shares, have a right to introduce the issues in the agenda of the General Shareholders' Meeting and nominate candidates in the Company's Board of Directors and Company's Internal Audit Commission, the number of which can't exceed the quantitative staff of a corresponding body. Such offers must enter in the Company no later than in 60 (Sixty) days after a fiscal year's end.

13.2. Offer on the issues introduction in the agenda of the General Shareholders' Meeting and an offer on the candidates nomination are made in a written form with mentioning of a name of shareholders (shareholder) who represented them, quantity and category (type) of the shares belonging to them and must be signed by the shareholders (shareholder).

13.3. Offer on the issues introduction in the agenda of the General Shareholders' Meeting must contain a formulation of each would-be issue, and an offer of the candidates nomination must contain a name and data of an identity certificate (series and (or) number of the document, date and place of its issuance, body which issued the document) of each would-be candidate, name of the body for the election to which he is offered.

13.4. Company's Board of Directors must consider the reached offers and take decisions on their inclusion in the agenda of the General Shareholders' Meeting of the Company of on refusal in inclusion in the stated agenda no later than 5 (Five) days after the term's end stated in item 13.1 of the present article.

13.5. Company's Board of Directors has a right to refuse the issues inclusion introduced by a shareholder (the shareholders) in the agenda of the General Shareholders' Meeting, and also to refuse the nominated candidates inclusion in the list of candidacies for voting on elections in a corresponding body of the Company by virtue of the grounds, stipulated by Federal law "On joint-stock companies" and by other legal acts of the Russian Federation.

13.6. Motivated decision of the Company's Boards of Directors on refusal an issue inclusion in the agenda of the General Shareholders' Meeting of the Company or a candidate inclusion in the list of candidacies for voting on elections in the Company's corresponding body is sent to a shareholder (the shareholders) who introduced the issue of nominated the candidate, no later than in 3 (Three) days after its taking.

13.7. Company's Board of Directors doesn't have a right to introduce any changes in a formulations of issues offered for inclusion in the agenda of the General Shareholders' Meeting, and in decisions' formulations (under their availability) on such issues.

Beside issues offered by the shareholders for the inclusion in the agenda of the General Shareholders' Meeting, and also under such offers absence, absence or insufficient number of candidates offered by the shareholders for a corresponding body establishment, the Company's Board of Directors has a right at its discretion to include the issues or candidates in the list of candidates in the agenda of the General Shareholders' Meeting.

#### **Article 14. Convocation of an extraordinary General Shareholders' Meeting of the Company**

14.1. General Shareholders' Meetings of the Company which are conducted beside the annual ones are extraordinary.

14.2. Extraordinary General Shareholders' Meeting of the Company is conducted upon the Board of Directors' decision of the Company on basis of its own initiative, a requirement of the Company's Internal Audit Commission, Company's Auditor and also a shareholder (the shareholders) who is owner of at least 10 (Ten) percent of the Company's voting shares as of the claim submission date.

14.3. Convocation of an extraordinary General Shareholders' Meeting upon the Company's Internal Audit Commission's requirement, the Company's Auditor or shareholders (shareholder) who are owners of at least 10 (Ten) percent of the Company's voting shares, is implemented by the Company's Board of Directors.

Such General Shareholders' Meeting must be conducted within 40 (Forty) days



after a demand representation on conduct of an extraordinary General Shareholders' Meeting of the Company, except for a case stipulated by item 14.9 of the present Charter.

14.4. Issues subjected to introduction in the meeting's agenda, must be formulated in a demand on conduct of an extraordinary General Shareholders' Meeting of the Company.

Persons (person), demanding a convocation of an extraordinary General Shareholders' Meeting of the Company, have a right to represent a draft decision of an extraordinary General Shareholders' Meeting of the Company, an offer on a form of conduct of the General Shareholders' Meeting. If a requirement on convocation of an extraordinary General Shareholders' Meeting contains an offer on the candidates' nomination, the corresponding provisions of article 13 of the present Charter cover such an offer.

Company's Board of Directors doesn't have a right to introduce changes in formulations of the agenda's issues, formulations of decisions on such issues and change an offered form for conduct of an extraordinary General Shareholders' Meeting, convened upon a requirement of the Company's Internal Audit Commission, Company's auditor or shareholders (shareholder), who are owners of at least 10 (Ten) percent of the Company's voting shares.

14.5. If a requirement on convocation of an extraordinary General Shareholders' Meeting of the Company proceeds from a shareholder (shareholders), it must contain a name (title) of a shareholder (shareholders) demanding a meeting convocation, with mentioning of a quantity, category (type) of the Company's shares belonging to them.

Requirement on convocation of an extraordinary General Shareholders' Meeting of the Company is signed by a person (persons), demanding a convocation of an extraordinary General Shareholders' Meeting of the Company.

14.6. Company's Board of Directors must take a decision on convocation of an extraordinary General Shareholders' Meeting of the Company or on refusal from its convocation within 5 (Five) days after a claim submission of the Company's Internal Audit Commission, Company's Auditor or shareholder (shareholders), who is an owner of at least 10 (Ten) percent of the Company's voting shares, on convocation of an extraordinary General Shareholders' Meeting of the Company.

14.7. Decision of the Company's Board of Directors on convocation of an extraordinary General Shareholders' Meeting of the Company or a motivated decision on refusal from its convocation is sent to the persons demanding its convocation no later than in 3 (Three) days after its taking.

14.8. If no decision is taken on convocation of an extraordinary General Shareholders' Meeting of the Company or a decision on its convocation refusal is taken by the Company's Board of Directors within a term, established in item 14.6 of article 14 of the present Charter, a body of the Company or persons demanding its convocation have a right to turn to the court with a requirement on canvassing the Company to conduct an extraordinary General Shareholders' Meeting.

Terms and order of an extraordinary General Shareholders' Meeting are stated in the court's decision on canvassing the Company to conduct an extraordinary General Shareholders' Meeting.

Enforcement of the court decision is imposed on a plaintiff or upon his petition on the Company's body or another person provided that they are agreed with it. Company's Board of Directors can't be such a body.

Thereby a body of the Company or a person who possesses of all the authorities, stipulated by Federal law “On joint-stock companies”, necessary for convocation and conduct of this meeting, conducts an extraordinary General Shareholders’ Meeting, according to the court’s decision.

If an extraordinary General Shareholders’ Meeting is conducted by a plaintiff according to the court’s decision, the expenses for preparation and conduct of this meeting can be indemnified upon a decision of the General Shareholders’ Meeting using the Company’s funds.

14.9. If an offered agenda of an extraordinary General Shareholders’ Meeting contains an issue on the members’ election of the Company’s Board of Directors, then:  
14.9.1. General Shareholders’ Meeting must be conducted within 90 (Ninety) days after a claim submission on conduct of an extraordinary General Shareholders’ Meeting of the Company.

