

**SEPARATION BALANCE SHEET
of RAO UES of Russia:**

**Rules
for Allocation of Property, Rights and Obligations Within
the Period of RAO UES of Russia Reorganization through a
Spin-off and a Spin-off Accompanied by a Takeover**

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1. Terms and Definitions Used in These Rules

Allocation of Property, Rights and Obligations	Determination of legal succession in connection with changes in property and changes in rights and obligations within the period of RAO UES of Russia reorganization through a spin-off and a spin-off accompanied by a takeover
RAO UES of Russia	Unified Energy System of Russia Open Joint Stock Company
RAO UES Management Bodies	Management bodies of RAO UES of Russia: <ul style="list-style-type: none">• General Meeting of Shareholders• Board of Directors• Management Board• Chairman of the Management Board
Reorganized Company	RAO UES of Russia
Spun-off Companies	<p>The following corporate entities in the form of open joint stock companies to be established as a result of reorganizing RAO UES of Russia through a spin-off:</p> <ul style="list-style-type: none">• Interregional Distribution Company (IDC) Holding (spun-off company)• OAO RAO Far East Energy Systems (spun-off company)• OAO Tsentrenergoholding (spun-off company)• OAO Intergeneration (spun-off company)• OAO Sibenergoholding (spun-off company) <p>Said corporate entities are legal successors of RAO UES of Russia under a separation balance sheet of RAO UES of Russia, being a transfer deed for the Spun-off (Target) Companies.</p>
Spun-off (Target) Companies	<p>The following corporate entities in the form of open joint stock companies to be established as a result of reorganizing RAO UES of Russia accompanied by a takeover:</p> <ul style="list-style-type: none">• OAO State Holding (spun-off target company)• OAO State Holding HydroOGK (spun-off target company)• OAO Minority Holding HydroOGK (spun-off target company)• OAO Inter RAO UES Holding, (spun-off target company)• OAO Minority Holding FGC UES (spun-off target company)• OAO OGK-1 Holding (spun-off target company)• OAO OGK-2 Holding (spun-off target company)• OAO OGK-3 Holding (spun-off target company)

- OAO OGK-4 Holding (spun-off target company)
- OAO OGK-6 Holding (spun-off target company)
- OAO TKG-1 Holding (spun-off target company)
- OAO TKG-2 Holding (spun-off target company)
- OAO Mosenergo Holding (spun-off target company)
- OAO TKG-4 Holding (spun-off target company)
- OAO TKG-6 Holding (spun-off target company)
- OAO Voljskaya TKG Holding (spun-off target company)
- OAO SGC TGC-8 Holding (spun-off target company)
- OAO TKG-9 Holding (spun-off target company)
- OAO TKG-10 Holding (spun-off target company)
- OAO TKG-11 Holding (spun-off target company)
- OAO Kuzbassenergo Holding (spun-off target company)
- OAO Eniseiskaya TKG Holding (spun-off target company)
- OAO TKG-14 Holding (spun-off target company)

Said corporate entities are legal successors of RAO UES of Russia under a separation balance sheet of RAO UES of Russia, being a transfer deed for the Spun-off (Target) Companies.

Special Purpose Companies

The following corporate entities in the form of open joint stock companies which take over the Spun-off (Target) Companies to be established in the course of the RAO UES of Russia reorganization:

- Open joint stock company Federal Grid Company of the Unified Energy System, hereinafter OAO FGC UES - the company which takes over OAO State Holding and OAO Minority Holding FGC UES
- Open joint stock company Federal Hydrogeneration Company, hereinafter HydroOGK - the company which takes over OAO State Holding HydroOGK and OAO Minority Holding HydroOGK
- Open joint stock company Sochinskaya TPP, hereinafter OAO Sochinskaya TPP - the company which takes over OAO Inter RAO UES Holding
- Open joint stock company First Generation Company of the Wholesale Electricity Market, hereinafter OGK-1 - the company which takes over OAO OGK-1 Holding
- Open joint stock company Second Generation Company of the Wholesale Electricity Market, hereinafter OGK-2 - the company which takes over OAO OGK-2 Holding
- Open joint stock company Third Generation Company of the Wholesale Electricity Market, hereinafter OGK-3 - the company which takes over OAO OGK-3 Holding
- Open joint stock company Forth Generation Company of the Wholesale Electricity Market, hereinafter OGK-4

- the company which takes over OAO OGK-4 Holding
- Open joint stock company Sixth Generation Company of the Wholesale Electricity Market, hereinafter OGK-6 - the company which takes over OAO OGK-6 Holding
- Open joint stock company Territorial Generation Company No. 1, hereinafter TGK-1 - the company which takes over OAO TGK-1 Holding
- Open joint stock company Territorial Generation Company No. 2, hereinafter TGK-2 - the company which takes over OAO TGK-2 Holding
- Open joint stock company of power industry and electrification Mosenergo, hereinafter Mosenergo - the company which takes over OAO Mosenergo Holding
- Open joint stock company Territorial Generation Company No. 4, hereinafter TGK-4 - the company which takes over OAO TGK-4 Holding
- Open joint stock company Territorial Generation Company No. 6, hereinafter TGK-6 - the company which takes over OAO TGK-6 Holding
- Open joint stock company Voljskaya Territorial Generation Company, hereinafter OAO Voljskaya TGK - the company which takes over OAO Voljskaya TGK Holding
- Open joint stock company Yuzhnaya Generation Company – TGK-8, hereinafter OAO SGC TGK-8 - the company which takes over OAO SGC TGC-8 Holding
- Open joint stock company Territorial Generation Company No. 9, hereinafter OAO TGK-9 - the company which takes over OAO TGK-9 Holding
- Open joint stock company Territorial Generation Company No. 10, hereinafter OAO TGK-10 - the company which takes over OAO TGK-10 Holding
- Open joint stock company Territorial Generation Company No. 11, hereinafter OAO TGK-11 - the company which takes over OAO TGK-11 Holding
- Open joint stock company Kuzbass of power industry and electrification, hereinafter OAO Kuzbassenergo - the company which takes over OAO Kuzbassenergo Holding
- Open joint stock company Eniseiskaya Territorial Generation Company (TGK-13), hereinafter OAO Eniseiskaya TGK (TGK-13) - the company which takes over OAO Eniseiskaya TGK Holding
- Open joint stock company Territorial Generation Company No. 14, hereinafter OAO TGK-14 - the company which takes over OAO TGK-14 Holding

