

APPROVED BY  
resolution of extraordinary General Meeting of  
Shareholders of JSC RAO UES of Russia

\_\_\_\_\_, 2006 (minutes No. \_\_\_\_)

Articles of Association  
of Open Joint Stock Company  
OGK-5 Holding

Moscow  
2006

## **Article 1. General provisions**

1.1. Open Joint Stock Company OGC-5 Holding (hereinafter referred to as the Company) was incorporated as a result of reorganization of JSC RAO UES of Russia in the manner of unwinding, under resolution of extraordinary General Meeting of Shareholders of JSC RAO UES of Russia (minutes No. \_\_\_\_\_ of \_\_\_\_\_, 2006).

1.2. The Company shall be guided in its business by the Civil Code of the Russian Federation, the Federal Act "On joint stock companies", the Federal Act "On power engineering industry", the Federal Act "On peculiarities of functioning power engineering industry during transitional period and amending some legislation of the Russian Federation and considering invalid some legislation of the Russian Federation in connection with adoption of the Federal Act "On power engineering industry", other regulations of the Russian Federation and these Articles of Association.

1.3. Full corporate name of the Company in Russian language: Открытое акционерное общество «ОГК-5 Холдинг».

1.4. Abbreviated corporate name of the Company in Russian language: ОАО «ОГК-5 Холдинг», in English language: JSC OGC-5 Holding.

Location of the Company: bldg. 3, 101 Prospekt Vernadskogo, 119526 Moscow.

The Company's period of existence shall not be limited.

## **Article 2. Legal status of the Company**

2.1. The legal status of the Company is determined by the Civil Code of the Russian Federation, the Federal Act "On joint stock companies", other regulations of the Russian Federation, and also these Articles of Association.

2.2. The Company is a legal entity under legislation of the Russian Federation.

2.3. The Company is the owner of its segregated property accounted in its own balance sheet, it shall be entitled to acquire in its own name and enjoy proprietary and personal non-proprietary rights and bear responsibilities, act as plaintiff and defendant in the courts.

2.4. The Company shall be entitled to open in due course bank accounts in the Russian Federation and abroad.

2.5. The Company shall be liable against its obligations by all the property it holds.

The Company shall not be liable against obligations of the Russian Federation and its shareholders.

Shareholders of the Company shall not be liable against obligations of the Company, except the cases stipulated by legislation of the Russian Federation.

Shareholders shall be entitled to transfer the shares they hold without consent of other shareholders and the Company.

Shareholders of the Company shall bear the risk of losses connected with its business within the value of the shares they hold.

2.6. The Company shall have a corporate seal containing its full corporate name in Russian language and specifying its location.

The Company shall be entitled to have stamps and letterheads with its corporate name, its own logo, and also a trademark registered in due course and other visual identifiers.

2.7. The Company shall enjoy civil rights and bear duties required for carrying out any types of business not prohibited by federal law.

2.8. The Company may establish branches and open representative offices, both in the Russian Federation and abroad.

Branches and representative offices of the Company shall not enjoy the legal person rights, they shall act on behalf of the Company and under the regulations approved by the Company.

2.9. The Company may have subsidiaries and dependent companies enjoying the legal person rights, in the Russian Federation under the Federal Act "On joint stock companies", other federal

legislation and these Articles of Association, and outside the Russian Federation, under legislation of the foreign state of location of the subsidiary or dependent company, unless otherwise stipulated by an international treaty participated by the Russian Federation.

### **Article 3. Objectives and lines of business of the Company**

3.1. The main objective of the Company's business is profit-making.

3.2. In order to make profit, the Company shall be entitled to carry out any types of business not prohibited by law, including:

- exercise powers of executive bodies in joint stock companies and other business entities in accordance with the procedures stipulated by law and existing contracts;
- trust management of property;
- provide consulting services;
- operations with securities in accordance with the procedures stipulated by existing legislation of the Russian Federation;
- agency activities;
- design / estimate, survey, research and engineering activities;
- foreign economic activities;
- transportation and forwarding services;
- supply (sell) electric and heat energy;
- obtain (purchase) electric and heat energy at the wholesale electric energy (power) market;
- perform work determining the conditions of parallel operation under the modes of the Integrated Energy System of Russia within contractual relationships;
- operate power engineering facilities other than those owned by the Company, under contracts with owners of such power engineering facilities;
- other business connected with environmental protection activities;
- business connected with environmental impacts, environmental protection and management of natural resources, disposal, stockpiling, handling operational wastes;
- supervision over safe servicing of users' electric and heat energy installations connected to the company's heat / electric energy networks;
- educational activities, including additional educational activities;
- train and inspect knowledge in technical operation, occupational safety, industrial / fire safety rules, procedures and instructions;
- arrange and conduct national defense activities in the aspects of mobilization training, civil defense, emergency situations and protection of information considered to be the state secrets under legislation of the Russian Federation;
- safeguarding activities, solely for the company's own safety, within the framework of the Company's security service being established, which service shall be guided in its activities by the RF Act "On private detective and safeguarding activities in the Russian Federation" and legislation of the Russian Federation;
- generate electric and heat energy;
- arrange energy-saving operating modes of power plants, observe energy supply regimes under contracts;
- support operation of power engineering equipment under existing standard requirements, carry out timely and high quality repairs thereof, technical re-equipping and modernization of power engineering facilities;
- power supply for consumers connected to the Company's electric and heat energy networks, under existing contracts;
- master novel equipment and technologies ensuring efficiency, safety and environment-friendly operations of the Company's facilities;

- heat energy networks operation business;
- develop communications and provide communication services;
- store oil and oil processing products;
- operate explosion-hazardous operational facilities;
- operate fire-hazardous operational facilities;
- operate and maintain Gosgortekhnadzor's facilities;
- operate buildings and structures;
- metrology support of operations;
- hazardous wastes disposal business;
- internal gas networks operation business;
- measuring equipment repairs business;
- other types of business.

3.3. Some types of business, according to the list determined by federal law, shall only be carried out by the Company under a special permission (license).

The Company's right to carry out a licensed business shall arise from the date of obtaining such license or the date specified therein, and shall be terminated upon expiration of its term, unless otherwise stipulated by law or other regulations.

#### **Article 4. Authorized Capital of the Company**

4.1. The Authorized Capital of the Company consists of par values of shares in the Company acquired by shareholders (outstanding shares).

The Authorized Capital of the Company shall be equal to 6,400,939,253.01 Rubles.

The Company has allocated the following types of shares of the same par value 0.148455449093326 Rubles:

- 1) equity shares in the number of 41,041,753,984 shares.
- 2) preference shares in the number of 2,075,149,384 shares.

4.2. The Authorized Capital of the Company may be:

- increased by increasing par value of shares or allocation of additional shares;
- decreased by a reduction of par value of shares or reduction of their overall number, including acquisition and cancellation of a part of outstanding shares in the Company under these Articles of Association.

4.3. The Authorized Capital of the Company may only be increased when it is paid up in full.

The Authorized Capital of the Company shall not be increased in order to cover any losses incurred by the Company or cover overdue payables.

4.4. The Authorized Capital of the Company shall be reduced in accordance with the procedures stipulated by law of the Russian Federation and these Articles of Association.

The Company must decrease its Authorized Capital in the cases stipulated by the Federal Act "On joint stock companies".

4.5. The Company shall be entitled to acquire the shares it has allocated under resolution of General Meeting of Shareholders on a reduction of the Authorized Capital of the Company through acquisition of a part of outstanding shares in order to reduce their overall number.

General Meeting of Shareholders shall not be entitled to decide on a reduction of the Authorized Capital of the Company through acquisition of a part of outstanding shares in order to reduce their overall number, if par value of the shares still outstanding shall become less than the minimum authorized capital stipulated by the Federal Act "On joint stock companies".

The shares acquired by the Company under this paragraph shall be cancelled upon

acquisition.

Payment for the shares acquired under this paragraph may be made, under resolution of General Meeting of Shareholders, in money and/or other property.

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

5.1. The Company shall allocate equity shares and shall be entitled to allocate one or more types of preference shares, bonds and other issuable securities in accordance with the procedures stipulated by legislation of the Russian Federation.

5.2. Equity shares shall not be converted into preference shares, bonds and other securities.

5.3. Allocation by the Company of shares and other securities of the Company convertible into shares shall be effected under legislation of the Russian Federation.

5.4. The Company shall be entitled to allocate additional shares and other issuable securities through distribution among shareholders of the Company, subscription and conversion.

5.5. In the cases stipulated by the Federal Act "On joint stock companies", shareholders of the Company shall enjoy a preemptive right to acquire additional shares and issuable securities convertible into shares allocated through subscription, in the number proportionate to the number of the shares they hold, which relate to this category (type).

5.6. If, when the preemptive right to acquire additional shares is exercised, and also in case of consolidation of shares, a shareholder cannot acquire an integer number of shares, fractions of shares (fractional shares) shall be generated.

A fractional share shall provide to its holder the rights of a share relating to the respective category (type) within the scope of relevant fraction of the whole share.

Fractional share shall circulate in the same manner as whole shares. If a person acquires two or more fractional shares of the same category (type), such shares shall make up a whole share and/or a fractional share equal to the sum of such fractional shares.

5.7. Payment for additional shares allocated through subscription may be made in money, securities, other things or proprietary rights or any other rights capable of being evaluated in money.

The manner of payment for additional shares shall be determined by their allocation resolution.

Payment for other issuable securities shall only be made in money.

5.8. The Company shall be entitled to acquire the shares it has allocated, under resolution of the Board of Directors of the Company (under paragraph 2 in Article 72 of the Federal Act "On joint stock companies").

The Board of Directors shall not be entitled to decide on acquisition of shares by the Company, if par value of outstanding shares in the Company is less than 90 per cent of the Authorized Capital of the Company.

