

APPROVED BY

the decision of the General Meeting of Shareholders of  
RAO UES of Russia

Minutes

No. \_\_\_\_\_ of \_\_\_\_\_ 2006

Chairman of the Meeting

\_\_\_\_\_

the decision of the General Meeting of Shareholders of  
OAO TGK-5

Minutes

No. \_\_\_\_\_ of \_\_\_\_\_ 2006

Chairman of the Meeting

\_\_\_\_\_

**AGREEMENT FOR TAKEOVER  
of OAO TGK-5 Holding  
by OAO TGK-5**

[city]

\_\_\_\_\_ 2006

**OAO TGK-5 Holding (Open Joint-Stock Company)**, having its registered office at: 119526, Moscow, Prospekt Vernadskogo, 101, bldg. 3, represented by \_\_\_\_\_

\_\_\_\_\_, acting pursuant to the decision of the General Meeting of Shareholders of RAO UES of Russia, hereinafter referred to as the "Target Company," and

**OAO TGK-5 (Open Joint-Stock Company)**, hereinafter referred to as "OAO TGK-5," having its registered office at: Russian Federation, Chuvashi Republic, Cheboksary, Prospekt Yakovleva, 4/4, represented by \_\_\_\_\_, Director General, acting under the Articles of Association, hereinafter collectively referred to as the "Parties,"

in accordance with paragraph 2 of Article 17 and Article 19.1 of Federal Law No. 208-FZ of December 26, 1995, "On Joint-Stock Companies," enter into this Agreement whereby it is agreed as follows:

**1. SUBJECT MATTER OF THE AGREEMENT**

1.1. The Parties hereby agree to make a reorganization through a takeover of the Target Company by OAO TGK-5, including the conversion of shares in the Target Company into shares in OAO TGK-5 in accordance with the procedure and under the terms and conditions set forth in this Agreement.

1.2. The Parties shall together complete all actions and procedures provided for in law, other regulations, and their constitutive documents as required for the reorganization through the takeover.

**2. RIGHTS AND OBLIGATIONS OF THE PARTIES**

2.1. The Parties shall apply their best efforts and do all acts provided for in law in order to follow the takeover procedure strictly in accordance with the requirements of law and complete the said procedure as soon as practicable.

2.2. Within 3 days after the decision is approved by the General Meetings of Shareholders of RAO UES of Russia and OAO TGK-5, the sole executive body of each company shall notify the tax authority that the General Meeting of Shareholders of the relevant company has taken place with its agenda containing an issue about the reorganization through the takeover and shall, upon receipt of the minutes of the General Meeting of Shareholders, notify the said authority of the approved decision.

2.3. Not later than 30 days from the date of approval of the decision on the reorganization through the takeover, the sole executive body of OAO TGK-5 shall notify the creditors of the approval of such decision by registered mail and shall publish a notice of the reorganization in the printed media used for the publication of information about state registration of legal entities, namely the *Vestnik Gosudarstvennoy Registratsii* magazine.

The creditors of OAO TGK-5 may, within 30 days from the date of publication of the notice of the approved decision or within 30 days from the date of giving a notice to them, make a written request for the termination or early performance of the relevant obligations by OAO TGK-5 and compensation for their losses. Based on the creditors' claims, OAO TGK-5 shall make a register of creditor claims that have been satisfied and are subject to satisfaction.

2.4. The Parties shall convert shares in the Target Company into shares in OAO TGK-5 in accordance with the procedure set forth in this Agreement.

### **3. PROCEDURE FOR CONVERSION OF SHARES IN THE TARGET COMPANY INTO SHARES IN OAO TGK-5**

3.1. All shares in OAO TGK-5 Holding shall be converted into the shares in OAO TGK-5 transferred to OAO TGK-5 upon takeover, as well as into additionally issued shares in OAO TGK-5.

3.2. If, in calculating the number of shares that shall be received by a shareholder of OAO TGK-5 Holding as a result of the conversion, the calculated number of shares for any shareholder of OAO TGK-5 Holding is a fractional number, then the fractional part of the number of shares shall be rounded off in accordance with the following rule:

- if the digit after the dot is 5 to 9, the integer shall be increased by one and the digits after the dot shall be disregarded;
- if the digit after the dot is 1 to 4, only the integer shall be taken into account and the digits after the dot shall be disregarded;
- if no shares are receivable by a shareholder as a result of the rounding, such shareholder shall receive one share in OAO TGK-5.

Such rounding shall be done only using additionally issued shares in OAO TGK-5 to be placed in the quantity of not more than one million (1,000,000) shares.