Said corporate entities are legal successors of the relevant Spun-off (Target) Companies under the separation balance sheet of RAO UES of Russia, being a transfer deed for the

State Holding Companies	<p>Spun-off (Target) Companies.</p> <p>The following Spun-off (Target) Companies:</p> <ul style="list-style-type: none"> • OAO State Holding (spun-off target company) • OAO State Holding HydroOGK (spun-off target company)
Minority Holding Companies	<p>The following Spun-off (Target) Companies:</p> <ul style="list-style-type: none"> • OAO Minority Holding FGC UES (spun-off target company) • OAO Minority Holding HydroOGK (spun-off target company) • OAO OGK-1 Holding (spun-off target company) • OAO OGK-2 Holding (spun-off target company) • OAO OGK-3 Holding (spun-off target company) • OAO OGK-4 Holding (spun-off target company) • OAO OGK-6 Holding (spun-off target company) • OAO TKG-1 Holding (spun-off target company) • OAO TKG-2 Holding (spun-off target company) • OAO Mosenergo Holding (spun-off target company) • OAO TKG-4 Holding (spun-off target company) • OAO TKG-6 Holding (spun-off target company) • OAO Voljskaya TKG Holding (spun-off target company) • OAO SGC TGC-8 Holding (spun-off target company) • OAO TKG-9 Holding (spun-off target company) • OAO TKG-10 Holding (spun-off target company) • OAO TKG-11 Holding (spun-off target company) • OAO Kuzbassenergo Holding (spun-off target company) • OAO Eniseiskaya TKG Holding (spun-off target company) • OAO TKG-14 Holding (spun-off target company)
Special Holding Companies	<p>The following Spun-off Companies:</p> <ul style="list-style-type: none"> • OAO Tsentrenergoholding (spun-off company) • OAO Intergeneration (spun-off company) • OAO Sibenergoholding (spun-off company)
AO	<p>A corporate entity established as a joint stock company under the laws of the Russian Federation, shares of which are owned, at the Date of the Lists of Property, Rights and Obligations, by RAO UES of Russia or shares of which RAO UES of Russia plans to acquire and/or acquires within the Transition Period</p>
OOO	<p>A corporate entity established as a limited liability company under the laws of the Russian Federation, a participation</p>

interest in which is owned, at the Date of the Lists of Property, Rights and Obligations, by RAO UES of Russia or a participation interest in which RAO UES of Russia plans to acquire and/or acquires within the Transition Period

Reorganization	Reorganization of RAO UES of Russia through a spin-off and a spin-off accompanied by a takeover
First Reorganization of RAO UES of Russia	Reorganization of RAO UES of Russia through a spin-off of OAO OGK-5 Holding and OAO TGK-5 Holding accompanied by a takeover of the spun-off companies by OAO OGK-5 and OAO TGK-5, respectively, decision on which was made by the Extraordinary General Meeting of Shareholders of RAO UES of Russia on December 6, 2006
Shareholding in OAO OGK-5	Shareholding in OAO OGK-5 equal to 17,685,842,752 shares owned by RAO UES of Russia on the date of making the Lists of Property, Rights and Obligations (as defined hereinafter) and distributed in the course of the First reorganization of RAO UES of Russia in favor of OAO OGK-5 Holding
Shareholding in OAO TGK-5	Shareholding in OAO TGK-5 equal to 583,798,247,818 shares owned by RAO UES of Russia on the date of making the Lists of Property, Rights and Obligations (as defined hereinafter) and distributed in the course of the First reorganization of RAO UES of Russia in favor of OAO TGK-5 Holding
Basic Principles	Basic Principles of Allocation the Property, Rights and Obligations Among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies within the Transition Period (Section 3 hereof)
State Registration Date of a Spun-off (Target) Company	A date of state registration of a Spun-off (Target) Company by a registering authority on the Uniform State Register of Legal Entities. Such registration on the Uniform State Register of Legal Entities is simultaneous with the registration of dissolution of a Spun-off (Target) Company as a result of reorganization through a takeover by a Special Purpose Company; the state registration is followed by registration of dissolution.
State Registration Date of a Spun-off Company	A date of state registration of a Spun-off Company by a registering authority on the Uniform State Register of Legal Entities
Date of a General Meeting of Shareholders of RAO UES of Russia	A date of holding an extraordinary General Meeting of Shareholders which made the decision to reorganize RAO UES of Russia through a spin-off and accompanied by a takeover
Separation Balance Sheet Date	A date, at which the Separation Balance Sheet was compiled –

31 March 2007.

Date of Lists of Property, Rights and Obligations	A date, at which the Lists of Property, Rights and Obligations were compiled – 31 March 2007. This date coincides with the Separation Balance Sheet Date
Reorganization Completion Date	A date of state registration of the last company established as a result of RAO UES of Russia reorganization on the Uniform State Register of Legal Entities
Transition Period	The time between the Separation Balance Sheet Date and the Reorganization Completion Date
Separation Balance Sheet	<p>A set of documents, to be approved by the General Meeting of Shareholders of RAO UES of Russia and containing provisions on legal succession in relation to the entire property and all rights and obligations of RAO UES of Russia towards all of its creditors and debtors which serves as a basis for a part of property, rights and obligations of RAO UES of Russia to be transferred to the Spun-off, as well as the Spun-off (Target) Companies.</p> <p>The Separation Balance Sheet of RAO UES of Russia contain the provisions on defining the Spun-off and Spun-off (Target) Companies as legal successors of RAO UES of Russia and is a transfer deed for the Spun-off (Target) Companies, under which the rights and obligations of RAO UES of Russia are transferred to the Special Purpose Companies.</p>
Inventory lists for accounting the assets and liabilities in the Separation Balance Sheet	Inventory lists of property, rights and obligations of the Reorganized Company that are compiled for the purpose of their accounting in the Separation Balance Sheet
Lists of Property, Rights and Obligations	Documents that determine allocation of property, rights and obligations among the Reorganized Company, Spun-off Companies, and Spun-off (Target) Companies in the Separation Balance Sheet and being an integral part thereof
Land Plots	Land Plots or parts of land plots within the meaning specified by the Land Code of the Russian Federation
Real Properties	Real properties as defined by Article 130 of the RF Civil Code, except Land Plots
RF Civil Code	Civil Code of the Russian Federation
EGRP	Uniform State Register of Title to Real Property and Real Property Transactions
Functional-and-technological principle of property, rights and obligations allocation	Principle of allocating property, rights and obligations, whereby such items are allocated to the Spun-off Companies and Spun-off (Target) Companies according to their purpose (functional-and-technological specialization) based on the business profile

of the relevant special purpose company.