The shares acquired by the Company under this paragraph shall not grant the right to vote, they shall not be taken into account when counting votes, no dividend shall be accrued on them. Such shares shall be sold under resolution of the Board of Directors at their market value within one year of the acquisition date. Otherwise, General Meeting of Shareholders shall decide on a reduction of the Authorized Capital of the Company through cancellation of such shares.

Payment for the shares acquired under this paragraph may be made, under resolution of the Board of Directors, in money and/or other property.

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

6.1. Shareholder of the Company is a person holding shares in the Company on the grounds stipulated by legislation of the Russian Federation and these Articles of Association.

6.2. Each equity share in the Company shall have the same par value and shall grant to its holder the same scope of rights.

6.3. Holders of equity shares in the Company shall enjoy the following rights:

- to attend General Meeting of Shareholders of the Company with the right to vote on all the issues relating to its competence, by himself or through a proxy;
- to elect and be elected to management bodies and control bodies of the Company in accordance with the procedures stipulated by legislation of the Russian Federation and these Articles;
- to transfer the shares they hold without consent of other shareholders and the Company;
- to be issued a part of net profit (dividend) which is to be distributed between shareholders in accordance with the procedures stipulated by legislation of the Russian Federation and these Articles;
- to be provided an access to the Company's documents in accordance with the procedures stipulated by legislation of the Russian Federation and these Articles;
- to request for redemption by the Company of all or a part of the shares they hold in the cases stipulated by legislation of the Russian Federation;
- to enjoy a preemptive right of acquisition, if the Company allocates additional shares and issuable securities convertible into shares through an open subscription, in the number proportionate to the number of shares they hold which relate to this category (type);
- to be issued a part of property of the Company (liquidation value) in accordance with the procedures stipulated by legislation of the Russian Federation and these Articles of Association;
- to enjoy other rights stipulated by legislation of the Russian Federation, the Articles of Association and resolutions of General Meeting of Shareholders taken under its competence.

6.4. Preference shares in the Company relating to the same type grant to holders thereof the same scope of rights and have the same par value.

Holders of preference shares shall enjoy the right to be paid an annual fixed dividend. The total amount paid as the dividend in respect of each preference share shall be equal to 10 (ten) per cent of the Company's net profit, based on fiscal year's results, as divided by the number of shares which are making up 25 (twenty five) per cent of the Authorized Capital of the Company. And, if the dividend amount paid by the Company in respect of each equity share during a year exceeds the amount payable as dividend on each preference share, the dividend amount payable on the latter should be increased to the dividend paid on equity shares.

Dividend shall be paid to holders of preference shares on an annual basis, within the time limit stipulated by General Meeting of Shareholders of the Company, but not later than May 1 of the year next following the year of the General Meeting of Shareholders which has taken the resolution on payment of the dividend, and additionally on the date of payment of the dividend on equity shares, if, under this paragraph, the amount of dividend payable in respect of preference shares should be increased to the dividend paid on equity shares.

6.5. The Company shall not be entitled to pay dividend on preference shares otherwise than in accordance with the procedures stipulated by these Articles of Association.

6.6. The Company shall not be entitled to pay dividends on equity shares until payment of dividends on preference shares.

6.7. Holders of preference shares shall enjoy the right to attend General Meeting of Shareholders with the right to vote on all matters referred to its competence starting from the meeting next following the annual meeting of shareholders which fails, irrespective of reason, to take resolution on payment of dividends or has taken resolution on a non-full payment of dividends on preference shares relating to such type. The right of holders of preference shares to attend General Meeting of Shareholders shall be terminated from the date of the first payment of dividends on such shares in full.

6.7.1. Holders of preference shares shall attend General Meeting of Shareholders of the Company with the right to vote on reorganization and liquidation of the Company.

Holders of preference shares shall acquire the right to vote on resolutions at a General Meeting of Shareholders on amending and supplementing the Articles of Association of the Company limiting the rights of holders of the preference shares of the type concerned, and also providing to holders of preference shares relating to other type a priority in payment of dividends and/or liquidation value of shares. Resolution on such amendments and supplements shall be considered as adopted, if supported by at least three fourths majority vote of holders of voting shares attending the General Meeting of Shareholders, except votes of holders of the preference shares, and three fourths majority vote of all holders of the preference shares.

6.8. Shareholders of the Company shall enjoy a preemptive right to acquire additional shares in the Company and issuable securities convertible into shares in the Company allocated through an open subscription in the number proportionate to the number of shares they hold which relate to this category (type).

Shareholders of the Company who voted against or did not take part in voting on allocation of shares and issuable securities of the Company convertible into shares in the Company through a closed subscription shall enjoy a preemptive right to acquire additional shares and issuable securities convertible into shares in the Company allocated through a closed subscription in the number proportionate to the number of the shares they hold which relate to this category (type). The said right shall not cover allocation of shares and other issuable securities convertible into shares through a closed subscription among shareholders only, if shareholders have an opportunity to acquire an integer number of allocated shares and other issuable securities convertible into shares proportionate to the number of shares they hold which relate to this category (type).

6.9. In case of liquidation of the Company, property of the Company remaining after satisfaction of creditors' claims shall be used for payments in the following sequence:

first of all, payments shall be made in respect of the shares which are to be redeemed under Article 75 of the Federal Act "On joint stock companies";

second, accrued but not paid dividends on preference shares and liquidation value of preference shares determined by the Articles of Association of the Company shall be paid;

third, property shall be distributed between holders of equity shares and all types of preference shares.

If extraordinary General Meeting of Shareholders of JSC RAO UES of Russia which is to be held on 06.12.2006 takes resolution on amending and supplementing the Articles of Association of JSC RAO UES of Russia, preference shares in the Company shall grant to their holders the rights similar to those granted by preference shares in JSC RAO UES of Russia under the resolution.

## **Article 7. Dividends**

7.1. The Company shall be entitled to decide on (announce), based on the results of the first quarter, half-year, nine months of a fiscal year and/or the fiscal year results, payment of dividends on outstanding shares. Resolution on payment (announcement) of dividends based on the results of the first quarter, half-year or nine months of a fiscal year may be taken within three months of expiration of the period concerned.

The Company shall pay the dividend announced in respect of shares of each category (type).

7.2. Resolution on payment (announcement) of dividends, including resolution on the amount of the dividend and its payment manner of shares relating to each category (type) shall be taken by General Meeting of Shareholders of the Company.

The dividend amount shall not exceed the amount recommended by the Board of Directors of the Company.

General Meeting of Shareholders of the Company shall be entitled to take resolution on non-payment of dividends on equity shares.

7.3. In the cases stipulated by legislation of the Russian Federation, the Company shall not

be entitled to decide on (announce) payment of dividends on shares, and also shall not be entitled to pay the dividend announced in respect of shares.

7.4. The source of payment of dividends is the post-tax profit of the Company (net profit of the Company). The net profit of the Company shall be determined based on accounting data of the Company. Dividend on preference shares relating to certain types may also be paid at the cost of special funds of the Company previously formed for these purposes.

7.5. The time for payment of dividends shall be determined by General Meeting of Shareholders of the Company, but it shall not be later than 60 (sixty) days of the resolution on payment thereof.

## **Article 8. Funds of the Company**

8.1. The Company shall establish a Reserve Fund in the amount of 5 (five) per cent of the Authorized Capital of the Company.

The amount of mandatory annual deductions to the Reserve Fund of the Company shall be equal to 5 (five) per cent of the Company's net profit until reaching by the Reserve Fund of the prescribed amount.

8.2. The Reserve Fund of the Company shall be used for covering losses of the Company, and also for redemption of bonds of the Company and redemption of shares in the Company, if no other funds are at hand.

The Reserve Fund of the Company shall not be used for any other purposes.

8.3. The Company shall be entitled to form, in accordance with legislation of the Russian Federation, any other funds to support its financial and business activities as a business entity.

## **Article 9. Management and control bodies of the Company**

9.1. Management bodies of the Company are as follows:

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

9.2. The Auditing Committee of the Company is a body responsible for control of the Company's financial and business activities.

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

10.1. General Meeting of Shareholders is a supreme management body of the Company.

10.2. Competence of General Meeting of Shareholders shall include the following issues:

1) amending and supplementing the Articles of Association or approval of a new version of the Articles of Association;

2) reorganization of the Company;

3) liquidation of the Company, appointment of the liquidation committee and approval of an interim and final liquidation balance sheets;

4) determining the number, par value, category (type) of stated shares and the rights granted by such shares;

5) increasing the Authorized Capital of the Company by increasing par value of shares or allocation of additional shares;

6) reduction of the Authorized Capital of the Company by decreasing par value of shares, acquisition by the Company of a part of shares in order to reduce their overall number, and also cancellation of shares acquired or redeemed by the Company;

7) splitting and consolidation of shares in the Company;

8) deciding on allocation by the Company of bonds convertible into shares, and other



issuable securities convertible into shares;

9) election of members of the Board of Directors of the Company and early termination of their powers;

10) election of members of the Auditing Committee of the Company and early termination of their powers;

11) approval of the Company's Outside Auditor;

12) deciding on vesting powers of the sole executive body of the Company in a managing entity (manager) and early termination of powers of the managing entity (manager);

13) approval of annual report, annual financial statements, including profit-and-loss statement (profit-and-loss account) of the Company, and also distribution of profit (including payment (announcement) of dividends, except profit which is to be distributed in the manner of dividend based on the results of the first quarter, half-year, nine months of a fiscal year), and losses of the Company based on the fiscal year's results;

14) payment (announcement) of dividends, based on the results of the first quarter, half-year, nine months of a fiscal year;

15) determining the procedures of holding General Meeting of Shareholders of the Company;

16) deciding on approval of transactions in the cases stipulated by Article 83 of the Federal Act "On joint stock companies";

17) deciding on approval of major transactions in the cases stipulated by Article 79 of the Federal Act "On joint stock companies";

18) deciding on participation in holding companies, financial and industrial groups, associations and other alliances of business entities;

19) approval of internal documents regulating the activities of the Company's management bodies;

20) deciding on payment of remunerations and/or compensations to members of the Auditing Committee of the Company;

21) deciding on payment of remunerations and/or compensations to members of the Board of Directors of the Company;

22) deciding on other issues stipulated by the Federal Act "On joint stock companies".