3.3. In order to insure the conversion in accordance with paragraph 3.1 of this Agreement, OAO TGK-5 shall issue one million (1,000,000) additional shares and make amendments and supplements to the Articles of Association of OAO TGK-5 in connection with the additional issue of ordinary shares in OAO TGK-5.

3.4. The additionally issued shares in OAO TGK-5 shall grant the following rights to shareholders:

3.4.1. participate in person or by proxy in the General Meeting of Shareholders of the Company with the right to vote on all issues falling within its competence;

3.4.2. put forward proposals for the agenda of the General Meeting in accordance with the procedure provided for in the laws of the Russian Federation and these Articles of Association;

3.4.3. obtain information concerning activities of the Company and inspect documents of the Company in accordance with Article 91 of the Federal Law "On Joint-Stock Companies," other regulations, and these Articles of Association;

3.4.4. receive dividends declared by the Company;

3.4.5. enjoy the preemptive right to acquire additionally issued shares and issue-grade securities convertible into shares to be placed through a public offering in the quantity proportionate to the quantity of ordinary shares owned by such shareholders;

3.4.6. in the event of liquidation of the Company, receive a part of its assets;

3.4.7. exercise other rights provided for in the laws of the Russian Federation and the Articles of Association of OAO TGK-5.

3.5. All shares owned by shareholders of the Target Company shall be converted into shares in OAO TGK-5 in accordance with the procedure and under the terms and conditions contained in this section of the Agreement.

3.6. Rates of conversion of shares:

$$\frac{(2,075,149,384 * 0.9158) + 41,041,753,984}{583,798,247,818}$$

ordinary shares in OAO TGK-5 Holding shall be converted into 1 ordinary share in OAO TGK-5 with a par value of 0.01 rubles each;

$$2,075,149,384 / ((583,798,247,818 - (\frac{583,798,247,818}{(2,075,149,384 * 0.9158) + 41,041,753,984} * 41,041,753,984))$$

preference shares in OAO TGK-5 Holding shall be converted into 1 ordinary share in OAO TGK-5 with a par value of 0.01 rubles each.

3.7. Shares in the Target Company shall be deemed to have been converted into ordinary shares in OAO TGK-5 as of the date of registration of the Target Company's dissolution on the Uniform State Register of Legal Entities, based on the information contained in the shareholder register of the Target Company as of the said date.

3.8. The shares in the Target Company that shall be converted shall be retired upon conversion.

3.9. The shares in the companies participating in the takeover, the title to which transfers to new shareholders after the decision on the company's reorganization is approved, shall grant the new shareholders the same rights as the shareholders who vote for the decision on reorganization.

#### **4. ASSIGNMENT**

4.1. Upon reorganization of the Parties, OAO TGK-5 shall become the legal successor of the Target Company with respect to all rights and obligations.

4.2. The reorganization shall be deemed to have been completed with respect to the Target Company as of the registration of the Target Company's dissolution on the Uniform State Register of Legal Entities.

The reorganization shall be deemed to have been completed with respect to OAO TGK-5 as of the registration of the Target Company's dissolution on the Uniform State Register of Legal Entities.

#### **5. TERMINATION OF THE AGREEMENT FOR TAKEOVER**

5.1. This Agreement shall terminate in relation to both Parties:

- if the General Meeting of Shareholders of OAO TGK-5 fails to approve the decision on the reorganization through the takeover;

- if the General Meeting of Shareholders of RAO UES of Russia fails to approve the decision on the reorganization of OAO TGK-5 Holding through its takeover by OAO TGK-5;
- if the Federal Antimonopoly Service or its territorial body withholds its prior consent to the reorganization through the takeover, provided that the reasons why such consent is withheld cannot be corrected;
- if the Federal Financial Markets Service (or any of its regional branches) withholds the state registration of the additional issue of shares in OAO TGK-5 to be placed through the conversion of shares in the Target Company into such additionally issued shares, provided that the reasons why such state registration is withheld cannot be corrected;
- otherwise as provided for in the applicable laws of the Russian Federation.

## 6. FINAL PROVISIONS

6.1. The Parties shall be held liable for the nonperformance or improper performance of this Agreement in accordance with the applicable laws.

6.2. In all matters not covered by this Agreement, the relationship between the Parties shall be governed by the applicable laws of the Russian Federation.

6.3. This Agreement is made in \_\_\_\_\_ equally authentic copies.

**For and on behalf of OAO TGK-5 Holding:**

\_\_\_\_\_  
Name, Title

\_\_\_\_\_  
signature

**For and on behalf of OAO TGK-5:**

Name, Director General

\_\_\_\_\_  
signature