14.9.2. Shareholders (shareholder) of the Company who are collectionwise owners of at least 2 percent of the Company’s voting shares have a right to offer candidates for election in the Company’s Board of Directors, the number of which can’t exceed the quantitative staff of the Company’s Board of Directors.

Such offers must reach the Company at least in advance of 30 (Thirty) days till the date of conduct of an extraordinary General Shareholders’ Meeting.

Company’s Board of Directors must consider the reached offers and take decisions on their inclusion in the agenda of an extraordinary General Shareholders’ Meeting or on refusal from the inclusion in the stated agenda, no later than in 5 (Five) days after the term’s end stated in paragraph 2 of the present subitem.

14.9.3. Compilation date of a list of persons having a right to take part in the General Shareholders’ Meeting of the Company can’t be established earlier than the date of a decision taking on conduct of the General Shareholders’ Meeting of the Company and in advance of over 85 (Eighty five) days before the date of conduct of the Company’s General Shareholders’ Meeting.

14.9.4. Notice on conduct of an extraordinary General Shareholders’ Meeting must be made no later than in advance of 70 (Seventy) days before the date of its conduct.

## **Article 15. Company’s Board of Directors**

15.1. Company’s Board of Directors implements the general governance by the Company’s activities, except for the issues deciding, related by Federal law “On joint-stock companies” and by the present Charter to competence of the General Shareholders’ Meeting.

The following issues are related to the competence of the Company’s Board of Directors:

- 1) on definition of the Company’s activities priority trends, Company’s strategy;
- 2) convocation of annual and extraordinary General Shareholders’ Meetings of the Company, except for cases stipulated by item 14.8 of article 14 of the present Charter and also the date announcement of conduct of a new General Shareholders’ Meeting instead of the one not having taken place due to a quorum absence;
- 3) agenda approval of the General Shareholders’ Meeting of the Company;

- 4) secretary election of the General Shareholders' Meeting;
- 5) date definition of a list of persons, having a right to take part in the General Shareholders' Meeting, other issues deciding associated with the preparation and conduct of the General Shareholders' Meeting of the Company;
- 6) issues submission to the decision of the General Shareholders' Meeting of the Company. Issues are stipulated by subitems 2, 5, 7, 8, 12-20 of item 10.2 of article 10 of the present Charter and also the Company's authorized capital decrease by way of the shares' nominal value decrease;
- 7) placement by the Company of bonds and other equity securities, except for cases established by Federal law "On joint-stock companies" and by the present Charter;
- 8) decision approval on issuance (supplement issuance) of securities, a prospectus of securities and a report on the issuance's (supplement issuance's) results of securities, reports on results of the shares acquisition from the Company's shareholders, reports on results of the shares redemption, reports on results of the claims submission by the Company's shareholders on the shares buyback belonging to them;
- 9) price definition (pecuniary valuation) of property, price of placement and buyback of equity securities in cases stipulated by Federal law "On joint-stock companies", and also under issues deciding, stated in subitems 11, 21, 38 of item 15.1 of the present Charter;
- 10) acquisition of shares, bonds, and other securities placed by the Company in cases stipulated by Federal law "On joint-stock companies";
- 11) alienation (sales) of the Company's shares which were transferred to the Company's ownership as a result of their acquisition or buyback from the Company's shareholders, and also in other cases stipulated by Federal law "On joint-stock companies";
- 12) election of the Company's Director General and early termination of his authorities, including a decision taking on an early termination of a labor agreement with him;
- 13) recommendations to the Company's General Shareholders' Meeting as to the amount of remunerations and compensations paid out to members of the Company's Internal Audit Commission and the amount definition of payment of an Auditor's services;
- 14) recommendations as to a dividend's amount on shares and its payout order;
- 15) approval of the Company's internal documents, defining the order of forming and usage of the Company's funds;
- 16) decision taking on usage of the Company's funds; approval of the cost estimates of the assets usage specified by special-purpose funds and the results consideration of the cost estimates fulfillment of the assets usage specified by special-purpose funds;
- 17) approval of the Company's internal documents, except for internal documents, the approval of which is related to the competence of the General Shareholders' Meeting, and also of other internal documents the approval of which is related to the competence of the Company's executive bodies;
- 18) business plan (adjusted business plan) approval, which includes the investment program, and approval of a quarterly report on their fulfillment's results, and also approval (adjustment) of a list and values of control indicators of the Company's cash flow;
- 19) on the investment program consideration, including changes in it;

20) establishment of branches and opening of representative branches of the Company, their liquidation, and also the changes introduction in the Company's Charter.; The changes are connected to establishment of branches, opening of representative branches of the Company (including data change ion names and locations of branches and representative branches of the Company) and their liquidation;

21) on the Company's membership in other organizations (including the agreement of constituent documents and candidacies in the governance bodies of newly established organizations), and also on a change of ownership interest (number of shares, amount of units, stakes), encumbrance on shares (stakes) and the Company's membership termination in other organizations;

22) definition of the Company's credit policy as to loans issue by the Company, conclusion of credit contracts, loan agreements, surety contracts, obligations undertaking on a bill (issue of a promissory note and a bill of exchange), mortgage of property and the decisions taking on the stated transactions' settlement by the Company in cases, when the order of decisions taking on them is not determined by the Company's credit policy, and also the decisions taking in the order stipulated by the Company's credit policy, decisions on bringing of the Company's debt position into correspondence with the limits established by the Company's credit policy;

23) decisions taking on the transactions conclusion, the subject of which is property, works and services, the cost of which amounts to from 5 up to 25 percent of the Company's assets' balance sheet value, determined according to the accounting reports' data as of the last reporting date, except for transactions settled in the course of standard economic activities of the Company;

24) large transactions approval in cases stipulated by chapter X of Federal law "On joint-stock companies" ;

25) transactions approval, stipulated by chapter XI of Federal law "On joint-stock companies";

26) approval of the Company's registrar, contracts' clauses with it and also the contract termination with it, a cost estimate approval for conduct of the General Shareholders' Meeting of the Company;

27) Chairman election of the Company's Board of Directors and early termination of his authorities;

28) election of a Deputy Chairman of the Company's Board of Directors and early termination of his authorities;

29) Secretary election of the Company's Board of Directors and early termination of his authorities;

30) preliminary approval of decisions on the transactions settlement by the Company connected to a transfer of the Company's property without compensation or a transfer of proprietary rights (requirements) to oneself or to the third party; transactions connected to liberation from a property obligation towards oneself or towards the third person; transactions connected to the gratuitous services rendering (works fulfillment) by the Company to the third persons, in cases (amounts) determined by separate decisions of the Company's Board of Directors and decisions taking on the given transaction settlement by the Company in cases, when the stated above cases (amounts) are not determined;

31) decision taking on the authorities suspension of a managing company (manager);

32) decision taking on appointment of an acting Director General of the

Company, in cases determined by separate decisions of the Company's Board of Directors and also bringing of him to a disciplinary responsibility;