10.3. The issues referred to competence of General Meeting of Shareholders shall not be referred to the Board of Directors or General Director of the Company.

General Meeting of Shareholders shall not be entitled to discuss any issues not referred to its competence under the Federal Act "On joint stock companies" and take resolutions on such issues.

10.4. Resolution of General Meeting of Shareholders on a voted issue shall be taken by a majority vote of holders of voting shares in the Company attending the meeting, unless otherwise stipulated by the Federal Act "On joint stock companies".

10.5. Resolution of General Meeting of Shareholders of the Company on the following issues shall be taken by a three fourths majority vote of holders of voting shares in the Company attending the General Meeting of Shareholders of the Company:

- amending and supplementing the Articles of Association or approval of a new version of the Articles of Association;

- reorganization of the Company;

- liquidation of the Company, appointment of the liquidation committee and approval of interim and final liquidation balance sheets;

- determining the number, par value, category (type) of stated shares and the rights granted by such shares;

- allocation of shares (issuable securities of the Company convertible into shares) through a closed subscription under resolution of General Meeting of Shareholders on increasing the Authorized Capital of the Company through allocation of additional shares (allocation of issuable securities of the Company convertible into shares);

- allocation through an open subscription of equity shares making up over 25 (twenty five)

per cent of equity shares previously allocated;

- allocation through an open subscription of issuable securities convertible into equity shares which can be converted into equity shares making up over 25 (twenty five) per cent of equity shares previously allocated;

- deciding on approval of a major transaction, the subject matter of which is the property of a value exceeding 50 (fifty) per cent of the balance sheet value of the Company's assets.

Resolution on an interested-party transaction under Article 81 of the Federal Act "On joint stock companies" shall be taken by General Meeting of Shareholders of the Company in accordance with Article 83 of the Federal Act "On joint stock companies".

10.6. Resolutions of General Meeting of Shareholders of the Company on the issues specified in subparagraphs 2, 5, 7, 8, 12-21, paragraph 10.2 in Article 10 hereof shall only be proposed by the Board of Directors of the Company.

10.7. General Meeting of Shareholders of the Company shall not be entitled to decide on the issues not included into agenda of General Meeting of Shareholders of the Company, and also amend the agenda.

10.8. Voting at a General Meeting of Shareholders shall be effected based on the principle "one voting share = one vote", except cumulative voting on election of members of the Board of Directors of the Company.

In case of cumulative voting, the number of votes held by each shareholder shall be multiplied by the number of persons which are to be elected to the Board of Directors of the Company, and a shareholder shall be entitled to cast such votes for one nominee only or distribute them between two or more nominees.

The nominees supported by the greatest number of votes shall be considered as elected members of the Board of Directors of the Company.

10.9. General Meeting of Shareholders of the Company may be held at the location of the Company or in Moscow city or any other populated area determined by an internal document of the Company regulating the activities of General Meeting of Shareholders of the Company.

The proper place of General Meeting of Shareholders of the Company shall be determined by the Board of Directors when deciding on the issues relating to preparation of General Meeting of Shareholders.

10.10. Chairman of the Board of Directors of the Company shall preside at General Meetings of Shareholders.

If Chairman of the Board of Directors is not present at a General Meeting of Shareholders, deputy Chairman of the Board of Directors shall preside at a General Meeting of Shareholders.

If Chairman of the Board of Directors and his deputy are absent, a member of the Board of Directors shall preside at a General Meeting of Shareholders under resolution of members of the Board of Directors attending the General Meeting of Shareholders.

10.11. If all voting shares in the Company are held by one shareholder only, resolutions on the issues referred to competence of General Meeting of Shareholders of the Company shall be taken by such shareholder (authorized management body of the shareholder), executed in writing and submitted to the Company. And provisions of Articles 10-15 of the Articles of Association determining the procedures and timeframe of preparation, convocation and holding General Meeting of Shareholders shall not apply, except the provisions relating to holding annual General Meeting of Shareholders.

## **Article 11. Holding General Meeting of Shareholders of the Company in the manner of a meeting (joint attending)**

11.1. Annual General Meeting of Shareholders of the Company shall be held not earlier than two months and not later than six months of expiration of a fiscal year.

Annual General Meeting of Shareholders must discuss election of the Board of Directors, the

Auditing Committee, approval of the Outside Auditor of the Company, approval of annual report of the Company, annual financial statements, including profit-and-loss statement (profit-and-loss account) of the Company presented by the Board of Directors of the Company, and also distribution of profit (including payment (announcement) of dividends, except profit distributed in the manner of dividends based on the results of the first quarter, half-year, nine months of a fiscal year), and losses of the Company, based on the fiscal year's results.

11.2. General Meeting of Shareholders may be held in the manner of a meeting jointly attended by shareholders (representatives of shareholders) to discuss agenda and take resolutions on voted issues.

General Meeting of Shareholders with agenda including election of the Board of Directors of the Company, the Auditing Committee of the Company, approval of the Outside Auditor of the Company, and also the issues stipulated by subparagraph 13, paragraph 10.2 in Article 10 of these Articles shall only be held in the manner of a meeting (joint attending).

11.3. Functions of the Counting Committee at a General Meeting of Shareholders shall be performed by a professional player of the stock market acting as keeper of the record of shareholders of the Company (registrar of the Company).

11.4. The list of persons entitled to attend General Meeting of Shareholders shall be executed based on the record of shareholders of the Company.

The date of execution of the Company's list of persons entitled to attend General Meeting of Shareholders of the Company shall not be earlier than the date of the resolution on convocation of General Meeting of Shareholders of the Company and later than 50 (fifty) days before the General Meeting of Shareholders, except the case stipulated by paragraph 14.9 hereof.

11.5. Notice of General Meeting of Shareholders shall be sent (or delivered) to each person specified in the list of persons entitled to attend General Meeting of Shareholders, published by the Company in "Izvestiya" newspaper, and also at the Company's web site not later than 30 (thirty) days before the meeting.

If a nominee holder is registered in the record of shareholders of the Company, notice of General Meeting of Shareholders shall be sent at the address of such nominee holder, unless any other mail address specified in the list of persons entitled to attend General Meeting of Shareholders for sending notices of General Meetings of Shareholders.

11.6. Ballot papers for voting on the items of agenda shall be sent by registered mail at the address specified in the list of persons entitled to attend General Meeting of Shareholders, or served, return receipt requested, on each person specified in the list of persons entitled to attend General Meeting of Shareholders not later than 20 (twenty) days before the General Meeting of Shareholders.

Each person included into the list shall be issued one ballot paper for voting on all items, or one copy of two or more ballot papers for voting on different issues.

11.7. Information (papers) relating to agenda of General Meeting of Shareholders shall be made available for 20 (twenty) days, and in case of General Meeting of Shareholders with agenda containing the item of reorganization of the Company they shall be made available for 30 (thirty) days before the General Meeting of Shareholders to the persons entitled to attend General Meeting of Shareholders for inspection at the office of the executive body of the Company and other places with addresses specified in the notice of General Meeting of Shareholders. Information (papers) relating to agenda of General Meeting of Shareholders shall be made available at least 10 (ten) days before General Meeting of Shareholders at the Company's web site. Such information (papers) shall be made available during the meeting for all persons attending the General Meeting of Shareholders.

The procedures of familiarizing the persons entitled to attend General Meeting of Shareholders with information (papers) relating to agenda of the General Meeting of Shareholders and the list of such information (papers) shall be determined by resolution of the Board of Directors of the Company.

11.8. The right to attend a General Meeting of Shareholders shall be exercised by shareholder himself or through a proxy.

If a share in the Company is jointly held by more than one person, such persons shall be issued one copy of ballot paper for voting on all issues or one copy of two or more ballot papers for voting on different issues, and the right to vote at the General Meeting of Shareholders shall be exercised, as they think fit, by one of the joint holders or their joint representative.

The powers of each of such persons shall be properly executed.

11.9. If General Meeting of Shareholders is held in the manner of joint attending, the persons included into the list of persons entitled to attend General Meeting of Shareholders (their proxies) shall be entitled to attend such meeting or send filled-in ballot papers to the Company.

11.10. General Meeting of Shareholders shall be considered as validly convened (quorum is available), if attended by shareholders holding, in the aggregate, over a half of votes relating to outstanding voting shares in the Company.

The shareholders shall be considered as attending the General Meeting of Shareholders who have registered themselves for participation in such meeting, and the shareholders whose ballot papers have been received not later than two days before the General Meeting of Shareholders.

If agenda of General Meeting of Shareholders includes the items which are to be voted by different compositions of voters, quorum for deciding on such items shall be determined separately for each item.

And the lack of quorum for deciding on the items voted by one composition of voters does not prevent deciding on the items which are to be voted by another composition of voters, where quorum is available.

11.11. If no quorum is available for an annual General Meeting of Shareholders of the Company, a new General Meeting of Shareholders of the Company with the same agenda shall be held. If no quorum is available for an extraordinary General Meeting of Shareholders of the Company, a new General Meeting of Shareholders of the Company with the same agenda may be held.

