

APPROVED
By the general shareholders' meeting
JSC "FEEC"
dated 4 June 2007.
Minutes № 1



REGULATIONS

For management board
Open Joint Stock Company
«Far Eastern Energy Company»

1. GENERAL PROVISIONS

1.1. The present Regulations are internal document of the Open Joint Stock Company "Far Eastern Energy Company" (hereinafter – the Company), that define the order of forming of the Management Board, terms and the order of convocation as also the order of making the decisions.

1.2. The Regulations have been worked out in compliance with the Civil code of the Russian Federation, Federal Law "On Joint Stock companies", other normative acts of the Russian Federation and the Charter of the Company.

1.3. The Management Board of the Company being the collegial executive body, exercises its activity in the interests of the Company, being governed by the decisions of the General shareholders' meeting and acting in compliance with the legislation of the Russian Federation, Charter of the Company and other internal documents of the Company and by the present Regulations.

1.4. The Management of the Company shall be accountable for the practical implementation of the targets, Company's politics and development strategies of the Company and exercise management of the current activity of the Company within the competence set by the Charter of the Company, decisions of the General shareholders' meeting and the Board of Directors meeting.

The main tasks of the Management Board of the Company are:

- provision of the observing the rules and the legal interests of the Company's shareholders;
- development of the suggestions for the strategies of the Company's development;
- implementation of the financial-economic politics of the Company, working out of the decisions upon the vital matters of its current activity and coordination of work of its subdivisions;
- increase of the effectiveness of the internal system control and risks monitoring;
- provision of the achievement of the high level of the Company's assets profitability and maximum profit from the Company's activity.

2. THE ORDER OF MANAGEMENT BOARD FORMING

2.1. The election of the members of the Management Board and early termination of their powers shall be exercised by the decision of the Board of Directors.

2.2. The candidates of the members of the Management Board for consideration of the Board of Directors shall be presented by the Director General in number equal to the number of the members of the Management Board defined by the Charter and by the decisions of the Board of Directors, at the exception of his own candidacy.

In the event of rejection of the candidates to the Management Body of the Company, offered by the Director General, the Board of Directors of the Company is entitled to elect to the Management Board the candidates offered by the member (members) of the Board of Directors of the Company.

2.3. The candidate shall be considered elected to the Management Board in the event that the majority of the members of the Board of Directors participating at meeting have voted for his candidacy.

2.4. The labor contract shall be concluded with the elected members of the Management Board.

The labor contract on behalf of the Company shall be signed by the Chairman of the Board of Directors or by the individual authorized by the Board of Directors.

The terms of the labor contract including the term of the powers shall be defined by the Chairman of the Board of Directors of the Company or other individuals authorized by the Board of Directors of the Company to exercise the rights and liabilities of the employer on behalf of the Company in relation to the members of the Management Board.

Establishment of the remunerations and compensations to the members of the Management Board shall be exercised by the Board of Directors of the Company.

2.5. The Board of Directors of the Company is entitled at any time to terminate the powers of one of the members of the Management Board and to cancel a labor contract with him. The present regulation shall be indispensable condition of the labor contract concluded by the Company with the member of the Management Board.

Termination of the powers of the member of the Management Board shall not entail the dismissal from the hold established position of the Company.

2.6. The dismissal of the individual from the hold established position shall not be the reason of termination of the powers of the said individual as a member of the Management Board and cancel a labor contract with him.

2.7. In the event that the number of the members of Management Board is fewer than the number that reaches the quorum set by the present Regulations and by the Charter of the Company the Director General shall present for consideration of the Board of Directors the candidates of the new members of the Management Board instead of the former ones.

2.8. The member of the Management Board is entitled to resign from the powers of the member of the Management Board by forwarding the application upon that at the address of the Chairman of the Board of Directors.

3. RIGHTS, OBLIGATIONS AND RESPONSIBILITY OF THE MEMEBERS OF THE MANAGEMENT BOARD

3.1. MEMEBERS OF THE MANAGEMENT BOARD

3.1.1. The rights and obligations of the members of the Management Board shall be defined by the legislation of the Russian Federation, Charter of the Company and by the labor contract concluded with each of them with the Company.

3.1.2. The members of the Management Board are entitled:

- 1) Acting as a member of the collegial executive body of the Company to settle the management matters of the current activity of the Company;
- 2) to get in full volume the information about the company's activity, to familiarize themselves with the founding, normative, registration, accounting, contract and other documents of the Company;
- 3) to represent the references, to make statements, to make suggestions upon the matters in agenda of the Management Board;
- 4) to make written suggestions upon the forming of the plan of the Management Board's work, agenda of the Management Board;
- 5) to request the convocation of the Management Board of the Company;
- 6) to express in the written form their disagreement with the decisions of the Management Board and to bring it to the information of the Board of Directors of the Company;
- 7) to exercise other rights stipulated by the legislation of the Russian Federation, Charter of the Company and by labor contract concluded by each of them with the Company.