**Territorial principle of
property, rights and
obligations allocation**

Principle of allocating property, rights and obligations, whereby such items are allocated to the Spun-off Companies and Spun-off (Target) Companies according to their location (geographical place) in line with the territorial location of the relevant special purpose company.

2. Purposes and Scope of These Rules

These rules for allocation of property, rights and obligations among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies within the RAO UES of Russia reorganization through a spin-off and a spin-off accompanied by a takeover (the "**Rules**") are a part of the Separation Balance Sheet of RAO UES of Russia to be approved by the General Meeting of Shareholders of RAO UES of Russia when deciding on the RAO UES of Russia reorganization.

These Rules are developed pursuant to Articles 15, 19, 19.1. of the Federal Law "On Joint Stock Companies" No. 208-FZ dated 26 December 1995, Article 58 of the RF Civil Code and other provisions of the laws of the Russian Federation with the view to ensure continuous production process of RAO UES of Russia in the course of the Reorganization and also to secure the rights and interests of its creditors, shareholders and other persons concerned.

These Rules govern the procedure for determination of legal succession in connection with changes in type, composition, value of the property of the Reorganized Company, and in connection with the occurrence, change and termination of the rights and obligations of the Reorganized Company within the Transition Period.

These Rules govern the procedure for and principles of allocating the property, rights and obligations of RAO UES of Russia not included in the Lists of Property, Rights and Obligations but owned or held by RAO UES of Russia or existing, respectively, on the Separation Balance Sheet Date.

These Rules shall cover the First Reorganization of RAO UES of Russia to the extent that is not in conflict with the provisions of the Rules for allocation of property, rights and obligations of RAO UES of Russia for the First reorganization of RAO UES of Russia relating to the shareholdings of OAO OGK-5 and OAO TGK-5 allocated in favor of OAO OGK-5 Holding and OAO TGK-5 Holding, respectively.

These Rules do not govern any issues related to accounting or reflecting any operations conducted by RAO UES of Russia within the Transition Period.

These Rules shall come into effect as of the date of their approval by the General Meeting of Shareholders of RAO UES of Russia within the Separation Balance Sheet and remain effective until the Reorganization Completion Date. These Rules also cover the period from the Separation Balance Sheet Date to the Date of the General Meeting of Shareholders of RAO UES of Russia.

Should any amendments inconsistent herewith are made to the laws of the Russian Federation, the Management Bodies of RAO UES of Russia shall abide by the amended applicable regulatory documents of the Russian Federation when allocating the property, rights and obligations RAO UES of Russia among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies within the Transition Period.

3. Basic Principles of Allocation the Property, Rights and Obligations Among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies within the Transition Period

The following Basic Principles shall apply in the process of allocating the property, rights and obligations emerging and changing within the Transition Period among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies:

- Property, rights and obligations obtained as a result of amendment/termination and/or retirement/disposal of property, rights and obligations allocated pursuant to the Lists of Property, Rights and Obligations in favor of RAO UES of Russia, Spun-off Companies and Spun-off (Target) Companies, will transfer, with account of provisions of Section 4 hereof, to the company, to which the relevant property, rights and obligations were allocated under the Lists of Property, Rights and Obligations;
- Any other property, rights and obligations acquired/arising within the Transition Period will be not allocated and remain with RAO UES of Russia, with account of the provisions of Section 4, unless otherwise is specified by Section 7 hereof;
- Property handed over to the Spun-off (Target) Companies will transfer from the Spun-off (Target) Companies to the relevant Special Purpose Companies in full volume, with account of Section 7 hereof.

Basic Principles shall not be applied to determine the legal succession under agreements entered into by RAO UES of Russia within the Transition Period in connection with the use of the federal property. Rights and obligations under the said agreements shall not be allocated and shall remain with RAO UES of Russia.

4. Principles of Allocating the Property, Rights and Obligations of RAO UES of Russia Existing Prior to the Separation Balance Sheet Date and Amended/Terminated Within the Transition Period Among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies

When deciding the matter of allocating the amended/terminated rights, obligations and property, allocated within the Lists of Property, Rights and Obligations in favor of RAO UES of Russia and/or the Spun-off Companies and Spun-off (Target) Companies, one ought to be governed with the Basic Principles which shall be interpreted considering the following provisions.

4.1. Restriction of amendment/termination and/or retirement/disposal of shares allocated under the Lists of Property, Rights and Obligations

Within the Transition Period RAO UES of Russia shall not dispose of and encumber the shares of the following companies to be allocated under the Lists of Property, Rights and Obligations in favor of the Minority Holding Companies and Special Holding Companies:

 OAO FGC UES, OAO HydroOGK, OAO OGK-1, OAO OGK-2, OAO OGK-3, OAO OGK-4, OAO OGK-6, OAO TGK-1, OAO TGK-2, OAO Mosenergo, OAO TGK-4, OAO TGK-6, OAO Voljskaya TGK, OAO SGC TGK-8, OAO TGK-9, OAO TGK-10, OAO TGK-11, OAO Kuzbassenergo, OAO Eniseiskaya TGK (OAO TGK-13), OAO TGK-14.

If shares not indicated in this paragraph and allocated under the Lists of Property, Rights and Obligations are disposed in favor of the Minority Holding Companies and Special Holding Companies, the received cash/assets are allocated in favor of the Minority Holding Companies and Special Holding Companies pursuant to the Basic Principles and considering the provisions of paragraph 4.2 hereof.

If shares indicated in this paragraph and allocated under the Lists of Property, Rights and Obligations are disposed in favor of the Minority Holding Companies and Special Holding Companies on the grounds beyond the control of RAO UES of Russia, the cash, any other property, rights and obligations received from disposal of such shares shall transfer to the Minority Holding Companies and Special Holding Companies pursuant to the Basic Principles and considering the provisions hereof.