Resolution on convocation of a new General Meeting of Shareholders of the Company shall be taken by the Board of Directors of the Company.

A new General Meeting of Shareholders of the Company convened instead of the failed one shall be considered as validly convened, if attended by shareholders holding, in the aggregate, at least 30 per cent of votes representing outstanding voting shares in the Company.

11.12. Minutes of General Meeting of Shareholders shall be executed in two copies not later than 15 (fifteen) days of closing the General Meeting of Shareholders. The copies shall be signed by chairperson of the General Meeting of Shareholders and secretary of the General Meeting of Shareholders.

11.13. Voting results and resolutions taken by General Meeting of Shareholders of the Company may be read at General Meeting of Shareholders of the Company.

If voting results and resolutions taken by General Meeting of Shareholders of the Company have not been read at General Meeting, information of voting on the resolutions taken by the General Meeting of Shareholders of the Company, and also voting results shall be published by the Company in "Izvestiya" newspaper in the manner of report on voting results within 10 (ten) days of execution of the statement of such results.

## **Article 12. Holding General Meeting of Shareholders in the manner of voting in absentia**

12.1. A resolution of General Meeting of Shareholders may be taken without a meeting (jointly attended by shareholders for discussion of items of agenda and taking resolutions on voted items), by voting in absentia (a poll).

Voting on agenda of General Meeting of Shareholders arranged in the manner of voting in absentia shall only be effected using ballot papers.

12.2. General Meeting of Shareholders with agenda including election of the Board of Directors of the Company, the Auditing Committee of the Company, approval of the Outside Auditor of the Company, and also the issues stipulated by subparagraph 13, paragraph 10.2 in Article 10 hereof

shall not be held in the manner of voting in absentia.

A new General Meeting of Shareholders instead of a General Meeting of Shareholders which was to be held in the manner of joint attending shall not be held in the manner of voting in absentia (a poll).

12.3. The list of persons entitled to take part in voting in absentia on agenda of General Meeting of Shareholders shall be executed based on the record of shareholders of the Company.

The date of execution of the list of persons entitled to take part in voting in absentia on agenda of General Meeting of Shareholders shall not be earlier than the date of resolution on holding the General Meeting of Shareholders of the Company and later than 50 (fifty) days before the deadline set for acceptance of ballot papers by the Company.

12.4. Notice of General Meeting of Shareholders which is to be arranged in the manner of voting in absentia shall be sent to (or served on) each person included into the list of persons entitled to attend General Meeting of Shareholders, published by the Company in "Izvestiya" newspaper, and also the Company's web site not later than 30 (thirty) days before the deadline set for acceptance of ballot papers by the Company.

12.5. Ballot papers for voting on the items of agenda shall be sent by registered mail at the address specified in the list of persons entitled to attend General Meeting of Shareholders, or served, return receipt requested, on each person included into the list of persons entitled to attend General Meeting of Shareholders not later than 20 (twenty) days before the deadline set for acceptance of ballot papers by the Company.

Each person included into the list of persons entitled to attend General Meeting of Shareholders shall be issued one copy of ballot paper for voting on all issues or one copy of two or more ballot papers for voting on different issues.

The procedures of familiarizing the persons entitled to attend General Meeting of Shareholders with information (papers) relating to agenda of the General Meeting of Shareholders and the list of such information (papers) shall be determined by resolution of the Board of Directors of the Company.

12.6. A General Meeting of Shareholders held in the manner of voting in absentia shall be considered as validly convened (quorum is available), if attended by shareholders holding, in the aggregate, over a half of votes relating to outstanding voting shares in the Company.

The shareholders shall be considered as taking part in the General Meeting of Shareholders held in the manner of voting in absentia whose ballot papers have been received not later than the deadline set for acceptance of ballot papers by the Company.

12.7. The statement of voting results shall be executed in two copies and signed by registrar of the Company within 15 (fifteen) days of the deadline set for acceptance of ballot papers.

Minutes of General Meeting of Shareholders shall be executed in two copies within 15 (fifteen) days of the deadline set for acceptance of ballot papers by the Company. The copies shall be signed by Chairman of the General Meeting of Shareholders and secretary of the General Meeting of Shareholders.

12.8. Resolutions taken by General Meeting of Shareholders, and also voting results shall be published in "Izvestiya" newspaper in the manner of the report on voting results within 10 (ten) days of execution of the statement on voting results.

### **Article 13. Proposals for inclusion in agenda of annual General Meeting of Shareholders of the Company**

13.1. A shareholder (shareholders) holding, in the aggregate, at least 2 per cent of voting shares in the Company shall be entitled to propose items for inclusion into agenda of annual General Meeting of Shareholders and nominate members of the Board of Directors of the Company and the Auditing Committee of the Company within a number not exceeding the prescribed number of members of the body concerned. Such proposals shall be received by the Company within 60 (sixty)

days of expiration of a fiscal year.

13.2. Proposal on items for inclusion to agenda of General Meeting of Shareholders and nominating proposal shall be made in writing, with the name of proposing shareholder (shareholders), number and category (type) of the shares they hold specified, and they shall be signed by the shareholders (shareholder).

13.3. Proposal on inclusion of items to agenda of General Meeting of Shareholders shall contain wording of each item proposed, and the nominating proposal shall specify name of each nominee, name of the body for election.

13.4. The Board of Directors of the Company shall review the proposals received and decide on inclusion thereof to agenda of General Meeting of Shareholders of the Company or refusal from inclusion to such agenda within 5 (five) days of expiration of the period specified in paragraph 13.1 of this Article.

13.5. The Board of Directors of the Company shall be entitled to refuse from inclusion of issues proposed by a shareholder (shareholders) to agenda of General Meeting of Shareholders, and also inclusion of nominees to the nomination list for voting to the Company's body concerned, on the grounds stipulated by the Federal Act "On joint stock companies" and other legislation of the Russian Federation.

13.6. A justified resolution of the Board of Directors of the Company on refusal from inclusion of an item to agenda of General Meeting of Shareholders of the Company or a nominee to the nomination list for voting to the Company's body concerned shall be sent to the shareholder (shareholders) who has (have) proposed the item or the nominee within 3 (three) days of taking such resolution.

13.7. The Board of Directors of the Company shall not be entitled to amend wording of items proposed for inclusion to agenda of General Meeting of Shareholders, and wording (if any) of draft resolutions on such items.

Along with the items proposed for inclusion to agenda of General Meeting of Shareholders by shareholders, and also if no such proposals have been extended, nominees are lacking or their number proposed by shareholders is insufficient to form the body concerned, the Board of Directors of the Company shall be entitled to include into agenda of General Meeting of Shareholders any items or to include nominees to the nomination list as it thinks fit.

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

14.1. General Meetings of Shareholders of the Company other than annual meetings shall be considered as extraordinary meetings.

14.2. An extraordinary General Meeting of Shareholders of the Company shall be held under resolution of the Board of Directors of the Company, at its own initiative, at the request of the Auditing Committee of the Company, the Outside Auditor of the Company, and also a shareholder (shareholders) holding at least 10 (ten) per cent of voting shares in the Company as of the date of the request.

14.3. An extraordinary of General Meeting of Shareholders requested by the Auditing Committee of the Company, the Outside Auditor of the Company or the shareholders (shareholder) holding at least 10 (ten) per cent of voting shares in the Company shall be convened by the Board of Directors of the Company.

Such General Meeting of Shareholders shall be held within 40 (forty) days of the request for holding the extraordinary General Meeting of Shareholders of the Company, except the case specified in paragraph 14.9 hereof.

14.4. The request for holding an extraordinary General Meeting of Shareholders of the Company shall word the items which are to be included into agenda of the meeting.

The person (persons) requesting for convocation of an extraordinary General Meeting of

Shareholders of the Company shall be entitled to propose a draft resolution of the extraordinary General Meeting of Shareholders of the Company and the manner of the General Meeting of Shareholders. If the request for convocation of the extraordinary General Meeting of Shareholders contains a nomination proposal, such proposal shall be covered by relevant provisions of Article 13 hereof.

The Board of Directors of the Company shall not be entitled to amend wording of the items proposed for inclusion to agenda, wording of resolutions on such items and amend the proposed manner of the extraordinary General Meeting of Shareholders convened at the request of the Auditing Committee of the Company, the Outside Auditor of the Company or the shareholders (shareholder) holding at least 10 (ten) per cent of voting shares in the Company.

14.5. If the request for convocation of extraordinary General Meeting of Shareholders of the Company is extended by a shareholder (shareholders), it shall specify name of the shareholder (shareholders) requesting for convocation of the meeting, with the number, category (type) of shares in the Company he (they) holds (hold) identified.

The request for convocation of an extraordinary General Meeting of Shareholders of the Company shall be signed by the person (persons) requesting for convocation of the extraordinary General Meeting of Shareholders of the Company.

14.6. Within 5 (five) days of the request of the Auditing Committee of the Company, the Outside Auditor of the Company or a shareholder (shareholders) holding at least 10 (ten) per cent of voting shares in the Company for convocation of an extraordinary General Meeting of Shareholders of the Company, the Board of Directors of the Company shall decide on convocation of the extraordinary General Meeting of Shareholders of the Company or refusal from such convocation.

14.7. Resolution of the Board of Directors of the Company on convocation of the extraordinary General Meeting of Shareholders of the Company or a justified resolution on refusal from such convocation shall be sent to the persons requesting for such convocation within 3 (three) days of such resolution.

14.8. If during the period stipulated by paragraph 14.6 in Article 14 hereof the Board of Directors of the Company fails to take resolution on convocation of the extraordinary General Meeting of Shareholders of the Company or takes resolution on refusal from convocation thereof, the extraordinary General Meeting of Shareholders of the Company may be convened by the bodies or the persons requesting for convocation thereof.

