

Annex 38 to the Draft Resolution of
EGM of RAO UES of Russia

APPROVED BY

Resolution of the General Meeting of Shareholders of
OAO RAO UES of Russia

MoM No. _____
of _____ 200_

Chairman of Meeting

By the Resolution of General Meeting of Shareholders
of OAO Mosenergo

MoM No. _____
of _____ 200_

Chairman of Meeting

AGREEMENT for CONSOLIDATION of

**OAO Mosenergo Holding
by Mosenergo**

_____ “_” _____ 200_

Joint-Stock Company Mosenergo Holding (Mosenergo Holding), spun-off as a result of reorganization of RAO UES of Russia, located at 119526 Moscow, Vernadskogo 101, bldg 3, represented by Deputy Chairman of the Management Board of RAO UES of Russia Y.M., acting under the Resolution of the General Meeting of Shareholders of RAO UES of Russia, hereinafter referred to as “**Consolidated Company**” and **Joint-Stock Company Mosenergo**, hereinafter referred to as **Mosenergo (State Registered Number 1027700302420)**, located at the address: Russian Federation, Moscow, Raushskaya naberezhnaya 8, represented by _____, acting under _____, hereinafter collectively referred to as the “Parties”,

In compliance with clause 2 Article 17, Article 19.1 of Federal Law No. 208-FZ “On Joint-Stock Companies” of 26.12.95 have entered into this Agreement as follows:

1. SUBJECT

- 1.1. The Parties agree to conduct reorganization in form of consolidation of the Consolidated Company by Mosenergo, including conversion of shares of Consolidated Company into the shares of Mosenergo in compliance with the Agreement.
- 1.2. The Parties agree to jointly perform all actions and procedures provided for by the legislation of the Russian Federation and incorporation documents of the Parties, and required to implement reorganization in form of consolidation.

2. RIGHTS AND OBLIGATIONS OF THE PARTIES

- 2.1. The Parties agree to apply their best efforts and perform all actions provided for by the Russian legislation to implement the consolidation procedure in strict compliance with the Russian legislation and to complete the same as soon as possible.
- 2.2. The sole executive body of Mosenergo shall notify its creditors, at least 30 (thirty) days from the date of decision on reorganization in form of consolidation, of such decision, by registered mail and by publishing a reorganization notice in the printed edition that publishes information on official reorganization of legal entities, i.e. magazine "Vestnik gosudarstvennoy registratsii" (State Registration News).

Creditors of Mosenergo shall have the right to claim from Mosenergo, in writing, within 30 (thirty) days from the publication date of the notice on such decision or within 30 (thirty) days from the date of such notice sent to them, termination of or early performance under respective obligations and compensation for losses. Mosenergo shall draft a registry of claims from creditors, satisfied and to be satisfied, based on claims received from its creditors.

- 2.3. The Parties agree to convert shares of the Consolidated Company into shares of Mosenergo in compliance with this Agreement.

3. PROCEDURE FOR CONVERSION OF SHARES OF THE CONSOLIDATED COMPANY INTO SHARES OF Mosenergo

- 3.1. All shares of Mosenergo Holding shall be converted into shares of Mosenergo owned by Mosenergo as a result of consolidation of Mosenergo Holding, into acquired and/or bought out shares of Mosenergo and/or into additional shares of Mosenergo (in case if the number of shares of Mosenergo owned by Mosenergo as a result of consolidation of Mosenergo Holding, and acquired and/or bought out shares of Mosenergo is insufficient to convert all shares of Mosenergo Holding in compliance with the approved conversion ratios).
- 3.2. Additional ordinary shares of Mosenergo, if issued, shall grant their holders the same rights as outstanding ordinary shares in Mosenergo in compliance with the Charter of Mosenergo and the Russian legislation.
- 3.3. Share conversion ratios:

2.9763321903943500 ordinary shares in Mosenergo Holding shall be converted into 1 ordinary share in Mosenergo with a par value of 1 (one) rouble each;

3.2499805529529900 preference shares in Mosenergo Holding shall be converted into 1 ordinary share in Mosenergo with a par value of 1 (one) rouble each.

- 3.4. The number of ordinary shares in Mosenergo that shall be received by each shareholder of Mosenergo Holding shall be determined by dividing the number of shares of specific category in Mosenergo Holding owned by such shareholder by the respective conversion ratio.