4.2. Principles of allocating the property, rights and obligations obtained as a result of amendment/termination (retirement/disposal) of property, rights and obligations allocated under the Lists of Property, Rights and Obligations

Property, rights and obligations obtained as a result of amendment/termination and/or retirement/disposal of property, rights and obligations allocated under the Lists of Property, Rights and Obligations in favor of RAO UES of Russia, shall remain with RAO UES of Russia, unless otherwise is specified by the provisions of Section 7 hereof.

Property, rights and obligations obtained as a result of amendment/termination and/or retirement/disposal of property, rights and obligations allocated under the Lists of Property, Rights and Obligations in favor of the Spun-off Companies and Spun-off (Target) Companies, shall transfer to those Spun-off Companies and Spun-off (Target) Companies, to which the amended/terminated and/or disposed/retired property, right or obligation was allocated under the Lists of Property, Rights and Obligations, in proportion to the amended/terminated and/or disposed/retired property, rights and obligations allocated in favor of the relevant Spun-off

Companies and Spun-off (Target) Companies under the Lists of Property, Rights and Obligations, unless otherwise is specified by the provisions of Section 7 hereof.

If, in accordance with the rules of this paragraph cash assets are determined for allocation to the Spun-off and Spun-off (Target) Companies instead of issuers' shares allocated in favor of the relevant companies, the amount of such cash shall be reduced, with account of the provisions of Section 7 hereof, by the following amounts (the deductions):

- amounts equal to amounts of direct expenses relating to sales of shares, including costs of their evaluation, costs incurred in relation to auctions and other costs connected with such sale;
- amounts equal to amounts of accrued taxes and other mandatory payments to budgets that arise out of the sale of shares and are determined in accordance with the current laws of the Russian Federation, per each specific sale of shares transaction separately.

Amount of cash assets received as a result of disposal of a part of shares allocated to State Holding Companies under the Lists of Property, Rights and Obligations, shall be allocated, after deductions specified in this paragraph, in favor of the relevant State Holding Companies, in proportion to the quantity of issuer's shares allocated in favor of the State Holding Companies under the Lists of Property, Rights and Obligations on the date of making the Separation Balance Sheet.

After the deductions specified in this paragraph the cash amount received as a result of disposal of a part of shares allocated to the Spun-off Companies and Spun-off (Target) Companies, not being State Holding Companies, under the Lists of Property, Rights and Obligations shall be allocated in favor of the relevant Spun-off Companies and Spun-off (Target) Companies, not being State Holding Companies, in proportion to the quantity of the issuer's shares allocated in favor of Spun-off Companies and Spun-off (Target) Companies, not being State Holding Companies, under the Lists of Property, Rights and Obligations on the date of making the Separation Balance Sheet.

4.3. Principles of allocating the rights, obligations and property received as a result of amendment/termination (retirement/disposal) of property, rights and obligations allocated under provisions specified in paragraph 4.2 hereof

Property (including cash assets), rights and obligations received as a result of retirement/disposal and/or amendment/termination of property, rights and obligations allocated in favor of Spun-off Companies and Spun-off (Target) Companies under the provisions specified in paragraph 4.2 hereof, shall transfer to that Spun-off, Spun-off (Target) Company, to which amended/terminated and/or retired/disposed property, rights or obligations were allocated under the provisions specified in paragraph 4.2 hereof; the similar norm is valid for the property, rights and obligations, received as a result of amendment/termination and/or retirement/disposal property rights and obligations allocated under this paragraph. When allocating the property, rights and obligations received through payment of cash assets allocated under the provisions of paragraph 4.2 hereof in favor of Spun-off Companies and Spun-off (Target) Companies, allocated shall be only the property, rights or obligations which were purchased by cash assets that remained after deductions specified in paragraph 4.2 hereof, unless otherwise is specified by Section 7 hereof.

If, in accordance with the rules of this paragraph, cash assets are determined for allocation to the Spun-off and Spun-off (Target) Companies instead of the shares allocated in favor of the

relevant companies, the amount of such cash shall be reduced by the following amounts (deductions):

- amounts equal to amounts of direct expenses relating to sales of shares, including costs of their evaluation, costs incurred in relation to auctions and other costs connected with such sale;
- amounts equal to amounts of accrued taxes and other mandatory payments to budgets that arise out of the sale of shares and are determined in accordance with the current laws of the Russian Federation, per each specific sale of shares transaction separately.

4.4. Procedure for determination of the legal successor when acquiring property, rights and obligations for the purposes of paragraphs 4.2.-4.3 hereof

If cash assets (or other things determined by generic features) which were subsequently used for acquisition of property, rights and obligations, had been acquired as a result of amendment/termination and/or retirement/disposal of property, rights and obligations allocated under the Lists of Property, Rights and Obligations and under the provisions of these Rules in favor of one of the Spun-off Companies and Spun-off (Target) Companies, the relevant legally succeeding company for the arisen property, rights and obligations shall be determined as follows:

- in the event of shares acquisition, a legally succeeding company shall be specified in the relevant decision made by the Board of Directors of RAO UES of Russia, if such decision is made after these Rules have come into effect, and in agreements relating to shares acquisition, with reference to this paragraph of the Rules. At the same time, the Board of Directors of RAO UES of Russia shall abide by the Basic Principles and other provisions hereof when deciding on the use of the cash assets (or other things determined by the generic features) specified in this paragraph. Indication of a legally succeeding company in the relevant agreements, with reference to this paragraph of the Rules, is also the indication of a source of expenses for shares acquisition;
- in the event of acquiring property (except shares), rights and obligations, a legally succeeding company shall be specified in the relevant agreements relating to acquisition of the property (except shares), rights and obligations, with reference to this paragraph of the Rules. When identifying a legally succeeding company one ought to be governed with the Basic Principles. Indication of a legally succeeding company in the relevant agreements, with reference to this paragraph of the Rules, is also the indication of a source of expenses for acquisition of the property (except shares), rights and obligations.

4.5. Principles of allocating the property, rights and obligations revealed within the Transition Period and not included in the Lists of Property, Rights and Obligations

Property, rights and obligations revealed within the Transition Period and existing as of the RAO UES of Russia Reorganization Completion Date but not included in the Lists of Property, Rights and Obligations, however, owned or possessed by RAO UES of Russia and existing as of the date of making the Separation Balance Sheet, shall not be allocated and shall remain with RAO UES of Russia, unless otherwise specified by Section 7 hereof¹.