33) bringing to a disciplinary responsibility of the Company's Director General and members of the Management Board and their rewarding according to the labor legislation of RF;

34) reports consideration of the Director General on the Company's activities (including those on fulfillment by him of his employment duties), on decisions implementation of the General Shareholders' Meeting, of the Board of Directors and Management Board of the Company;

35) approval of the Company's interaction order with organizations in which the Company has membership;

36) position definition of the Company (representatives of the Company), including an instruction whether to take part or not in the voting by the agenda's issues, whether to vote "for", "against" or "abstained" by draft decisions by the following issues of agendas of General Shareholders' (Participants') Meetings of subsidiaries and affiliates (further – SAA) (except for cases when the functions of General Shareholders' Meetings of SAA are discharged by the Company's Board of Directors), and meetings of the SAA's Boards of Directors (except for an issue on the agenda approval of General Shareholders' Meetings of SAA, when the functions of the General Shareholders' Meetings of SAA are discharged by the Company's Board of Directors):

a) on an agenda definition of the General Shareholders' (Participants') Meeting of SAA;

b) on reorganization, liquidation of SAA;

c) on a quantitative staff definition of the governance and control bodies of SAA, on nomination, election of their members and early termination of their authorities, on nomination, election of the Sole Executive Body of SAA and early termination of its authorities;

d) on definition of quantity, nominal value, category (type) of the declared shares of SAA and rights represented by these shares;

e) on the authorized capital increase of SAA by way of the shares' nominal value increase or by way of supplement shares placement;

f) on placement of SAA's securities convertible into ordinary shares;

g) on splitting, consolidations of SAA's shares;

h) on large transactions approval, settled by SAA;

i) on SAA's membership in other organizations (on joining an operating organization or establishment of a new organization), and also on acquisition, alienation and encumbrance on shares and stakes in the authorized capitals of organizations in which SAA has membership, change of an ownership interest in the corresponding organization's authorized capital;

j) on the transactions settlement by SAA (including several interrelated transactions) connected to acquisition, alienation or a possibility to alienate property which represents the fixed assets, intangible assets, facilities of construction-in-process, the goal of usage of which is production, transmission, dispatching, distribution of electric and heat energy, in cases (amounts) determined by the Company's interaction order with the organizations in which the Company has membership, approved by the Company's Board of Directors;

k) on amendments and additions introduction in the constituent documents of SAA;

l) on the order definition of the remunerations payout to members of the Board of Directors and those of Internal Audit Commission of SAA;

m) on the business plan (adjusted business plan) approval including the investment program and on approval of a quarterly report on their fulfillment results;

n) on the investment program consideration, including on consideration of changes in it.

37) Definition of the Company's position (Company's representatives) by the following issues of agendas of the Boards of Directors' meetings of SAA (including an instruction whether to take part or not in the voting by the agenda's issues, whether to vote "for", "against" or "abstained" by draft decisions):

a) on position definition of SAA's representatives by the agendas' issues of the General Shareholders' (Participants') Meetings and Meetings of the Boards of Directors of the business companies being subsidiaries and affiliates in relation to SAA, touching upon a settlement (approval) of transactions (including several interrelated transactions), connected to acquisition, alienation or a possibility to alienate property, which represents the fixed assets, intangible assets, facilities of construction-in-process the goal of usage of which is production, transmission, dispatching, distribution of electric and heat energy, in cases (amounts) determined by the Company's interaction order with the organizations in which the Company has membership, approved by the Company's Board of Directors;

b) on position definition of SAA's representatives by the agendas' issues of the General Shareholders' (Participants') Meetings and Meetings of the Boards of Directors of the business companies being subsidiaries and affiliates in relation to SAA, implementing production, transmission, dispatching, distribution and sales of electric and heat energy, on reorganization, liquidation, increase of the authorized capital of such companies by way of the shares' nominal value increase or by way of the supplement shares placement, placement of securities convertible into ordinary shares;

38) Preliminary approval on settlement by the Company of:

a) transactions the subject of which are noncurrent assets of the Company in the amount of over 10 percent of these assets' balance sheet value of the Company according to the accounting reports' data as of the last reporting date;

b) transactions (including several interrelated transactions), connected to acquisition, alienation or a possibility to alienate property which represents the fixed assets, intangible assets, facilities of construction-in-process, the goal of usage of which is production, transmission, dispatching, distribution of electric and heat energy, in cases (amounts) determined by the Company's interaction order with the organizations in which the Company has membership, approved by the Company's Board of Directors;

c) transactions (including several interrelated transactions), connected to acquisition, alienation or a possibility to alienate property which represents the fixed assets, intangible assets, facilities of construction-in-process, the goal of usage of which is not production, transmission, dispatching, distribution of electric and heat energy, in cases (amounts) determined by the Company's interaction order with the organizations in which the Company has membership, approved by the Company's Board of Directors.

39) candidacies nomination by the Company for election for the position of the Sole Executive Body, in other governance bodies, control bodies and also an auditor's candidacy of the organizations in which the Company has membership, implementing production, transmission, dispatching, distribution and sales of electric and heat energy, and also repair and service types of activities;

- 40) trends definition of provision of the Company's coverage, including the approval of the Company's Insurer;
- 41) candidacy approval of an independent appraiser (appraisers) for the cost definition of shares, property and other assets of the Company in cases stipulated by Federal law "On joint-stock companies", by the present Charter and also be separate decisions of the Company's Board of Directors;
- 42) preliminary approval of a collective contract, agreements concluded by the Company in terms of the social and labor relations' regulation and also the document approval on non-state pension provision of the Company's employees;
- 43) approval of a financial consultant's candidacy outsourced according to Federal law "On the securities' market" and also candidacies of organizers of the securities issuance and consultants on transactions connected directly to the funds attraction in form of public borrowings;
- 44) recommendations development as to the Auditor choice, implementing audit of the Company's financial reports, prepared according to International financial reporting standards, approval of the contract's clauses with it and also monitoring the audit conduct of the Company's financial reports, prepared according to the International financial reporting standards;
- 45) a document approval determining the rules and approaches to information disclosure on the Company; a document approval on the information usage on the Company's activities, on the Company's securities and on transactions with them. The information is not accessible to public and disclosure of which can influence essentially on the market value of the Company's securities; a document approval determining the internal control's procedures over the Company's financial and economic activities;
- 46) approval of perspective (up to 5 years), annual quarterly plans of capital construction, plans of goods and services purchases, new construction projects, reconstruction and re-equipment and reports on their fulfillment results;
- 47) preliminary approval of transactions which can bring about the occurrence of circumstances expressed in a foreign currency (or obligations the amount of which is attracted to a foreign currency), in cases and amounts determined by separate decisions of the Company's Board of Directors, and also if the stated cases (amounts) are not determined by the Company's Board of Directors;
- 48) purchasing policy definition in the Company, including the Provision approval on the order of conduct of regulated purchases of goods, works, services, approval of a chief of the Company's Central purchasing body and its members, and also approval of the annual complex program of purchases and other decisions taking according to the documents approved in the Company, regulating the Company's purchasing activities;
- 49) decision taking on nomination of the Company's Director General representation to the state awards;
- 50) target values (adjusted values) approval of the Company's key efficiency indicators (KEI) and reports on their fulfillment;
- 51) definition of the Company's housing policy as to corporate support giving to the company's employees as to the housing conditions improvement by way of a subsidy, costs compensation, interest-free loans and a decision taking on the stated support giving by the Company in cases when the order of its giving is not determined by the Company's housing policy;
- 52) quantitative staff definition of the Company's Management Board,

members election of the Company's Management Board, establishment of the remunerations and compensations paid to them, their authorities' early termination;