And the bodies and persons convening the extraordinary General Meeting of Shareholders shall enjoy the powers stipulated by the Federal Act "On joint stock companies" and these Articles required for convocation and holding General Meeting of Shareholders.

14.9. If the proposed agenda of an extraordinary General Meeting of Shareholders contains election of members of the Board of Directors of the Company:

14.9.1. General Meeting of Shareholders shall be held within 70 (seventy) days of the request for convocation of the extraordinary General Meeting of Shareholders.

14.9.2. Shareholders (shareholder) of the Company holding, in the aggregate, at least 2 per cent of voting shares in the Company shall be entitled to propose nominees for election to the Board of Directors of the Company within the number not exceeding the prescribed number of members of the Board of Directors of the Company.

Such proposals shall be received by the Company at least 45 (forty five) days before the date of the extraordinary General Meeting of Shareholders.

The Board of Directors of the Company shall discuss the proposals received and decide on inclusion thereof to agenda of the extraordinary General Meeting of Shareholders or refusal from inclusion to such agenda within 5 (five) days of expiration of the period specified in subparagraph 2 of this paragraph.

Resolution on inclusion of persons nominated by shareholders or the Board of Directors of the Company to the list of members of the collective executive body, the Auditing Committee and approval of a person to act as the sole executive body of each company established through

reorganization in the manner of merger, unwinding or segregation shall be taken by a three fourths majority vote of members of the Board of Directors of the Company. And no votes of dismissed members of the Board of Directors of the Company shall be taken into account.

14.9.3. The date of execution of the Company's list of persons entitled to attend General Meeting of Shareholders of the Company shall not be earlier than the date of resolution on holding General Meeting of Shareholders and later than 65 (sixty five) days before the General Meeting of Shareholders.

14.9.4. Notice of extraordinary General Meeting of Shareholders shall be given not later than 70 (seventy) days before the meeting.

## **Article 15. Board of Directors of the Company**

15.1. The Board of Directors of the Company shall be responsible for general management of the Company's business, except deciding on the issues referred by the Federal Act "On joint stock companies" and these Articles to competence of General Meeting of Shareholders.

The competence of the Board of Directors of the Company shall include the following issues:

- 1) determining priority lines of the Company's business;
- 2) convocation of annual and extraordinary General Meetings of Shareholders of the Company, except the cases stipulated by paragraph 14.8 in Article 14 hereof, and also announcement of the date of a new General Meeting of Shareholders to hold instead of the meeting failed because of the lack of quorum;
- 3) approval of agenda of General Meeting of Shareholders of the Company;
- 4) election of secretary of General Meeting of Shareholders;
- 5) determining the date of execution of the list of persons entitled to attend General Meeting of Shareholders, approval of the estimated costs of General Meeting of Shareholders of the Company and deciding on other issues relating to preparation and holding of General Meeting of Shareholders of the Company;
- 6) proposing to General Meeting of Shareholders of the Company of the issues stipulated by subparagraphs 2, 5, 7, 8, 12-21, paragraph 10.2 in Article 10 hereof;
- 7) allocation by the Company of bonds and other issuable securities, except the cases stipulated by the Federal Act "On joint stock companies" and these Articles;
- 8) approval of resolution on issuance of securities, prospectus of securities, report on securities issuing results, reports on the results of acquisition of shares from shareholders of the Company and reports on the results of redemption of shares from shareholders of the Company;
- 9) determining price (pecuniary value) of property, price of allocation and redemption of issuable securities in the cases stipulated by the Federal Act "On joint stock companies", and also when deciding on the issues specified in subparagraphs 11, 20, 21, 36, paragraph 15.1 hereof;
- 10) acquisition of shares, bonds and other securities allocated by the Company in the cases stipulated by the Federal Act "On joint stock companies";
- 11) disposal (sale) of shares in the Company retained by the Company as a result of acquisition or redemption thereof from shareholders of the Company, and also in other cases stipulated by legislation of the Russian Federation;
- 12) election of General Director of the Company and early termination of his powers, including deciding on early termination of employment contract with him;
- 13) recommending to General Meeting of Shareholders of the Company as to the amount of remunerations and compensations payable to members of the Auditing Committee of the Company and determining the amount payable for the services of the Outside Auditor;
- 14) recommendations as to the amount of dividend on shares and its payment procedures;
- 15) approval of internal documents of the Company determining the procedures of formation and use of the Company's funds;
- 16) deciding on use of the Company's funds; approval of estimates for use of special purpose



funds and considering the results of performance of the estimates for use of special purpose funds;

17) approval of internal documents of the Company, except the internal documents approvable by General Meeting of Shareholders, and also other internal documents approvable by General Director of the Company;

18) approval of business plan (adjusted business plan) and report on its performance results, approval (adjustment) of the list and values of the reference indicators of the Company's cash flows;

19) establishment of branches and opening representative offices of the Company, liquidation thereof, including amending the Articles of Association of the Company in connection with establishment of branches, opening representative offices of the Company (including amending information of names and locations of branches and representative offices of the Company) and liquidation thereof;

20) participation of the Company in other entities (joining an existing entity or establishment of a new entity, including coordination of incorporation documents), and also (subject to subparagraph 21, paragraph 15.1 in Article 15 hereof) acquisition, transfer and encumbrance of shares and interests in the authorized capitals of the entities participated by the Company, alteration of participation in the authorized capital of an entity, and termination of the Company's participation in other entities;

21) deciding on entering by the Company into one or more related transactions connected with transfer, pledge or other encumbrance of shares and interests in other entities not connected with generation, transmission, dispatching, distribution and sales of electric and heat energy, repair and servicing business, if market value of shares or interests which are the subject of the transaction, as determined by an independent valuer, exceeds 30 million Rubles, and also in other cases (amounts) determined by separate resolutions of the Board of Directors of the Company;

22) determining the credit policy of the Company, as regards granting loans by the Company, entering into facility / loan agreements, issuing sureties, undertaking obligations under a bill (issuing a promissory note or a draft), pledge of property and deciding on entering by the Company into such transactions in the cases where procedures of deciding on them are not determined by the Company's credit policy, and also deciding, under the Company's credit policy, on the Company's debt position in accordance with the limits stipulated by the Company's credit policy;

23) approval of major transactions in the cases stipulated by Chapter X of the Federal Act "On joint stock companies";

24) approval of transactions stipulated by Chapter XI of the Federal Act "On joint stock companies";

25) election of Chairman of the Board of Directors of the Company and early termination of his powers;

26) election of deputy Chairman of the Board of Directors of the Company and early termination of his powers;

27) election of Secretary of the Board of Directors of the Company and early termination of his powers;

28) pre-approval of resolutions on entering by the Company into the following transactions (in the cases (amounts) determined by separate resolutions of the Board of Directors of the Company):

a) transactions relating to free transfer of the Company's property or proprietary rights (claims) to itself or to a third person;

b) transactions relating to release from a proprietary obligation to itself or to a third person;

c) transactions relating to free rendering services (performance of work) by the Company in favor of third persons;

29) deciding on suspension of powers of the managing entity (manager);

30) deciding on appointment of an acting General Director of the Company in the cases stipulated by paragraphs 20.8, 20.9 in Article 20 hereof;

31) bringing General Director of the Company to disciplinary responsibility and his motivation under labor legislation of the Russian Federation;

32) considering General Director's reports on the Company's business (including performance of his duties), performance of resolutions taken by General Meeting of Shareholders and the Board of Directors of the Company;

33) approval of the procedures of cooperation between the Company and the entities participated by the Company;

34) determining the Company's (the Company representatives') position, including instruction to take or not to take part in voting on agenda, voting on draft resolutions ("pro", "contra" or "abstain") on the following items of agenda of general meetings of shareholders (members) of subsidiaries and dependent companies (hereinafter referred to as SDC) (except the cases where the Board of Directors of the Company acts as the SDC's general meeting of shareholders), and meetings of the board of directors of an SDC (except approval of agenda of an SDC's general meetings of shareholders, where the Board of Directors of the Company acts as the SDC's general meeting of shareholders):

- a) determining agenda of general meeting of shareholders (members) of SDC;
- b) reorganization of SDC;
- c) liquidation of SDC;
- d) determining the number of members of the Board of Directors of SDC, nomination and election of its members and early termination of their powers;
- e) determining the number, par value, category (type) of stated shares in SDC and the rights granted by such shares;
- f) increasing the authorized capital of SDC by increasing par value of shares or allocation of additional shares;
- g) allocation by SDC of securities convertible into equity shares;
- h) splitting or consolidation of shares in SDC;
- i) approval of SDC's major transactions;
- j) SDC's participation in other entities (joining an existing entity or establishment of a new entity), and also acquisition, transfer and encumbrance of shares and interests in authorized capitals of the entities participated by SDC, alteration of participation in the authorized capital of the entity concerned;
- k) entering by SDC into transactions (including a series of related transactions) involving property which represents fixed assets, intangible assets, uncompleted construction items whose purpose is to generate, transmit, dispatch, distribute electric and heat energy in the cases (amounts) determined by the procedures of the Company's cooperation with the entities participated by the Company approved by the Board of Directors of the Company;
- l) election of Chairman of the Board of Directors and early termination of his powers;
- m) election of General Director of SDC and early termination of his powers;
- n) determining terms and conditions of employment contract with General Director of SDC or determining the person authorized by the Board of Directors SDC to determine the terms of employment contract with General Director of SDC and sign the employment contract with General Director of SDC;
- o) amending and supplementing the incorporation documents of SDC;
- p) determining the procedures of remunerating members of the board of directors and the auditing committee of SDC;
- q) determining the lines of insuring SDC, including approval of insurer (insurers, insurance brokers) of SDC;
- r) approval of business plan (adjusted business plan) and report on performance thereof, and also approval (adjustment) of reference indicators of cash flows (budget) of SDC and/or approval (adjustment) of cash flows (budget) of SDC.