¹ If property, right and obligations are revealed pursuant to this clause, Heads of Departments of RAO UES of Russia should, within the Transition Period, provide information on the revealed property, right and obligations for consideration of the Audit Committee of RAO UES of Russia on the quarterly basis (10 days prior to the end of a quarter). The Audit Committee of RAO UES of Russia shall make a decision on informing the Board of Directors of RAO UES of Russia thereof in accordance with any findings made in the course of scrutinizing the provided information.

5. Principles of Allocating the Property, Rights and Obligations Arising Within the Transition Period Among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies

5.1. Application of the Basic Principles when allocating property, rights and obligations arising within the Transition Period

Basic Principles and provisions of Section 7 hereof shall apply when deciding on allocating property, rights and obligations arising within the Transition Period to RAO UES of Russia or the Spun-off Companies and Spun-off (Target) Companies.

Obligation to pay taxes shall not be included in the rights and obligations of RAO UES of Russia which are not allocated within the Transition Period.

5.2. Application of the Basic Principles when RAO UES of Russia enters into agreements within the Transition Period

Rights and obligations under agreements to be entered into by RAO UES of Russia within the Transition Period and relating to property, rights and obligations allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of RAO UES of Russia shall not be allocated and shall remain with RAO UES of Russia in accordance with the Basic Principles, except cases envisaged by the provisions of Section 7 hereof.

The legal successor under the agreements to be entered into by RAO UES of Russia within the Transition Period and relating to property, rights and obligations allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of a Spun-off, Spun-off (Target) Company shall be the relevant Spun-off, Spun-off (Target) Company in accordance with the Basic Principles, except cases envisaged by the provisions of Section 7 hereof.

Rights and obligations under the agreements to be entered into by RAO UES of Russia within the Transition Period and relating to property, rights and obligations not indicated in the Lists of Property, Rights and Obligations and not allocated under other provisions hereof shall not be allocated and shall remain with RAO UES of Russia in accordance with the Basic Principles, except cases envisaged by the provisions of Section 4 and of Section 7 hereof.

Legal successors under the agreements to be entered into by RAO UES of Russia within the Transition Period and relating to property, rights and obligations allocated under Section 7 hereof shall be those Spun-off Companies and Spun-off (Target) Companies, to which the relevant property, rights and obligations are allocated.

If any conflict/controversy between the provisions hereof and the provisions of any agreements to be entered into within the Transition Period are found in relation to the identification of the legal successor in regard of property, rights and obligations allocated in accordance with these Rules, the provisions of these Rules shall prevail.

If an agreement is entered into within the Transition Period and rights and obligations thereunder refer, pursuant to the functional-and-technological principle, with account of the territorial

principle², to neither of the Spun-off and/or Spun-off (Target) Companies, such agreement, as well as the rights and obligations thereunder shall not be allocated and shall remain with RAO UES of Russia.

Legal successors under the Agreement for Referring Disputes to the Court of Arbitration within RAO UES of Russia shall be all Spun-off Companies and Spun-off (Target) Companies established in the Reorganization process, and also RAO UES of Russia.

6. Allocation of Individual Kinds of Property, Rights and Obligations of RAO UES of Russia

6.1. Allocation of property, rights and obligations of RAO UES of Russia resulting from labor relations

Property, rights and obligations of RAO UES of Russia resulting from labor legal relations arising within the Transition Period shall not be allocated and shall remain with RAO UES of Russia.

6.2. Allocation of rights and obligations in respect of intellectual property items

Rights and obligations in respect of intellectual property items (trade marks, license agreements relating to use of trade marks, patents, industrial prototypes, computer programs, etc.) arising within the Transition Period shall not be allocated and shall remain with RAO UES of Russia in accordance with the Basic Principles, except for the provisions of Section 7 hereof.

6.3. Allocation of rights and obligations in respect of Real Properties

Should the right to use a Land Plot permanently (perpetually) be substituted for the right to lease or for the title within the Transition Period, such rights to lease or titles shall transfer to RAO UES of Russia, a Spun-off or Spun-off (Target) Company, to which the rights to use the relevant Land Plots permanently (perpetually) transfer by way of legal succession. The expenses incurred in relation to the re-registration of the rights to use permanently (perpetually) and expenses for acquisition of the titles to the Land Plot shall be paid by RAO UES of Russia.

Any lien in respect of any Real Property and/or Land Plot shall survive the transfer of such Real Property and/or Land Plot. State registration of such lien and/or registration on EGRP shall be at the expense of RAO UES of Russia.

6.4. Allocation of rights and obligations arising out of participation of RAO UES of Russia in other organizations

6.4.1. Allocation of rights and obligations arising out of participation of RAO UES of Russia in commercial organizations and production cooperatives

² The functional-and-technological principle, with account of the territorial principle, were applied in compilation of the Lists of Property, Rights and Obligations

Should RAO UES of Russia acquire AO shares within the Transition Period, such shares shall be allocated among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies in accordance with the Basic Principles, with account of the provisions of Section 4 and of Section 7 hereof.

Any rights arising within the Transition Period in relation to receiving dividends as well as any accounts receivable arising within the Transition Period and relating to receipt of dividends on shares allocated under the Lists of Property, Rights and Obligations and under the provisions hereof among RAO UES of Russia, Spun-off and Spun-off (Target) Companies shall not be allocated and shall remain with RAO UES of Russia.

Any rights arising within the Transition Period in relation to receiving a part of the value of the property that remains after satisfaction of creditors' claims in the event of AO liquidation, whose shares are allocated among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies, shall be deemed to have arisen out of the retirement of the said shares and shall be allocated in accordance with the Basic Principles.

Should AO redeem or purchase its own shares from RAO UES of Russia, any cash assets, any other property received/transferred as a result of such redemption shall be allocated with account of the provisions of Section 4 hereof in favor of RAO UES of Russia, a Spun-off or Spun-off (Target) Company, to which shares of this AO have been allocated initially.

Should RAO UES of Russia dispose of AO shares, any cash assets, any other property received as a result of such disposal shall be allocated in accordance with the Basic Principles and with account of the provisions of Section 4 hereof in favor of RAO UES of Russia, a Spun-off, Spun-off (Target) Company, to which the relevant shares have been allocated under the Lists of Property, Rights and Obligations, except for the provisions of Section 7 hereof.