53) definition of the Company's policy as to reliability increase of the distribution complex of electric grids and other facilities of the electric grid sector, including the strategic programs approval of the Company on reliability increase of the electric grid complex, development of the electric grid complex and its safety;

54) approval of the Company's executive establishment's organizational structure and the changes introduction in it;

55) provision approval on the material incentive of the Director General, provision approval on the material incentive of the Company's top managers; the list approval of top managers;

56) candidacies agreement for separate positions of the Company's executive establishment, determined by the Company's Board of Directors;

57) other issues related to the Board of Directors' competence by Federal law "On joint-stock companies" and by the present Charter.

15.2. Issues related to the competence of the Company's Board of Directors, can't be transferred to decision to the Director General and Management Board of the Company.

15.3. Under implementation of their rights and fulfillment of their duties members of the Board of Directors must act for the sake of the Company's interests, implement their rights and fulfill their obligations reasonably and in good faith in relation to the Company.

15.4. Members of the Board of Directors bear responsibility towards the Company for losses, inflicted to the Company by their guilty actions (inaction), if other grounds and amount of responsibility are not established by federal laws.

Thereby responsibility is not born by those members of the Board of Directors, who voted against a decision which brought about the losses infliction to the Company or who didn't take part in the voting.

## **Article 16. Election of the Company's Board of Directors**

16.1. Quantitative staff of the Company's Board of Directors amounts to 13 (Thirteen) people.

16.2. Members of the Company's Board of Directors are elected at the General Shareholders' Meeting of the Company in the order stipulated by item 10.8 of article 10 of the present Charter, for a term till the following annual General Shareholders' Meeting.

If the Company's Board of Directors is elected at an extraordinary General Shareholders' Meeting, the Board of Directors' members are believed to be elected for the period till conduct of the next annual General Shareholders' Meeting of the Company.

If the annual General Shareholders' Meeting was not conducted within terms established by item 11.1 of article 11 of the present Charter, the authorities of the Company's Board of Directors are terminated, except for authorities on convocation, preparation and conduct of the annual General Shareholders' Meeting.

16.3. Only a natural person can be a member of the Company's Board of Directors.

16.4. Persons elected in the structure of the Company's Board of Directors can be



re-elected for an unlimited number of terms.

16.5. Authorities of the members of the Company's Board of Directors can be terminated early upon a decision of the General Shareholders' Meeting of the Company.

Decision of the General Shareholders' Meeting on an early termination of authorities can be taken only in relation to all the members of the Company's Board of Directors.

### **Article 17. Chairperson of the Company's Board of Directors**

17.1. Chairperson of the Company's Board of Directors is elected by members of the Company's Board of Directors from their number by the majority of votes, from the total number of members of the Company's Board of Directors.

Company's Board of Directors has a right to re-elect at any time its Chairperson by the majority of votes from the total votes' number of members of the Company's Board of Directors.

17.2. Chairperson of the Company's Board of Directors organizes the work of the Company's Board of Directors, convenes its meetings and takes chair at them, organizes taking the minutes at meetings, takes chair at the General Shareholders' Meeting.

17.3. In case of absence of the Board of Directors' Chairperson, his functions are discharged Deputy Chairperson of the Board of Directors elected among members of the Board of Directors by the majority of votes from the total members' number of the Company's Board of Directors.

### **Article 18. Meetings of the Company's Board of Directors**

18.1. Order of convocation and conduct of the meetings of the Company's Board of Directors is determined by an internal document approved by the General Shareholders' Meeting of the Company.

18.2. Meetings of the Board of Directors are conducted upon a necessity, but at least once six weeks.

Meeting of the Company's Board of Directors is convened by a Chairperson of the Company's Board of Directors (or by a Deputy Chairperson of the Board of Directors in cases stipulated by item 17.3 of article 17 of the present Charter) on his own initiative, by a requirement of a member of the Board of Directors, that of an Internal Audit Commission, Auditor, member of the Management Board of Director General of the Company.

18.3. Issues on the election of the Board of Directors' Chairperson, Deputy Chairperson and secretary of the Company's Board of Directors, are decided obligatorily at the first meeting of the Company's Board of Directors, elected in new staff.

The stated meeting of the Board of Directors is convened by one of members of the Company's Board of Directors according to the Company's internal document, regulating the order of convocation and conduct of meetings of the Company's Board of Directors.

18.4. Decision of the Company's Board of Directors can be taken by an absent voting (by poll). Under the absent voting all the Board of Directors' members are sent materials by the agenda's issues and a questionnaire for voting, with a term mentioning

towards which a questionnaire filled in and signed by a members of the Board of Directors must be represented to the Company's Board of Directors.

18.5. Under determination of a quorum availability and the voting results, an internal document of the Company regulating the order of convocation and conduct of meetings of the Company's Board of Directors, can stipulate a possibility of a written opinion accounting by the agenda's issues of a member of the Company's Board of Directors, who is absent at the meeting of the Company's Board of Directors.

18.6. Transfer of a right to vote by a member of the Company's Board of Directors to another person, including to another member of the Company's Board of Directors, is not allowed.

18.7. At a meeting of the Company's Board of Directors decisions are taken by the votes' majority of members of the Company's Board of Directors, taking part in the meeting, except for cases, stipulated by the Russian Federation's legislation and by the present Charter.

In cases, when a transaction must be approved simultaneously on several grounds (established by the present Charter and established by chapter X or by chapter XI of Federal law "On joint-stock companies"), the provisions of Federal law "On joint-stock companies" are applied to its approval's order.

18.8. Decision of the Company's Board of Directors by the issue on a large transaction approval is taken unanimously by all the members of the Board of Directors.

Decisions of the Company's Board of Directors are taken in three-quarters by the majority of the members' votes of the Company's Board of Directors, form their total number, on the following issues:

- on authorities suspension of a managing organization (manager) and on appointment of an acting Director General of the Company;

- on convocation of an extraordinary General Shareholders' Meeting of the Company in cases stipulated by items 21.8., 21.9 of article 21 of the present Charter.

Under decisions taking by the Company's Board of Directors, stipulated by the present item of the Charter, the votes of the quitted members of the Board of Directors are not accounted.