If calculation of the number of shares of Mosenergo that shall be received by a shareholder of Mosenergo Holding as a result of conversion results in a fractional number, the fractional part of such number shall be rounded up or down under the following rules

- rounded up by adding one to the integral part of such fractional number, if the digit immediately following the decimal point is between 5 and 9, inclusively, with the digits after the decimal point to be disregarded;
- rounded down by using only the integral part of such fractional number, if the digit immediately following the decimal point is between 0 and 4, inclusively, with the digits after the decimal point to be disregarded;
- if a shareholder is entitled to zero shares as a result of rounding down, such shareholder shall receive one additional share in Mosenergo.

If additional ordinary shares in Mosenergo are issued, the number of ordinary shares in Mosenergo, out of shares received and/or bought out and/or acquired by Mosenergo that shall be received by a shareholder of Mosenergo Holding shall be determined as the integral part of the product of the number of ordinary shares of Mosenergo that shall be received by such shareholder in compliance with the first paragraph of this clause (as rounded) multiplied by the ratio of the total number of ordinary shares in Mosenergo received and/or bought out and/or acquired by Mosenergo to the total number of ordinary shares of Mosenergo required to convert all ordinary and preference shares of Mosenergo Holding into such ordinary shares of Mosenergo.

The number of ordinary shares of Mosenergo, out of additional shares that shall be received by a shareholder in OAO Mosenergo Holding is determined as the difference between the number of ordinary shares in Mosenergo that shall be received by such shareholder under the first paragraph of this clause (as rounded) and the number of shares in Mosenergo, out of shares received and/or bought out and/or acquired by Mosenergo, that shall be received by such shareholder.

- 3.5. Shares in Mosenergo Holding shall be deemed to have been converted into ordinary shares in Mosenergo on the date when a record confirming termination of existence of Mosenergo Holding has been entered into the Unified State Registry of Legal Entities based on the data from the share registry of Mosenergo Holding as of the above date.
- 3.6. Shares in Mosenergo Holding that are subject to conversion shall be cancelled on conversion.

4. ASSIGNMENT

- 4.1. As a result of reorganization of the Parties all rights and obligations of the Consolidated Company shall pass to Mosenergo as the assignee under the respective deed of transfer.
- 4.2. Reorganization shall be deemed to be completed with regard to the Consolidated Company after a record confirming that the Consolidated Company has ceased its existence is entered in the Unified State Registry of Legal Entities.

Reorganization shall be deemed to be completed with respect to Mosenergo after a record confirming that the Consolidated Company has ceased its existence is entered in the Unified State Registry of Legal Entities.

If the rights and/or obligations of the Consolidated Company have changed within the period from the date of the deed of transfer to the date of completion of reorganization, such changed rights and/or obligations shall be deemed to have passed to Mosenergo on termination of existence of the Consolidated Company.

- 4.3. Disputes, discrepancies and claims arising between the Parties (their assignees), including all disputes in connection with decision taken with regard to reorganization of RAO UES of Russia shall be settled in compliance with agreements on dispute settlement entered between the Parties.

5. VALIDITY OF THE CONSOLIDATION AGREEMENT

5.1. This Agreement shall be terminated with respect to all Parties in the following cases:

- if the General Meeting of Shareholders of Mosenergo has voted against the decision on its reorganization in form of consolidation;
- if the Federal Antimonopoly Service or its territorial representation refuses to give its preliminary consent to the reorganization in form of consolidation, in case the circumstances that have caused such refusal cannot be eliminated;
- if the Federal Service for Financial Markets (its authorized regional branch) refuses State registration of the additional issue of shares of Mosenergo placed via conversion of shares of the Consolidated Company into such additional shares, in case the circumstances that have caused such refusal cannot be eliminated;
- in other cases provided for by the applicable legislation of the Russian Federation.

6. FINAL PROVISIONS

- 6.1. In case of default on or improper performance of the Agreement the Parties shall be held liable in accordance with the applicable law.
- 6.2. In all matters not covered herein, the Parties shall be governed by the effective law of the Russian Federation.
- 6.3. This Agreement is made in _____ copies, all being equally valid.

For Mosenergo Holding:

Title, name

signature

For Mosenergo:

Title, name

signature

This document is the English translation prepared for informational purposes only. The accuracy of the translation has not been verified and RAO UES accepts no responsibility for any action taken by any person in reliance on this translation. Readers are advised to refer to the Russian original of each relevant document, which can be found at www.rao-ees.ru, and to consult their own advisors for obtaining an accurate translation of the document.