Should RAO UES of Russia acquire OOO participation interests within the Transition Period, these participation interests shall be allocated among RAO UES of Russia and the Spun-off Companies and Spun-off (Target) Companies in accordance with the Basic Principles and with account of the provisions of Section 4 hereof.

Should RAO UES of Russia retire or be excluded from membership of OOO, any cash assets, other property received as a result of such retirement or exclusion shall be allocated in accordance with the Basic Principles and provisions of Section 4 hereof.

Should RAO UES of Russia dispose of OOO participation interests, any cash assets, other property received as a result of such disposal shall be allocated in accordance with the Basic Principles and provisions of Section 4 hereof.

Should RAO UES of Russia deposit an equity contribution into a production cooperative within the Transition Period, membership in the production cooperative shall be allocated in accordance with the Basic Principles and provisions of Section 4 hereof.

6.4.2. Allocation of rights and obligations arising out of participation of RAO UES of Russia in non-profit organizations

Rights and obligations of RAO UES of Russia as a member/founder in non-profit partnerships, unions/associations, independent non-profit organizations, consumers' cooperatives, public unions and other non-profit organizations, except for any institutions arising within the

Transition Period, shall be allocated in accordance with the Basic Principles, provisions of Section 4 and of Section 7 hereof if their allocation is allowed by constituent documents of the relevant non-profit organizations and the laws of the Russian Federation. Otherwise they shall not be allocated and shall remain with RAO UES of Russia.

If any property subject to allocation under the Lists of Property, Rights and Obligations or these Rules in favor of Spun-off Companies and Spun-off (Target) Companies is secured to a private institution pursuant to the right of operative management, such property shall be allocated pursuant to the same rules as the other property subject to allocation under the Lists of Property, Rights and Obligations and these Rules. The rights of the founder of the private institution, to which this property is secured, shall transfer to those Spun-off Companies and Spun-off (Target) Companies, to which it has been allocated.

6.5. Allocation of rights and obligations arising out of participation of RAO UES of Russia in other corporate relations

Should shareholders of RAO UES of Russia make claims as to redeem shares of RAO UES of Russia under procedure envisaged in Articles 75, 76 of the Federal Law "On Joint Stock Companies", any cash assets allocated under the Lists of Property, Rights and Obligations and the provisions of Section 7 hereof in favor of RAO UES of Russia shall be used to redeem the shares.

Should shareholders of RAO UES of Russia make a decision to pay dividends, any cash assets or other property of RAO UES of Russia allocated in favor of RAO UES of Russia under the Lists of Property, Rights and Obligations and the provisions hereof shall apply to dividend payment.

6.6. Allocation of accounts payable and accounts receivable, cash assets, short-term and long-term financial investments

Accounts payable arising within the Transition Period shall not be allocated and shall remain with RAO UES of Russia, except cases envisaged by the provisions of Sections 4 - 7 hereof.

Accounts receivable arising within the Transition Period under agreements, in relation to which the legal successor is, under the Lists of Property, Rights and Obligations, a Spun-off, Spun-off (Target) Company, shall be allocated to the relevant Spun-off, Spun-off (Target) Company.

Accounts receivable arising within the Transition Period under agreements, in relation to which the legal successor is, under the Lists of Property, Rights and Obligations, RAO UES of Russia, shall not be allocated and shall remain with RAO UES of Russia.

Accounts receivable arising within the Transition Period under the agreements to be entered into within the Transition Period, the legal successor in relation to which shall be identified under the provisions hereof, shall be allocated in favor of the relevant legally succeeding company.

Should a counterparty (debtor) of RAO UES of Russia perform obligations within the Transition Period, any cash assets (cash equivalents in the event of non-cash forms of payment) obtained by RAO UES of Russia as a result of such performance shall be allocated among RAO UES of Russia, Spun-off and Spun-off (Target) Companies in accordance with the Basic Principles with account of the provisions of Sections 4 and 7 hereof.

Other income, including subscription fee, received by RAO UES of Russia within the Transition Period and not relating to the amendment/termination and/or retirement/disposal of the property, rights and obligations envisaged by the provisions hereof shall not be allocated and shall remain with RAO UES of Russia.

Any provisions, to be established within the Transition Period in compliance with the current laws of the Russian Federation, relating to the accounts receivable and/or financial investments shall be allocated in favor of that Spun-off and/or Spun-off (Target) Company, to which accounts receivable, financial investments have been allocated under the Lists of Property, Rights and Obligations and the provisions hereof.

When writing off any accounts receivable and/or financial investments within the Transition Period in compliance with the current laws of the Russian Federation from the balance sheet of RAO UES of Russia, any losses incurred as a result of such writing-off shall not be allocated and shall remain with RAO UES of Russia, whereas any rights and obligations relating to the written-off accounts receivable and/or financial investments recorded on the off-balance sheet accounts of RAO UES of Russia shall be allocated to that Spun-off and/or Spun-off (Target) Company, to which accounts receivable, financial investments have been allocated under the Lists of Property, Rights and Obligations and the provisions hereof.

Any cash assets on current and other accounts as of the Date of state registration of the Spun-off and Spun-off (Target) Companies shall not be allocated and shall remain with RAO UES of Russia, except cases envisaged in Section 4 and Section 7 hereof and cash assets allocated under the Lists of Property, Rights and Obligations in favor of IDC Holding (spun-off company) and OAO RAO Far East Energy Systems (spun-off company).

6.7. Allocation of rights and obligations arising out of civil legal proceedings

Should any claim be raised against RAO UES of Russia within the Transition Period under a judicial act based on an obligation or relating to the property which are indicated in the Lists of Property, Rights and Obligations, such claim under judicial acts shall transfer to the company that is the legal successor in relation to the relevant property, rights or obligations, with which such claim under a judicial act is connected.

Should any claim be raised by RAO UES of Russia against third parties within the Transition Period under a judicial act based on an obligation or relating to the property which are indicated in the Lists of Property, Rights and Obligations, such claim under a judicial act shall transfer to the company that is the legal successor in relation to the relevant property, rights or obligations, with which such claim under a judicial act is connected.

Should any claim be raised against RAO UES of Russia within the Transition Period under a judicial act based on an obligation which indicates a company that is the legal successor to RAO UES of Russia under the said obligation, such claim under a judicial act shall transfer to a company indicated as the legal successor.