18.9. Decision on an interested party transaction's approval is taken by the Company's Board of Directors according to article 83 FL "On joint-stock companies".

18.10. Decisions of the Board of Directors on issues stipulated by subitems 21, 22, 35-38 of item 15.1 of article 15 of the present Charter are taken in two thirds by the majority of the members' votes of the Company's Board of Directors, taking part in the meeting.

18.11. Under the issues deciding at a meeting of the Company's Board of Directors each member of the Board of Directors possesses of one vote. In case of the votes' equality under a voting conduct, the vote of the Board of Directors' Chairperson is decisive.

18.12. Quorum for the meeting conduct of the Board of Directors amounts to at least half the number of the elected persons of the Company's Board of Directors.

In case when the number of members of the Company's Board of Directors becomes less than the number making the stated quorum, the Company's Board of Directors must take a decision on conduct of an extraordinary general meeting in order to elect a new staff of the Company's Board of Directors. The rest members of the Board of Directors have a right to take a decision only on convocation of such extraordinary General Shareholders' Meeting. In this case a quorum for the meeting conduct of the

Board of Directors amounts to at least half the number of the rest members of the Board of Directors.

18.13. Minutes is taken at a meeting of the Company's Board of Directors. Minutes of the meeting of the Company's Board of Directors is drawn up and signed no later than in 3 (Three) days after its conduct by that person who takes chair at the meeting and by a secretary of the Company's Board of Directors. They both bear responsibility for correctness of its drawing up. All the materials by the agenda's issues of the meeting and document approved by the Board of Directors are enclosed to the minutes.

Under decisions taking by the Company's Board of Directors by absent voting, questionnaires for voting signed by the Board of Directors' members are enclosed to the minutes.

18.14. Decisions of the Company's Board of Directors, taken with the competence violation of the Company's Board of Directors don't have force regardless of their cassation in a judicial order, under a quorum absence for a meeting conduct of the Company's Board of Directors or without the majority of the members' votes number of the Company's Board of Directors, necessary for a decision taking.

### **Article 19. Committees of the Company's Board of Directors**

19.1. Committees of the Board of Directors are formed upon a decision of the Board of Directors.

19.2. Committees of the Board of Directors are established for the issues elaboration, constituting the sphere of the Board of Directors' competence or studied by the Board of Directors in the order of control of the activities of the Company's executive body, and the necessary recommendations elaborations to the Company's Board of Directors and executive body.

19.3. Regulation of the activities, order of establishment, competence and term of the Committees' authorities of the Board of Directors are determined by separate decisions of the Board of Directors.

### **Article 20. Company's Corporate Secretary**

20.1. To observe properly the order of preparation and conduct in the Company of the General Shareholders' Meeting, that of activities of the Company's Board of Directors, the Company's Corporate Secretary can be elected by the Company's Board of Directors.

20.2. Contract on the Company's behalf with a Corporate Secretary is signed by a Chairperson of the Company's Board of Directors or by a person authorized by the Company's Board of Directors.

20.3. Contract's clauses with the Company's Corporate Secretary, including the remuneration amount is determined by the Company's Board of Directors or by a person authorized by the Company's Board of Directors.

20.4. Company's Corporate Secretary takes part in preparation and conduct of the General Shareholders' Meeting of the Company, meetings of the Company's Board of Directors in terms of his/her competence, according to the requirements of RF legislation, those of the Charter and other Company's internal documents.

20.5. Members of the governance bodies and executive officers of the Company must assist the Company's Corporate Secretary in implementing of his/her functions by

him/her. Corporate Secretary is accountable in his/her activities to the Company's Board of Directors.

20.6. Regulation of activities, the order of appointment and termination of authorities, term of authorities, rights and obligations of the Company's Corporate Secretary are determined by the Provision on Corporate Secretary approved by the Company's Board of Directors.

### **Article 21. Company's executive bodies.**

21.1. Governance by the Company's current activities is made by the Sole Executive Body – Director General and by Collegial Executive Body – Company's Management Board.

21.2. Director General and Management Board of the Company are accountable to the Company's General Shareholders' Meeting and to the Board of Directors.

21.3. Authorities of the Company's Sole Executive Body can be delegated on a contract to a managing organization or a manager, upon a decision of the General Shareholders' Meeting.

Rights and liabilities of a managing organization (manager) on the governance implementation by the Company's current activities are determined by the Russian Federation's legislation and by the contract concluded by a managing organization (manager) with the Company.

Contract on the Company's behalf is signed by a Chairperson of the Company's Board of Directors or by a person authorized by the Company's Board of Directors.

Contract's clauses, including those as to a term of authorities are determined by the Company's Board of Directors or by a person authorized by the Company's Board of Directors.

21.4. Establishment of the Company's executive bodies and early termination of their authorities is made upon a decision of the Company's Board of Directors, except for cases stipulated by the federal legislation and by the present Charter.

21.5. Rights and obligations of the Director General and members of the Company's Management Board on the governance implementation by the Company's current activities are determined by the Russian Federation's legislation, by the present Charter and by a labor agreement concluded by each of them with the Company.

21.6. Labor agreement on the Company's behalf is signed by a Chairperson of the Company's Board of Directors or by a person authorized by the Company's Board of Directors.

Labor agreement's clauses, including those as to a term of authorities are determined by the Company's Board of Directors.

Employer's rights and obligations on the Company's behalf in relation to the Director General and members of the Company's Management Board are implemented by a Chairperson of the Board of Directors or by a person authorized by the Company's Board of Directors.

21.7. Combination by the Director General and by the Management Board's members of positions in other organizations' governance bodies and also other paid positions in other organizations is allowed only after the agreement of the Company's Board of Directors.

21.8. Board of Directors has a right to take a decision at any time on the authorities' termination of the Company's Director General, that of members of the Company's Management Board and on establishment of new executive bodies.

Authorities' termination of the Director General and members of the Management Board is implemented on grounds established by the Russian Federation's legislation and by labor agreement concluded by each of them with the Company.

21.9. General Shareholders' Meeting has a right to take a decision at any time on an early termination of authorities of a managing organization (manager).

Company's Board of Directors has a right to take a decision on the authorities' suspension of a managing organization or a manager. Simultaneously with the stated decision the Company's Board of Directors must take a decision on appointment of an acting Director General of the Company and on conduct of an extraordinary General Shareholders' Meeting for an issue deciding on early termination of authorities of a managing organization (manager) and, if another decision is not taken by the Board of Directors, on the authorities delegation of the Company's Sole Executive Body of a managing organization (manager).

21.10. If a managing organization (manager) can't discharge its duties, the Company's Board of Directors has a right to take a decision on appointment of an acting Director General of the Company and on conduct of an extraordinary General Shareholders' Meeting for an issue deciding on an early termination of authorities of a managing organization (manager) and, if another decision isn't taken by the Board of Directors, on authorities delegation of the Company's Sole Executive Body to another managing organization or a manager.