35) determining the Company's (the Company representatives') position on the following

items of agenda of meetings of boards of directors of SDC (including instruction to take or not to take part in voting on agenda, voting on draft resolutions ("pro", "contra" or "abstain")):

a) determining position of SDC representatives as to agenda of general meetings of shareholders (members) and meetings of boards of directors of the companies which are subsidiaries and dependent companies with respect to SDC, as regards entering into (approval of) transactions (including a series of related transactions connected with transfer or possible transfer of property which represents fixed assets, intangible assets, uncompleted construction items whose purpose is to generate, transmit, dispatch, distribute electric and heat energy in the cases (amounts) determined by the procedures of the Company's cooperation with the entities participated by the Company approved by the Board of Directors of the Company;

b) determining position of SDC representatives as to agenda of general meetings of shareholders (members) and meetings of boards of directors of the companies which are subsidiaries and dependent companies with respect to SDC which generate, transmit, dispatch, distribute and sell electric and heat energy, regarding reorganization, liquidation, increasing the authorized capital of such companies by increasing par value of shares or allocation of additional shares, allocation of securities convertible into equity shares;

36) pre-approval of resolutions on entering by the Company into:

a) transactions with the subject matters being non-current assets of the Company in an amount over 10 per cent of the balance sheet value of the Company's non-current assets as of the date of such transaction;

b) transactions (including a series of related transactions) with the subject matters being the property of a value between 10 and 25 per cent of the balance sheet value of the Company's assets as of the date of deciding on such transaction;

c) transactions (including a series of related transactions) with property which represents fixed assets, intangible assets, uncompleted construction items whose purpose is to generate, transmit, dispatch, distribute electric and heat energy in the cases (amounts) determined by separate resolutions of the Board of Directors of the Company;

37) deciding on nomination by the Company of persons for election of sole executive body, other management bodies, control bodies, and also nomination of outside auditors of the entities participated by the Company;

38) determining the lines of insurance of the Company, including approval of the Insurer (insurers, insurance brokers) of the Company;

39) formation of committees of the Board of Directors of the Company, approval of regulations of committees of the Board of Directors of the Company;

40) approval of an independent valuer (valuers) to determine value of shares, property and other assets of the Company in the cases stipulated by the Federal Act "On joint stock companies", these Articles, and also separate resolutions of the Board of Directors of the Company;

41) approval of organization of the Company's executive bodies and amending thereof;

42) coordinating nominations to some executive offices in the Company determined by the Board of Directors of the Company;

43) approval of nominated sponsors of securities issues and advisors in respect of transactions directly connected with raising funds in the manner of public borrowings;

44) deciding, under these Articles, on preparation and holding general meetings of shareholders of the companies arising from reorganization of the Company through unwinding or segregation;

45) approval of the Company's registrar and terms and conditions of contract with him, and also termination of the contract with him;

46) pre-approval of transactions capable of leading to obligations expressed in a foreign currency (or obligations linked to a foreign currency) in the cases and in the amounts determined by separate resolutions of the Board of Directors of the Company, and also in the cases where such cases (amounts) are not determined by the Board of Directors of the Company;

47) deciding on the issues referred to competence of supreme management bodies of the business entities, 100 (one hundred) per cent of the authorized capital or all voting shares of which are held by the Company;

48) determining the Company's procurement policy, including approval of the Regulation on standard procurement of goods, work and services, approval of the head of the Central Procurement Body of the Company and its members, and also approval of annual integrated procurement program and taking other decisions under documents approved by the Company which regulate the Company's procurement activities;

49) approval of target values (adjusted values) of the Company's Key Efficiency Indicators (KEI) and reports on performance thereof;

50) considering General Director's reports on Key Efficiency Indicators (KEI) and reports on performance thereof for the Company's units (officers);

51) deciding on nomination of General Director of the Company for awarding state rewards;

52) other issues referred to competence of the Board of Directors by the Federal Act "On joint stock companies" and these Articles.

15.2. The issues referred to competence of the Board of Directors of the Company shall not be referred to General Director of the Company.

15.3. Members of the Board of Directors shall act, when exercising their rights and performing their duties, in the Company's interests, exercise their rights and perform their duties to the Company in good faith and reasonably.

15.4. Members of the Board of Directors shall be liable to the Company for any losses incurred by the Company because of their faulty actions (omissions), unless any other grounds and amount of responsibility stipulated by federal law.

And no members of the Board of Directors shall be brought to responsibility, who voted against the resolution leading to the Company's losses, or did not take part in voting.

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

16.1. The number of members of the Board of Directors of the Company shall be 15 (fifteen) persons.

16.2. Members of the Board of Directors of the Company shall be elected by General Meeting of Shareholders of the Company in accordance with the procedures stipulated by paragraph 10.8 in Article 10 hereof, for a period until the next annual General Meeting of Shareholders.

If the Board of Directors of the Company is elected at an extraordinary General Meeting of Shareholders, members of the Board of Directors shall be considered as elected for a period until annual General Meeting of Shareholders of the Company.

If annual General Meeting of Shareholders is not held within the time limit stipulated by paragraph 11.1 in Article 11 hereof, powers of the Board of Directors of the Company shall be terminated, except the powers relating to convocation, preparation and holding annual General Meeting of Shareholders.

16.3. Only individuals shall be elected members of the Board of Directors of the Company.

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

16.5. Under resolution of General Meeting of Shareholders of the Company, powers of all members of the Board of Directors of the Company may be terminated before expiration of term.

## **Article 17. Chairman of the Board of Directors of the Company**

17.1. Chairman of the Board of Directors of the Company shall be elected by members of the Board of Directors of the Company from among them by a majority vote of the overall number of members of the Board of Directors of the Company.

The Board of Directors of the Company shall be entitled to re-elect its Chairman at any time by a majority vote of the overall number of members of the Board of Directors of the Company.

17.2. Chairman of the Board of Directors of the Company shall arrange the activities of the Board of Directors of the Company, convene its meetings and preside at them, arrange keeping minutes of the meetings, preside at General Meetings of Shareholders.

17.3. If Chairman of the Board of Directors of the Company is absent, his functions shall be performed by the deputy Chairman of the Board of Directors elected from among members of the Board of Directors by a majority vote of the overall number of members of the Board of Directors of the Company.

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

18.1. Procedures of convocation and holding meetings of the Board of Directors of the Company shall be determined by an internal document approved by General Meeting of Shareholders of the Company.

18.2. Meetings of the Board of Directors shall be held as necessary, but at least one time each quarter.

Meetings of the Board of Directors of the Company shall be convened by Chairman of the Board of Directors (or deputy Chairman of the Board of Directors in the cases stipulated by paragraph 17.3 in Article 17 hereof) of the Company at his own initiative, at the request of a member of the Board of Directors, the Auditing Committee, the Outside Auditor or General Director of the Company.

18.3. The first meeting of the newly elected Board of Directors of the Company must elect Chairman of the Board of Directors, Deputy Chairman and secretary of the Board of Directors of the Company.

Such meeting of the Board of Directors shall be convened by a member of the Board of Directors of the Company under the internal document regulating the procedures of convocation and holding meetings of the Board of Directors of the Company.

18.4. Resolution of the Board of Directors of the Company may be taken in the manner of voting in absentia (a poll). In case of voting in absentia all members of the Board of Directors shall be provided papers relating to agenda and a voting sheet, with the deadline of submitting the voting sheet, as filled in and signed by the member of the Board of Directors, to the Board of Directors of the Company specified.

18.5. A member of the Board of Directors not attending meeting of the Board of Directors of the Company shall be entitled to express in writing his opinion as to the item of agenda in accordance with the procedures stipulated by the internal document regulating the procedures of convocation and holding meetings of the Board of Directors of the Company.

18.6. A member of the Board of Directors of the Company shall not transfer his vote to another person, including other members of the Board of Directors of the Company.

18.7. Resolutions of the Board of Directors of the Company shall be taken by a majority vote of members of the Board of Directors of the Company attending the meeting, except the cases stipulated by legislation of the Russian Federation and these Articles of Association.

If a transaction is to be approved under several grounds at a time (under these Articles and Chapter X or Chapter XI of the Federal Act "On joint stock companies"), the approval of such transaction shall only be regulated by the Federal Act "On joint stock companies".

18.8. A resolution of the Board of Directors of the Company on approval of a major transaction shall be taken unanimously by all members of the Board of Directors.

A resolution of the Board of Directors of the Company on the following issues shall be taken by a three fourths majority vote of the overall number of elected members of the Board of Directors of the Company:

- suspending powers of the managing entity (manager) and appointment of acting General Director of the Company;

- convocation of extraordinary General Meeting of Shareholders of the Company in the cases stipulated by paragraphs 20.8, 20.9 in Article 20 hereof.

When taking by the Board of Directors of the Company of the resolutions stipulated by this paragraph hereof, no votes of dismissed members of the Board of Directors shall be counted. And the dismissed members of the Board of Directors of the Company means the persons which ceased to be members of the Board of Directors because of death, or considering them as incompetent or untraceable through the courts.

18.9. Resolution on approval of an interested-party transaction shall be taken by the Board of Directors of the Company in accordance with Article 83 of the Federal Act "On joint stock companies".

18.10. When taking resolutions at meetings of the Board of Directors of the Company, each member of the Board of Directors shall have one vote. In case of equality of votes, Chairman of the Board of Directors shall have a casting vote.

18.11. Quorum required for meetings of the Board of Directors shall be equal to at least a half of elected members of the Board of Directors of the Company.