Should any claim be raised by RAO UES of Russia against third parties within the Transition Period under a judicial act based on an obligation which indicates a company that is the legal successor to RAO UES of Russia under the said obligation, such claim under a judicial act shall transfer to a company indicated as the legal successor.

Should any claim be raised against RAO UES of Russia within the Transition Period under a judicial act based on an obligation or relating to the property which are not indicated in the Lists of Property, Rights and Obligations and no legal successor is indicated in the obligation, such claim under a judicial act shall be imposed on RAO UES of Russia and the Spun-off and Spun-off (Target) Companies jointly and severally, in proportion to the shares of assets received under the Lists of Property, Rights and Obligations and under these Rules, unless otherwise is envisaged by the agreement for distribution of liability among the said companies.

Should any claim be raised against RAO UES of Russia within the Transition Period as to tax obligations, such claims shall be imposed on RAO UES of Russia.

6.8. Allocation of assets of RAO UES of Russia transferred to OAO OGK-5 Holding and OAO TGK-5 Holding under a separation balance sheet of the First Reorganization of RAO UES of Russia

Shareholdings of OAO OGK-5 and OAO TGK-5 allocated under a separation balance sheet of the First Reorganization of RAO UES of Russia to OAO OGK-5 Holding and OAO TGK-5 Holding, respectively, shall be accounted for within the assets of RAO UES of Russia when compiling the Separation Balance Sheet as of 31 March 2007.

Should the First Reorganization be completed within the Transition Period, the said Shareholdings will be transferred to OAO OGK-5 Holding and OAO TGK-5 Holding under a separation balance sheet and in accordance with the rules for allocation of property, rights and obligations of the First Reorganization of RAO UES of Russia.

7. Special Cases of Allocating Property, Rights and Obligations

Basic Principles shall not apply to the allocation of property, rights and obligations specified in this section of the Rules.

Should the Board of Directors of RAO UES of Russia decide to make additional deductions from cash amounts received from the sale of shares indicated in the third subparagraph of paragraph 4.2., the amount of cash assets to be allocated to the Spun-off Companies and Spun-off (Target) Companies, shall be reduced, pursuant to the third subparagraph of paragraph 4.2., by the amount of additional deductions specified by the Board of Directors of RAO UES of Russia.

Paragraph 7.2 of Section 7 hereof shall govern the allocation of property, rights and obligations acquired out of the property, rights and obligations allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of RAO UES of Russia, IDC Holding (spun-off company) (Annex 1 hereto) and OAO RAO Far East Energy Systems (spun-off company) (Annex 2 hereto).

7.1. Special cases of allocating property, rights and obligations with regard to IDC Holding (spun-off company) and OAO RAO Far East Energy Systems (spun-off company)

If the property allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of IDC Holding (spun-off company) and OAO RAO Far East Energy Systems (spun-off company) (Annex 1 and Annex 2 hereto) is sold (disposed) or encumbered within the Transition Period, any cash assets (or other property) received from these transactions

shall not be allocated and shall remain with RAO UES of Russia, unless otherwise provided for in paragraph 7.2 of Section 7 hereof.

If RAO UES of Russia borrows any borrowed funds within the Transition Period against the encumbrance of the property allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of IDC Holding (spun-off company) and OAO RAO Far East Energy Systems (spun-off company) (Annex 1 and Annex 2 hereto), accounts payable and encumbered property arising within the Transition Period shall be allocated in favor of the relevant company, IDC Holding (spun-off company) and OAO RAO Far East Energy Systems (spun-off company), in proportion to the value of the property accounted for the purpose of encumbrance.

7.2. Special cases of allocating the property, rights and obligations with regard to other companies

If RAO UES of Russia establishes, within the Transition Period, OAO Far East Energy Company and pays in the authorized capital of the established company with the property allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of RAO UES of Russia, the received shares shall be allocated in favor of OAO Inter RAO UES Holding (spun-off target company).

If RAO UES of Russia establishes, within the Transition Period, OAO Volga IDC, OAO South IDC, OAO Tsentral and Povolzhye IDC and/or other territorial grid companies that provide services for electricity transmission using electrical grid facilities not included in the unified national (all-Russian) electric grid, as well as in the event of additional issue of shares of the above companies, as well as in the event of additional issue of shares of companies allocated under the Lists of Property, Rights and Obligations to IDC Holding (spun-off company) and RAO UES of Russia pays in the authorized capitals of the established companies and/or shares of such companies are acquired additionally, the received shares shall be allocated to IDC Holding (spun-off company).

If OAO Lenenergo makes additional issue of its shares within the Transition Period and RAO UES of Russia acquires this issuer's shares additionally out of the property remaining, under the Lists of Property, Rights and Obligations and under the provisions hereof, with RAO UES of Russia, this additional shareholding shall be allocated in full volume in favor of IDC Holding (spun-off company).

If RAO UES of Russia acquires additionally, within the Transition Period, shares and/or bills of exchange of OAO FGC UES, shares and/or bills of exchange of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO State Holding (spun-off target company), with the maturity date after July 1, 2008, and/or accounts receivable of OAO FGC UES, and/or accounts receivable of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO State Holding (spun-off target company), with the reclamation date after July 1, 2008, the arising property (shares, bills of exchange, accounts receivable) shall be allocated in favor of OAO State Holding (spun-off target company). In this connection, such transactions will be approved by the relevant decision made by the Management Board of RAO UES of Russia with mandatory notification of the Board of Directors of RAO UES of Russia.

If RAO UES of Russia acquires additionally, within the Transition Period, shares and/or bills of exchange of OAO HydroOGK, shares and/or bills of exchange of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO State Holding HydroOGK (spun-off target company), with the maturity date after July 1, 2008, and/or accounts receivable of OAO HydroOGK, and/or accounts receivable of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO State Holding HydroOGK (spun-off target company), with the reclamation date after July 1, 2008, the arising property (shares, bills of exchange, accounts receivable) shall be allocated in favor of OAO State Holding HydroOGK (spun-off target company). In this connection, such transactions will be approved by the relevant decision made by the Management Board of RAO UES of Russia with mandatory notification of the Board of Directors of RAO UES of Russia.