21.11. Acting Director General of the Company implements the governance by the Company's current activities in terms of competence of the Company's Director General, if the Company's Board of Directors doesn't take another decision.

21.12. Under implementation of their rights and obligations fulfillment the Director General, members of the Company's Management Board, acting Director General of the Company, and equally a managing organization (manager) must act for the sake of the Company's interest, implement their rights and discharge duties reasonably and in good faith in relation to the Company.

21.13. Director General, members of the Company's Management Board, acting Director General of the Company and equally a managing organization (manager) bear responsibility towards the Company for losses inflicted to the Company by their guilty actions (inaction), if other grounds and amount of responsibility are not established by federal laws.

Responsibility stipulated by the present item doesn't incur for members of the Company's Management Board who had voted against a decision which brought about the losses infliction to the Company or who hadn't take part in the voting.

21.14. In case of the Director General's temporary absence (owing to disease, being on a business trip, on vacation) his duties execution can be imposed on one of his deputies on basis of an order of the Company's Director General, only in case of a decision's absence of the Company's Board of Directors on appointment of an acting Director General of the Company.

## **Article 22. Company's Management Board**

22.1. Company's Management Board acts on basis of the present Charter and also the Provision of the Management Board approved by the General Shareholders' Meeting. This Provision establishes terms and order of convocation and conduct of its meetings and also the order of decisions taking.

22.2. Competence of the Company's Management Board includes the following issues:

1) elaboration and submission to the Board of Directors' consideration of the perspective plans on realization of the Company's principle types of activities;

2) approval (adjustment) of target values of key efficiency indicators (KEI) for departments (officers) of the Company;

3) preparation of a business plan (adjusted business plan) and a report on its fulfillment results, and also approval and adjustment of cash flow according to the list approved by the Board of Directors and the values of the Company's cash flow's control indicators (with a further obligatory sending to the Company's Board of Directors);

4) preparation of the investment program and report for the Company's Board of Directors on its fulfillment results;

5) consideration of separate Company's investment projects at the sum of over RUR 2 (Two) million and the reports' approval of the Company's officers and departments on their realization's efficiency;

6) program preparation of the Company's re-equipment, reconstruction and development;

7) quarterly budget approval of the Company's cash flow and also a report on its execution;

8) annual program preparation on the Company's purchasing activities, approval of the quarterly programs on the Company's purchasing activities in terms of the annual program, and also the reports preparation on the annual and quarterly programs execution on the Company's purchasing activities;

9) report preparation on the Company's financial and economic activities, on decisions fulfillment by the Management Board of the General Shareholders' Meeting and of the Company's Board of Directors;

10) decisions taking on the transactions settlement the subject of which is property, works and/or services the cost of which amounts to over 1 percent of the Company's assets' balance sheet value, according to the accounting reports' data as of the last reporting date, except for transactions settled in the process of the Company' standard economic activities, and also transactions, the decision on settlement of which is related to the competence of the Company's Board of Directors according to the present Charter;

11) preliminary consideration and giving of recommendations to the Company's Board of Directors on issues, proposed to consideration of the Company's Board of Directors in the order, stipulated by the Company's internal document regulating the order of activities of the Company's Management Board;

12) decisions taking on issues, related to the competence of top governance bodies of the economic entities, 100 (One hundred) percent of the authorized capital or all the voting shares of which belong to the Company (subject to subitem 36 of item 15.1 of the present Charter);

13) reports consideration of Deputies Director General of the Company, that of the structural subdivisions' chiefs of the Company on the execution results of the approved

plans, programs, instructions, the consideration of reports, documents and another information on the Company's activities and the Company's subsidiaries and affiliates;

14) other issues' decision of governance by the Company's current activities, according to the decisions of the General Shareholders' Meeting, of the Company's Board of Directors, and also issues proposed to consideration to the Management Board by the Company's Director General.

22.3. Members of the Company's Management Board are elected by the Company's Board of Directors, in number determined by a decision of the Company's Board of Directors, on an offer of the Company's Director General.

Quantitative staff of the Company's Management Board can't be less than three people.

In case of candidacies rejection by the Company's Board of Directors in the Company's Management Board, offered by the Director General, the Company's Board of Directors has a right to elect in the Management Board the candidacies offered by a member (members) of the Company's Board of Directors.

22.4. Management Board is legally qualified if at least half the elected members of the Management Board takes part on the meeting (absent voting).

All the decisions are taken by the Management Board by a mere majority of votes form the number of the Management Boards' members attending the meeting (taking part in the absent voting).

Transfer of a right to vote by a member of the Company's Management Board to another person, including to another member of the Company's Management Board is not allowed.

### **Article 23. Company's Director General**

23.1. Director General implements the governance by the Company's current activities according to the decisions of the General Shareholders' Meeting of the company, the Board of Directors and Management Board of the Company, taken according to their competence.

23.2. Competence of the Company's Director General includes all the issues of governance by the Company's current activities, except or issues related to the competence of the General Shareholders' Meeting, that of the Board of Directors and Management Board of the Company.

23.3. Company's Director General acts without a proxy on the Company's behalf, including subject to restrictions stipulated by the current legislation, present Charter and decisions of the Company's Board of Directors:

- provides the plans execution of the Company's activities, being necessary for its objectives solution;
- develops and submits for approval to the Company's Management Board the target values of key efficiency indicators (KEI) for the Company's departments (officers) and bears responsibility for their fulfillment;
- organizes the maintenance of accounting records and reports in the Company;
- disposes of the Company's property, closes deals on the Company's behalf, issues proxies, opens settlement and other Company's accounts in banks, other credit organizations (and also in cases stipulated by the law – in organizations – professional participants of the securities' market);

- issues orders, approves (passes) instructions, local normative acts and other internal documents of the Company on its competence issues , gives instructions which must be fulfilled obligatorily by all the Company's employees;
- approves the staffing chart and fixed official salaries of the Company's employees;
- approves Provisions on the Company's branches and representative branches;
- implements rights and obligations of an employer stipulated by the labor legislation in relation to the Company's employees;
- discharges functions of a Chairperson of the Company's Management Board;
- distributes duties between Deputies Director General;
- submits for consideration to the Board of Directors the reports on the financial and economic activities of subsidiaries and affiliates, the shares (stakes) of which are owned by the Company, and also information on other organizations in which the Company has membership;
- submits for consideration to the Company's Board of Directors the annual report, bookkeeping balance sheet, profits and losses account of the Company, profits and losses distribution of the Company no later than in advance of 45 (Forty five) days before the date of conduct of an annual General Shareholders' Meeting of the Company;
- decides other issues of the Company's current activities, except for issues related to the competence of the General Shareholders' Meeting, Board of Directors and Management Board of the Company.

23.4. Director General is elected by the Company's Board of Directors by the majority of the votes of the Board of Directors' members, taking part in the meeting.

Candidacies nomination for position of the Company's Director General for election by the Company's Board of Directors is made in the order determined by an internal document, regulating the order of convocation and conduct of meetings of the Company's Board of Directors.