If the number of members of the Board of Directors of the Company shall become less than the number required for such quorum, the Board of Directors of the Company shall decide on convocation of an extraordinary General Meeting to elect new members of the Board of Directors of the Company. The remaining members of the Board of Directors shall only be entitled to decide on convocation of such extraordinary General Meeting of Shareholders. In such case quorum for meeting of the Board of Directors shall be equal to at least a half of the remaining members of the Board of Directors.

18.12. Minutes shall be kept during meetings of the Board of Directors of the Company. Minutes of meetings of the Board of Directors of the Company shall be executed and signed within 3 (three) days of the meeting by chairperson of the meeting and secretary of the Board of Directors of the Company who shall be responsible for proper execution of the minutes. All papers relating to agenda and documents approved by the Board of Directors shall be attached to minutes of the meeting.

If the Board of Directors of the Company takes resolutions in the manner of voting in absentia, voting sheets signed by members of the Board of Directors shall be attached to the minutes.

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

19.1. Committees of the Board of Directors shall be formed under resolution of the Board of Directors.

19.2. Committees of the Board of Directors shall be established to elaborate issues relating to competence of the Board of Directors or studied by the Board of Directors in the process of supervision of the activities of the Company's executive body, and for development of relevant recommendations for the Board of Directors and the executive body of the Company.

19.3. The procedures of activities, formation, competence and term of office of committees of the Board of Directors shall be determined by separate resolutions of the Board of Directors.

#### **Article 20. Executive bodies of the Company**

20.1. The sole executive body – General Director shall be responsible for management of the Company's everyday business.

20.2. General Director of the Company shall report to General Meeting of Shareholders and the Board of Directors of the Company.

20.3. Under resolution of General Meeting of Shareholders, powers of the sole executive body of the Company may be vested, under contract, in a managing entity or a manager.

The rights and duties of the managing entity (manager) relating to management of the

Company's everyday business are determined by legislation of the Russian Federation and the contract executed between the managing entity (manager) and the Company.

Contract with the managing entity (manager) shall be signed on behalf of the Company by Chairman of the Board of Directors of the Company or a person authorized by the Board of Directors of the Company.

Terms and conditions of the contract with the managing entity (manager), including the term of office, shall be determined by the Board of Directors of the Company.

20.4. Rights and duties of General Director of the Company relating to management of the Company's everyday business are determined by legislation of the Russian Federation, these Articles and the employment contract entered into with the Company.

The employment contract shall be signed on behalf of the Company by Chairman of the Board of Directors of the Company or a person authorized by the Board of Directors of the Company.

The terms and conditions of the employment contract, including the term of office, shall be determined the Board of Directors of the Company or the person authorized by the Board of Directors of the Company to execute the employment contract.

The employer's rights and duties on behalf of the Company shall be exercised in respect of General Director of the Company by Chairman of the Board of Directors or the person authorized by the Board of Directors of the Company.

20.5. General Director shall only act in conjunction as a member of management bodies of other entities, and also occupy any other places of profit in other entities with the consent of the Board of Directors of the Company.

20.6. Powers of General Director of the Company may only be terminated under resolution of General Meeting of Shareholders of the Company.

Powers of General Director shall be terminated on the grounds stipulated by legislation of the Russian Federation and the employment contract executed with the Company.

20.7. The Board of Directors shall be entitled to decide at any time on termination of powers of General Director of the Company and formation of a new executive body.

The Board of Directors of the Company shall be entitled to decide on suspending powers of the managing entity (manager). At the same time with such decision, the Board of Directors of the Company shall take a resolution on appointment of acting General Director of the Company and convocation of an extraordinary General Meeting of Shareholders to decide on an early termination of powers of the managing entity (manager) and, unless otherwise decided by the Board of Directors, vesting powers of the sole executive body of the company in a managing entity (manager).

20.8. If the managing entity (manager) fail to perform their duties, the Board of Directors of the Company shall be entitled to decide on appointment of acting General Director of the Company and convocation of an extraordinary General Meeting of Shareholders to decide on early termination of powers of the managing entity (manager) and, unless otherwise decided by the Board of Directors, vesting powers of the sole executive body of the company in another managing entity (manager).

20.9. Acting General Director of the Company shall manage everyday business of the Company within the competence of executive bodies of the Company, unless otherwise decided by the Board of Directors of the Company.

20.10. General Director acting as General Director of the Company, and also managing entity (manager) shall, when exercising their rights and performing their duties, act in the Company's interests, exercise their rights and perform their duties to the Company in good faith and reasonably.

20.11. General Director acting as General Director of the Company, and also managing entity (manager) shall be liable to the Company for any losses incurred by the Company because of their faulty actions (omissions), unless any other grounds and amount of responsibility stipulated by federal law.

## **Article 21. General Director of the Company**

21.1 General Director shall be responsible for management of the Company's everyday business in accordance with resolutions of General Meeting of Shareholders of the Company and the Board of Directors taken within their respective competence.

21.2 Competence of General Director of the Company shall include all the issues relating to management of the Company's everyday business, except the issues referred to competence of General Meeting of Shareholders and the Board of Directors of the Company.

21.3 General Director of the Company shall act on behalf of the Company without a power of attorney, including, subject to limitations stipulated by current legislation, these Articles and resolutions of the Board of Directors of the Company:

1) ensuring performance of the Company's business plans required to solve the Company's tasks;

2) arranging accounting and reporting in the Company;

3) disposal of the Company's property, entering into transactions on behalf of the Company, issuing powers of attorney, opening settlement accounts and other accounts of the Company with banks and other credit institutions (and also, under law, with professional players of the stock market);

4) issuing orders, approval (adoption) of instructions, local regulations and other internal documents of the Company on the issues referred to its competence, issuing instructions mandatory for all employees of the Company;

5) approval of Regulations on branches and representative offices of the Company;

6) approval, in accordance with organization of the Company's executive bodies, of personnel arrangements and salaries payable to the Company's employees;

7) exercising employer's rights and duties under labor legislation in respect of the Company's employees;

8) distribution of duties between deputy General Directors;

9) submitting to the Board of Directors reports on financial and business activities of subsidiaries and dependent companies where the Company holds shares (interests), and also information of other entities participated by the Company;

10) submitting to the Board of Directors of the Company, not later than 45 (forty five) days before annual General Meeting of Shareholders of the Company, an annual report, balance sheet, profit-and-loss statement of the Company, distribution of profit and losses of the Company;

11) developing target Key Efficiency Indicators (KEI) for units (officers) of the Company and bearing responsibility for performance thereof;

12) submitting to the Board of Directors reports on approved Key Efficiency Indicators (KEI) for units (officers) of the Company and their performance results;

13) solving other issues relating to everyday business of the Company, except the issues referred to competence of General Meeting of Shareholders and the Board of Directors of the Company.

21.4. General Director shall be elected by the Board of Directors of the Company through a majority vote of members of the Board of Directors attending the meeting.

Nomination of General Director of the Company for election by the Board of Directors of the Company shall be based on the procedures stipulated by an internal document regulating convocation and holding meetings of the Board of Directors of the Company.

## **Article 22. Auditing Committee and Outside Auditor of the Company**

22.1. In order to control the financial and business activities of the Company, General Meeting of Shareholders shall elect the Auditing Committee of the Company for a period until the next annual General Meeting of Shareholders.

If the Auditing Committee of the Company is elected by an extraordinary General Meeting of Shareholders, members of the Auditing Committee shall be considered as elected for a period until the



annual General Meeting of Shareholders of the Company.

The number of members of the Auditing Committee of the Company shall be equal to 5 (five) persons.

22.2. Under resolution of General Meeting of Shareholders of the Company, powers of all or some members of the Auditing Committee of the Company may be terminated before expiration of term.

22.3. The competence of the Auditing Committee of the Company shall include:

1) confirming reliability of the data included into annual report, balance sheet, profit-and-loss statement of the Company;

2) analysis of the financial situation of the Company, identification of the reserves for improvement of the Company's financial situation and elaboration of recommendations for the Company's management bodies;

3) arrangement and carrying out an inspection (audit) of the financial and business activities of the Company, including:

- inspection (audit) of financial, accounting, payment and other documents of the Company connected with performance by the Company of financial and business activities for compliance thereof with legislation of the Russian Federation, the Articles of Association, the internal and other documents of the Company;

- control over safety and use of fixed assets;

- control over observation of the prescribed procedures of writing down of insolvent debtors' debts as the Company's losses;

- control over spending the Company's funds under an approved business plan and budget of the Company;

- control over formation and use of the reserve fund and other special funds of the Company;

- inspection of proper and timely accrual and payment of dividends on shares in the Company, interest on bonds, income on other securities;

- inspection of performance of previously issued instructions regarding rectification of irregularities and faults identified by previous inspections (audits);

4) other actions (activities) connected with audit of the Company's financial and business activities.

22.4. All resolutions on the issues referred to competence of the Auditing Committee shall be taken by a simple majority vote of the overall number of its members.

22.5. The Auditing Committee of the Company shall be entitled to and must, if serious violations are revealed in the financial and business activities of the Company, request for convocation of an extraordinary General Meeting of Shareholders of the Company.

22.6. The procedures of activities of the Auditing Committee of the Company are determined by an internal document of the Company approved by General Meeting of Shareholders of the Company.

The Auditing Committee shall be entitled, under resolution on arrangement of an inspection (audit), to engage for such inspection (audit) any specialists in relevant fields of law, economy, finance, accounting, management, economic security, etc., including specialized entities.

22.7. An inspection (audit) of the financial and business activities of the Company may be carried out at any time at the initiative of the Auditing Committee of the Company, under resolution of General Meeting of Shareholders, the Board of Directors of the Company or at the request of a shareholder (shareholders) of the Company holding, in the aggregate, at least 10 per cent of voting shares in the Company.