If RAO UES of Russia acquires additionally, within the Transition Period, bills of exchange of ZAO Inter RAO UES, and/or bills of exchange of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO Inter RAO UES Holding (spun-off target company) with the maturity date after July 1, 2008, and/or accounts receivable of ZAO Inter RAO UES, and/or accounts receivable of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO Inter RAO UES Holding (spun-off target company), with the reclamation date after July 1, 2008, the arising property (bills of exchange, accounts receivable) shall be allocated in favor of OAO Inter RAO UES Holding (spun-off target company). In this connection, such transactions will be approved by the relevant decision made by the Management Board of RAO UES of Russia with mandatory notification of the Board of Directors of RAO UES of Russia

If RAO UES of Russia acquires additionally, within the Transition Period, bills of exchange of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of IDC Holding (spun-off company), with the maturity date after July 1, 2008 and/or accounts receivable of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of IDC Holding (spun-off company), with the reclamation date after July 1, 2008, the arising property (bills of exchange, accounts receivable) shall be allocated in favor of IDC Holding (spun-off company). In this connection, such transactions will be approved by the relevant decision made by the Management Board of RAO UES of Russia with mandatory notification of the Board of Directors of RAO UES of Russia.

If RAO UES of Russia acquires additionally, within the Transition Period, bills of exchange of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO RAO Far East Energy Systems (spun-off company), with the maturity date after July 1, 2008 and/or accounts receivable of companies, whose shareholdings have been allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of OAO RAO Far East Energy Systems (spun-off company), with the reclamation date after July 1, 2008, the arising property (bills of exchange, accounts receivable) shall be allocated in favor of OAO RAO Far East Energy Systems (spun-off company). In this connection, such transactions will be approved by the relevant decision made by the Management Board of RAO UES of Russia with mandatory notification of the Board of Directors of RAO UES of Russia In this connection, such transactions will be approved by the relevant decision made by the Management Board of RAO UES of Russia with mandatory notification of the Board of Directors of RAO UES of Russia.

Property, rights and obligations received by RAO UES of Russia from OAO Ivanovskiye CCGTS within the Transition Period as a result of execution of Partnership Agreement No. 05/18-DU dated 12.08.2004 and relating to RAO UES of Russia's investments in construction of CCGT-325 at Ivanovskaya TPP at the expense of RAO UES of Russia shall be allocated in favor of OAO Inter RAO UES Holding (spun-off target company). If agreements are entered into within the Transition Period in relation to RAO UES of Russia's investments in construction of CCGT-325 at Ivanovskaya TPP, the legal successor under these agreements will be OAO Inter RAO UES Holding. Any expenses incurred within the Transition Period and relating to performance by RAO UES of Russia of obligations under such agreements shall be paid by RAO UES of Russia, and the property, rights and obligations received by RAO UES of Russia as a result of execution of such agreements shall be allocated in favor of OAO Inter RAO UES Holding.

If agreements are entered into within the Transition Period that relate to RAO UES of Russia's investments in design and exploration work on electricity export to China, the legal successor under these agreements will be OAO Inter RAO UES Holding (spun-off target company). Property, rights and obligations received by RAO UES of Russia within the Transition Period as a result of execution of agreements relating to RAO UES of Russia's investments in design and exploration work related to electricity export to China at the expense of RAO UES of Russia shall be allocated in favor of OAO Inter RAO UES Holding (spun-off target company). Any expenses incurred within the Transition Period and relating to the performance by RAO UES of Russia of obligations under such agreements will be paid by RAO UES of Russia.

If agreements (contracts) are entered into within the Transition Period by RAO UES of Russia with INVEL Non-Profit Partnership ("INVEL"), with the subject matter being depositing shares of Krzhizhanovsky Energy Institute allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of RAO UES of Russia, the Spun-off Companies and Spun-off (Target) Companies, as a contribution to INVEL, the legal successors under these agreements (contracts) will be RAO UES of Russia and the relevant Spun-off Companies and Spun-off (Target) Companies.

If an agreement is entered into within the Transition Period between RAO UES of Russia and All-Russian Research Institute of Heat Engineering for creation of a low-emission combustion chamber of gas turbine unit GTPP-110, an agreement for patent and legal support of low-emission combustion chamber of gas turbine unit GTPP-110 with AIS Insoenergo to acquire title to the facilities established under the said agreements and a license agreement, the legal successor under the said agreements will be OAO Inter RAO UES Holding.

If a loan agreement is entered into within the Transition Period between RAO UES of Russia and the Russian Fund for Technological Development for implementation of the second stage of the project "Design, Manufacture and Field Tests of a Development Prototype for a Modular-Type Multifunctional Power Process System based on Wind Power Plants and Internal Combustion Engine Power Plants," the legal successor under this agreement will be OAO RAO Far East Energy Systems (spun-off company).

If RAO UES of Russia acquires, within the Transition Period, bills of exchange of OAO Kamchatskenergo out of the property remaining under the Lists of Property, Rights and Obligations and under the provisions hereof with RAO UES of Russia, such bills of exchange shall be allocated in favor of OAO RAO Far East Energy Systems (spun-off company).

If RAO UES of Russia acquires, within the Transition Period, bills of exchange of OAO Malaya Mezenskaya Tidal Power Plant out of the property remaining under the Lists of Property, Rights

and Obligations and under the provisions hereof with RAO UES of Russia, such bills of exchange shall be allocated in favor of OAO State Holding HydroOGK (spun-off target company).

Should RAO UES of Russia have any accounts receivable to OAO Nurenergo, such accounts receivable shall be allocated in favor of IDC Holding (spun-off company).

Should RAO UES of Russia make, within the Transition Period, out of of the funds allocated under the Lists of Property, Rights and Obligations and under the provisions hereof in favor of RAO UES of Russia, investments in design and exploration, research and development and programs relating to the improvement of system reliability, the property, rights and obligations arising out of such investment shall be allocated in favor of such Spun-off Company or Spun-off (Target) Company, in whose interests such investments have been made; the agreements relating to such investments shall specify the relevant Spun-off Company or Spun-off (Target) Company as the legal successor under such an agreement.

8. Procedure for Transfer of Property, Rights and Obligations of the Spun-off (Target) Companies to the Special Purpose Companies

Property, rights and obligations transferred under the Separation Balance Sheet and these Rules to the Spun-off (Target) Companies shall simultaneously transfer to the Special Purpose Companies to the same extent.

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