## **Article 24. Internal Audit Commission and Auditor of the Company**

24.1. To implement control over the Company's financial and economic activities, the General Shareholders' Meeting elects an Internal Audit Commission of the Company for a term till the next annual General Shareholders' Meeting.

If the Company's Internal Audit Commission is elected at an extraordinary General Shareholders' Meeting, the Internal Audit Commission's members are believed to be elected for the period till the date of conduct of an annual General Shareholders' Meeting of the Company.

Quantitative staff of the Company's Internal Audit Commission amounts to 5 (Five) people.

24.2. Authorities of all or separate members of the Company's Internal Audit Commission can be terminated anticipatorily upon a decision of the General Shareholders' Meeting of the Company.

24.3. Competence of the Company's Internal Audit Commission includes:

- confirmation of data authenticity contained in an annual report, a bookkeeping balance sheet, profit and losses account of the Company;
- analysis of the Company's financial state, revelation of the reserves for improvement of the Company's financial state and recommendations elaboration for the



company's governance bodies;

- organization and implementation of a check (revision) of the Company's financial and economic activities, in particular:

- check (revision) of the Company's financial, financial, bookkeeping, payment and settlement and other documentation of the company, associated with implementation by the Company of the financial and economic activities, for the subject of its conformity to the Russian Federation's legislation, to the Charter, to internal and other documents of the Company;

- control over preservation and usage of the fixed assets;

- control over an established order observance of writing off of the insolvent debtors' indebtedness for the Company's losses;

- control over the Company's cash assets consumption according to the approved business plan and budget of the Company;

- control over forming and usage of reserve and other special-purposes funds of the Company;

- check of correctness and timeliness of the dividends' accrual and payout on the company's shares, interest on bonds, revenues on other securities;

- check of prescripts fulfillment issued earlier on violations and faults elimination revealed by previous checks (revisions);

- other actions (arrangements) implementation associated with the check of the Company's financial and economic activities.

24.4. All the decisions on issues related to the Internal Audit Commission's competence are taken by a mere majority of votes from the total number of its members.

24.5. Company's Internal Audit Commission has a right, and in case of serious violations' revelation in the Company's financial and economic activities, must claim convocation of an extraordinary General Shareholders' Meeting of the Company.

24.6. Order of activities of the Company's Internal Audit Commission is determined by an internal document of the Company approved by the General Shareholders' Meeting of the Company.

According to the decision on conduct of a check (revision), the Internal Audit Commission has a right to outsource the specialists in corresponding spheres of the law, economics, finances, bookkeeping, governance, economic safety and other, including specialized organizations to conduct a check (revision).

24.7. Check (revision) of the Company's financial and economic activities can be implemented at any time on the initiative of the Company's Internal Audit Commission, upon a decision of the General Shareholders' Meeting, that of the Company's Board of Directors or upon a claim of a shareholder (shareholders) of the Company, possessing in collectionwise at least 10 percent of the company's voting shares.

24.8. To check and confirm the Company's annual financial reports, the General Shareholders' Meeting approves annually an Auditor of the Company.

24.9. Payment amount of the Auditor's services is determined by the Company's Board of Directors.

24.10. Company's Auditor implements a check of the Company's financial and economic activities according to the requirements of the Russian Federation's legislation and on basis of a contract concluded with it.

24.11. By the check's results of the Company's financial and economic activities, the Internal Audit Commission of the company, Auditor of the Company draw up a finding which must contain:

- confirmation of data authenticity containing in the reports and other financial documents of the Company;
- information of facts of violation by the Company of an order of accounting records maintenance and financial reports representation, established by legal acts of the Russian Federation, and also legal acts of the Russian Federation under the financial and economic activities implementation by the Company.

Order and terms of a finding drawing up by the check's results of the Company's financial and economic activities are determined by legal acts of the Russian Federation and by the Company's internal documents.

## **Article 25. Bookkeeping and financial reports of the Company**

25.1. Company must maintain the accounting records and represent the financial reports in the order established by the Russian Federation's legislation and by the present Charter.

25.2. Responsibility for organization, state and authenticity of the bookkeeping in the Company, timely representation of an annual report and other financial reports in the corresponding state bodies and also data on the Company's activities represented to the Company's shareholders, creditors and in mass media is born by the Company's Director General according to the Russian Federation's legislation and by the present Charter.

25.3. Data authenticity contained in the Company's annual report, annual accounting reports, must be confirmed by the Company's Internal Audit Commission and by the Auditor.

25.4. Annual report, accounting balance sheet, profit and losses account, profit and losses distribution of the Company is subjected to a preliminary approval by the Company's Board of Directors no later than in advance of 30 (Thirty) days before the date of conduct of the annual General Shareholders' Meeting of the Company.

## **Article 26. Documents keeping by the Company. Information representation by the Company**

26.1. Company must keep the following documents:

- 1) Decision on foundation (Minutes # 1 as of 29.06.2004 of the annual General Shareholders' Meeting of JSC "Mosenergo");
- 2) Company's Charter, amendments and additions introduced in the Company's Charter, registered according to the established order, a state registration certificate of the Company;
- 3) Documents confirming the Company's rights for property which is on its balance;
- 4) Company's internal documents approved by the Company's governance bodies;
- 5) Provisions on the Company's branches and representative branches;
- 6) Annual reports;
- 7) Prospectuses of securities, quarterly reports of the issuer and other documents containing the information subjected to publication or disclosure by another way according to federal laws;

- 8) Documents of bookkeeping;
- 9) Documents of accounting reports;
- 10) minutes of the General Shareholders' Meeting of the Company, of the meetings of the Company's Board of Directors, of the Internal Audit Commission and Management Board of the Company;
- 11) Voting bulletins, and also proxies (copies of proxies) for the participation in the General Shareholders' Meeting;
- 12) Reports of independent appraisers;
- 13) Lists of the Company's affiliated persons;
- 14) Lists of persons having a right to take part in the General Shareholders' Meeting, and persons having a right to get dividends, and also other lists composed by the Company for the rights implementation by the shareholders according to the requirements of Federal law "On joint-stock companies";
- 15) Findings of the Company's Internal Audit commission, those of the Company's Auditor, of state and municipal financial control bodies;
- 16) Notifications on the shareholders' agreements conclusion, directed to the Company and also lists of persons who concluded such agreements;
- 17) Judicial acts on disputes associated with the Company's foundation, governance by it or membership in it;
- 18) Other documents stipulated by the Russian Federation's legislation, by the present Charter, internal documents of the Company and decisions of the Company's governance bodies.

26.2. Company keeps the documents stipulated by item 26.1 of the present article, where the Company's executive body is located, in the order and within terms which are established by a federal executive body in the securities' market.

26.3. Under the Company's reorganization all the documents are transferred to a legal successor in the established order.