22.8. In order to audit and confirm annual financial statements of the Company, General Meeting of Shareholders shall approve each year an Outside Auditor of the Company.

22.9. The remuneration of the Outside Auditor shall be determined by the Board of Directors of the Company.

22.10. The Outside Auditor of the Company shall audit the financial and business activities of the Company in accordance with the requirements of legislation of the Russian Federation, under the contract entered into with him.

22.11. Based on the results of audit of the Company's financial and business activities, the Auditing Committee of the Company and the Outside Auditor of the Company shall execute a conclusion containing:

- confirmation of reliability of the data included into reports and other financial documents of the Company;
- information of violations by the Company of the accounting and financial reporting procedures stipulated by legislation of the Russian Federation, and also regulations of the Russian Federation in the process of the Company's financial and business activities.

The procedures and timeframe of execution of the conclusion on the results of audit of the Company's financial and business activities are determined by legislation of the Russian Federation and internal documents of the Company.

### **Article 23. Business and financial reporting of the Company**

23.1 The Company shall keep business accounts and submit financial statements in accordance with the procedures stipulated by legislation of the Russian Federation and these Articles.

23.2 General Director of the Company shall be responsible, under legislation of the Russian Federation and these Articles, for arrangement, condition and reliability of accounting in the Company, timely submitting annual reports and other financial statements to relevant state authorities, and also submitting information of the Company's business which is to be submitted to shareholders of the Company, creditors and the mass media.

23.3 Reliability of the data included into annual report of the Company and annual financial statements shall be confirmed by the Auditing Committee and the Outside Auditor of the Company.

23.4 Annual report, balance sheet, profit-and-loss statement, distribution of profits and losses of the Company shall be pre-approved by the Board of Directors of the Company not later than 30 (thirty) days before annual General Meeting of Shareholders of the Company.

### **Article 24. Keeping documents by the Company. Submitting information by the Company**

24.1. The Company shall keep the following documents:

- 1) Resolution on incorporation of the Company;
- 2) Articles of Association of the Company, amendments and additions introduced into the Articles of Association of the Company registered in due course, certificate of the state registration of the Company;
- 3) documents confirming the Company's right to the property accounted in its balance sheet;
- 4) internal documents of the Company approved by the Company's management bodies;
- 5) regulations on branches and representative offices of the Company;
- 6) annual financial reports;
- 7) securities prospectus, quarterly report of the issuer and other documents containing information which is to be published or disclosed in other manner under federal law;
- 8) accounting documents;
- 9) financial statements;
- 10) minutes of General Meetings of Shareholders of the Company (executed in due course under resolution of the shareholder holding all voting shares in the Company), minutes of the Board of Directors of the Company and the Auditing Committee of the Company;
- 11) ballot papers, and powers of attorney (copies thereof) for participation in General Meeting of Shareholders;
- 12) reports of independent valuers;

13) lists of the Company's affiliated persons;

14) lists of persons entitled to attend General Meeting of Shareholders, entitled to dividends, and also other lists executed by the Company in order to enable shareholders to exercise their rights under the Federal Act "On joint stock companies";

15) conclusions of the Auditing Committee of the Company, the Outside Auditor of the Company, the state and municipal financial control authorities;

16) other documents stipulated by legislation of the Russian Federation, these Articles of Association, internal documents of the Company and resolutions of the Company's management bodies, and also documents stipulated by legislation of the Russian Federation.

24.2. The Company shall keep the documents stipulated by paragraph 25.1 hereof at the location of the Company's executive body in accordance with the procedures and within the time limit stipulated by the federal executive authority responsible for the stock market.

24.3. In case of reorganization of the Company, all documents shall be transferred to its successor in due course.

24.4. In case of liquidation of the Company, documents subject to permanent custody, having a scientific and history importance shall be transferred for the state custody to the Federal Archiving Service of Russia, and the documents relating to personnel (orders, personal files and inventory cards, personal accounts, etc.) shall be transferred for custody to the archives of a subject of the Russian Federation.

The transfer and normalization of the documents shall be performed in accordance with the requirements of the archiving authorities.

Information of the Company shall be provided by the Company in accordance with the requirements of legislation of the Russian Federation.

24.5. The Company shall provide shareholders of the Company with an access to the documents specified in paragraph 25.1 of this Article, subject to limitations stipulated by legislation of the Russian Federation.

An access to accounting documents shall be granted to shareholders (shareholder) holding, in the aggregate, at least 25 (twenty five) per cent of voting shares in the Company.

The documents specified in subparagraphs 1, 2, 5-7, 13, paragraph 25.1 of this Article, and also minutes of General Meetings of Shareholders of the Company and internal documents regulating the activities of the Company's management bodies shall be published on the Company's web site within 15 days of approval or amending and supplementing thereof, unless other time limit stipulated by current legislation.

24.6. The documents specified in paragraph 25.1 of this Article shall be provided by the Company within 7 (seven) days of respective request for familiarization at the location of the Company's executive body.

The Company shall provide copies of the said documents at the request of the persons having the right of access to the documents specified in paragraph 24.1 of this Article.

The charge for providing such copies shall be established by General Director of the Company and shall not exceed costs of copying such documents.

The Company shall provide shareholders and employees of the Company with an access to information in compliance with legislation on the state secrets.

## **Article 25. Reorganization and liquidation of the Company**

25.1. The Company may be reorganized voluntarily through merger, takeover, unwinding, segregation and transformation, and also on the grounds and in accordance with the procedures stipulated by the Civil Code of the Russian Federation and federal legislation.

25.2. The Company may be wound up under a decision of the court or voluntarily, under the Civil Code of the Russian Federation, the Federal Act "On joint stock companies" and these Articles.

25.3. In case of reorganization, liquidation of the Company or termination of a work containing information considered to be the state secrets, the Company shall arrange preservation of such information and media thereof by development and implementing secrecy and information protection procedures, countermeasures against technical intelligence, security and fire safety.

25.4.1. The Board of Directors of the Company shall resolve the issues connected with preparation and holding general meeting of shareholders of the companies resulting from reorganization of the Company in the manner of unwinding or segregation (hereinafter referred to as the new companies):

1) determine the manner, date, place and time of general meeting of shareholders of the new company and mail address for sending filled-in ballot papers;

2) determine agenda of general meeting of shareholders of the new company;

3) determine the date of execution of the list of persons entitled to attend general meeting of shareholders of the new company;

4) determine the procedures of notifying shareholders of the general meeting of shareholders of the new company;

5) determine the list of information (papers) to be provided to shareholders for preparation to general meeting of shareholders of the new company, and procedures of providing thereof;

6) review proposals of shareholders of the new companies regarding inclusion of their nominees to the list of persons for voting on election to management bodies of each new company. Procedures of submitting such proposal, and also procedures of considering thereof by the Board of Directors of the Company shall be stipulated by resolution of General Meeting of Shareholders of the Company on reorganization;

7) propose to general meeting of shareholders of each new company draft articles of association of the new company;

8) approve the form and text of ballot paper in case of voting using ballot papers;

9) form the working bodies of general meeting of shareholders of the new company;

10) determine the time of beginning registration of the persons for participation in general meeting of shareholders of the new company arranged in the manner of joint attending.

25.4.2. If no quorum is available for general meeting of shareholders of the new company, a new general meeting of shareholders of the company with the same agenda shall be held in 40 days of the failed general meeting of shareholders of the new company. New general meetings of shareholders of the new companies shall be considered as validly convened (quorum available), if attended by shareholders of the new companies holding, in the aggregate, at least 30 per cent of votes granted by equity shares of the new company which are to be allocated.

25.4.3. In case of a new general meeting of shareholders of the new company held after a failed general meeting of shareholders of the new company, the persons entitled to attend general meeting of shareholders of the new company shall be determined in accordance with the list of persons who were entitled to attend the failed general meeting of shareholders of the new company.

25.4.4. Notices of the new general meeting of shareholders of the new companies and ballot papers shall be sent to shareholders of the new companies by registered mail not later than 20 days before the new general meeting of shareholders of the new companies. The notices shall also be published in the organ of the press stipulated by the Articles of Association of the Company for publication of information of General Meetings of Shareholders of the Company.

If resolution on one or more items of agenda of general meeting of shareholders of a new company has not been taken, a new general meeting of shareholders of the new company shall be held within 40 days of the general meeting of shareholders of the new company which failed to take resolution on one or more issues. And agenda of the general meeting of shareholders of the new company shall only include the issues not resolved by the general meeting of shareholders of the new company. If such new general meeting of shareholders is held, the persons entitled to attend the general meeting of shareholders of the new company shall be determined in accordance with the list of persons who were entitled to attend the general meeting of shareholders of the new company

which failed to take resolution on an item of agenda.

25.4.5. Notices of the new general meeting of shareholders of the new companies and ballot papers shall be sent to shareholders of the new companies by registered mail not later than 20 days before the new general meetings of shareholders of the new companies. The notices shall also be published in the organ of the press stipulated by the Articles of Association of the Company for publication of information of General Meetings of Shareholders of the Company.

25.4.6. The duties relating to preparation of general meetings of shareholders of all new companies shall be performed by the Board of Directors of the Company.

25.4.7. Other issues relating to preparation and holding general meetings of shareholders of the new companies shall be resolved by General Meeting of Shareholders of the Company within the issue of reorganization of the Company through unwinding or segregation.

25.5. The procedures of preparation and holding a joint general meeting of shareholders of the companies involved, together with the Company, in merger, and also the procedures of preparation and holding a joint general meeting of shareholders of the companies involved, together with the Company, in takeover, and also the procedures of voting at such joint general meetings of shareholders shall be determined by merger agreement or takeover agreement, respectively.

Such agreements shall be approved by General Meeting of Shareholders of the Company under law.