26.4. Under the Company's liquidation the documents intended for permanent storage, having a scientific and historical value are transferred for the state storage in the Federal archival service of Russia, documents on personnel (orders, personal files and account cards, personal accounts etc.) are transferred for storage in a corresponding archive of the Russian Federation's constituent entity.

Transfer and collating of documents is made according to the archival bodies' requirements.

Information on the Company is represented by it according to the legislation's requirements of the Russian Federation.

26.5. Company provides its shareholders with an access to documents, stipulated by item 26.1 of the present article, subject to restrictions established by the Russian federation's legislation.

Shareholders (shareholder), having collectionwise at least 25 (Twenty five) percent of the Company's voting shares have a right of an access to the documents of bookkeeping and to the minutes of the Management Board's meetings.

26.6. Documents stipulated by item 26.1 of the present article, must be represented by the Company within 7 (Seven) days, except for documents stated in sub item 17 of item 26.1., the term of representation on which amounts to 3 (Three) days after a corresponding claim submitting for getting acquainted in a building of the Company's executive body.

Company must represent the stated documents' copies to persons, having a right to access the documents stipulated by item 26.1 of the present article, upon their claim.

Payment amount is established by the Company's Director General and can't exceed the expenses' cost for copies making of the documents.

26.7. Company provides its shareholders and employees with an access to information with the requirements observation of the legislation on the state and commercial secret.

## **Article 27. Reorganization and liquidation of the Company**

27.1. Company can be reorganized voluntarily by way of merging, connection, division, spinning off and transformation, and also on the grounds and in the order determined by the Civil Code of the Russian Federation and by federal laws.

27.2. Company can be liquidated upon a court's decision or voluntarily in the order stipulated by the Civil Code of the Russian Federation, by Federal law "on joint-stock companies" and by the present Charter.

27.3. Under reorganization, liquidation of the Company or termination of work, containing the data of the state and commercial secret, the Company must provide this data preservation and of their carriers by way of elaboration and accomplishment of measures of a secrecy regime, information protection, PD TI (personal data and technical intelligence), protection and fire safety.

27.4. Company's Board of Directors implements the issues decision, associated with preparation and conduct of General Shareholders' Meetings of the companies established as a result of the Company's reorganization in form of spinning off or division (further referred at – established companies):

- determines form, date, place, time of conduct of the General Shareholders' Meeting of a newly established company and the postal address to which the filled in bulletins can be sent;
- determines an agenda of the General Shareholders' Meeting of a newly established company;
- determines a compilation date of a list of persons having a right to take part in the General Shareholders' Meeting of a newly established company;
- determines an order of the shareholders notification of conduct of the General Shareholders' Meeting of a newly established company;
- determines a list of information (materials) represented to the shareholders under preparation to conduct of the General Shareholders' Meeting of a newly established company, and the order of its representation;
- considers the shareholders' offers of the companies being established on inclusion of candidates nominated by them in the list of persons for voting, on elections in the bodies of each company being established. The order of such offers' lodging and also the order of their consideration by the Company's Board of Directors is established in a decision on reorganization of the General Shareholders' Meeting of the Company;
- submits for consideration of the General Shareholders' Meeting of each company being established the draft Charter of a newly established company;
- approves a form and text of a voting bulletin incase of voting by bulletins;
- forms working bodies of the General Shareholders' Meeting of a newly established company;

- considers the time of beginning of the persons' registration taking part in the General Shareholders' Meeting of a newly established company, conducted in form of compresence;

27.5. Under a quorum absence for conduct of the General Shareholders' Meeting of a newly established company, a repeated General Shareholders' Meeting a company being established must be conducted with the same agenda no later than in 40 days after not having taken place General Shareholders' Meeting of a newly established company. Repeated General Shareholders' Meetings of newly established companies are legally qualified (have a quorum), if those shareholders of newly established companies have taken part in them who possess collectionwise at least 30 percent of votes of a newly established company's ordinary shares subjected to distribution.

27.6. Under conduct of a repeated General Shareholders' Meeting of a newly established company after not having taken place General Shareholders' Meeting of a newly established company, the persons having a right to take part in the General Shareholders' Meeting of a newly established company, are determined according to a list of persons who had a right to take part in a not having taken place General Shareholders' Meeting of a newly established company.

27.7. Statements on conduct of a repeated General Shareholders' Meeting of newly established companies and voting bulletins must be sent to the shareholders of newly established companies by a registered letter no later than in advance of 20 days before the date of conduct of a repeated General Shareholders' Meeting of newly established companies. Statements must be also published in a print newspaper, stipulated by the Company's Charter for the statements publication on conduct of the Company's General Shareholder's Meetings.

27.8. If no decision is taken on one or several issues of the agenda of the General Shareholders' Meeting of a newly established company, then a repeated General Shareholders' Meeting of a newly established company is conducted no later than in 40 (Forty) days after conduct of the General Shareholders' Meeting of a newly established company at which no decisions have been taken on one or several issues. Thereby only those issues are included in the agenda of the General Shareholders' Meeting of a newly established company, the decision on which is not taken by the General Shareholder's Meeting of a newly established company. Under conduct of such repeated General Shareholders' Meeting, the persons having a right to take part in the General Shareholders' Meeting of a newly established company, are determined according to a list of persons who had a right to take part in the General Shareholders' Meeting of a newly established company, at which no decision was taken of any agenda's issue.

27.9. Statement on conduct of a repeated General Shareholders' Meeting of newly established companies and voting bulletins must be sent to the shareholders of newly established companies by a registered letter no later than in advance of 20 (Twenty) days before the date of conduct of a repeated General Shareholders' Meeting of newly established companies. Statement must be also published in a print newspaper stipulated by the Company's Charter for statements publication on conduct of the Company's General Shareholders' Meetings.

27.10. Obligations on preparation to conduct of repeated General Shareholders' Meetings of all the established companies are implemented by the Company's Board of Directors.

27.11. Other issues associated with preparation and conduct of the General Shareholders' Meetings of newly established companies are decided by the General

Shareholders' Meeting of the Company, in terms of an issue of the Company's reorganization in form of spinning off or dividing.

**Appendix # 1**  
to the Charter of  
Joint-Stock Company  
“Moscow United Electric Grid  
Company”

**LIST OF BRANHCES OF  
JSC “Moscow United Electric Grid Company”**

# of item	Name	Location
1.	Central electric grids	115201, Moscow, Kashirskoye haighway, 18
2.	Southern electric grids	142117, Moscow region Podol'sk town, Kirov str., 65
3.	Eastern electric grids	142400, Moscow region, Noginsk town, Radchenko str., 13
4.	Northern electric grids	141070, Moscow region, Korolev town, Gagarin str., 4
5.	Western electric grids	121170, Moscow, the street of the year of 1812, property 15
6.	High-voltage cable grids	107140, Moscow, Nizhnyaya Krasnosel'skaya str., 6, bld. 1
7.	Moscow cable grids	115035, Moscow, Sadovnicheskaya str., 36, bld. 1