3.1.3. The Members of the Board are obliged to:

- participate at the meetings of the Management Board;
- to implement the decisions and instructions of the General shareholders' meeting and the Management Board of the Company, to comply with the rules of the Charter of the Company and internal documents of the Company;
- to act in the interests of the Company, to exercise their rights and obligation in relation of the Company in good faith and reasonable grounds;
- quarterly in the term of not later than 15 days from the beginning of the quarter to bring in the written form to the information of the Board of Directors, Audit Committee and Auditor of the Company the data:

a) about the legal entities in which the member of the Management Board owns himself or jointly with the affiliated person(s) 20 or more per cent of the voting shares;

b) about legal entities, in the management bodies of which the member of the Management Board holds a position;

c) about made or supposed transactions known to the member of the Management Board in which he may be found to hold an interest.

- fifteen days prior the making the transaction to notify the Director General of the Company and the Management Board of the Company about the future transactions in making of which the members may be found to hold an interest;

- not to disclose the information that is commercial or official secrecy of the Company.

3.1.4. Holding by the members of the Board of the positions in the management bodies of other companies as also stipendiary positions in other organizations is admissible by approbation of the Board of Directors of the Company.

3.1.5. The rights and obligations of the employer on behalf of the Company in relation to the members of the Management Board shall be exercised by the Chairman of the Management Board or by individual authorized by the Board of Directors.

3.1.6. The members of the management Board shall be liable to the company for the losses incurred to the Company by their guilty actions (non actions) in compliance with the acting legislation.

At that the members of the Management Board voted against the decision that entailed losses of the Company or not participated in voting shall not be liable.

3.2. CHAIRMAN OF THE BOARD

3.2.1. The work of the Management Board shall be organized by the Chairman of the Management Board who holds a position of the Director General of the Company.

3.2.2. The Chairman of the Management Board:

1) shall present for consideration of the Board of Directors of the Company the proposals about appointment of the members of the Board;

2) convenes the meeting of the Management Board:

- defines the date, place and time of holding a meeting,

- approves the agenda of the meeting,

- defines the list of the individuals invited for participation in discussion of individual matters of agenda of the Management Board;

- defines the list of the information (materials), presented to the members of the Management Board under preparation for the meeting of the Management Board,

- defines the form and the text of the ballot (under absentee voting),

3) presides over meetings of the Management Board;

4) signs the minutes of the meeting of the Management Board;

5) organizes the work of the Management Board and under implementation by the Management Board of its activity provides the compliance with the rules of the legislation of the Russian Federation, Charter of the Company, the present Regulations;

6) exercises other activities stipulated by the present Regulations.

3.3. VICE-CHAIRMAN OF THE MANEGEMNT BOARD

3.3.1. In the event of the temporary absence of the Chairman his functions shall be exercised by the Vice-Chairman of the Management Board.

3.3.2. The Chairman of the Management Board shall be elected at the first meeting of the Management Board from the members of the Management Board by the majority of votes from the total number of the elected members of the Management Board. The Vice-Chairman shall exercise his functions till the termination of his powers as a member of the Management Board.

3.3.3. The Management Board is entitled at any time to reelect the Vice-Chairman of the Board.

4. SECRETARY OF THE MANAHEMENT BOARD

4.1. The Secretary of the Management Board shall exercise the functions of organizational and informational provision of the Management Board' work.

4.2. The Secretary of the Management Board shall be appointed by the Chairman of the Management Board from among the employees of the Company. The Chairman of the Board is entitled at any time to appoint the new Secretary of the Management Board.

The position of the Secretary of the Management Board may be stipulated in the personnel list of the Company.

4.3. The Secretary of the Management Board shall:

- 1) provide the preparation of the materials for consideration at the Management Board's meeting;
- 2) draw up the draft of the plan of the Management Board's work;
- 3) offer when the need arises the proposals on the specification of Management Board's plan of work;
- 4) notify the members of the Management Board about holding of the meeting of the Management Board by means of forwarding of the notification, agenda and materials for it;
- 5) exercise the cooperation with the Secretary of the Board of Directors and the Secretaries of the Commissions of the Board of Directors with the aim of coordination of the activity of the Management Board, Board of Directors and the Commissions of the Board of Directors of the Company;
- 6) implement the organizational-technical supply of the meetings of the Management Board;
- 7) keep nomenclature of the Management Board;
- 8) exercise control over implementation of the decisions of the Management Board and to inform the Management Board about implementation of the made decisions;
- 9) prepare by the order of the Chairman of the Management Board (Vice-Chairman of the Management Board) the drafts of the separate decisions and documents of the Management Board signed by them;
- 10) to keep the minutes of the Management Board;
- 11) to summarize the results of the voting upon accepted decisions to the information of the members of the Management Board ;
- 12) to bring for implementation of the decisions accepted by the Management Board by means of forwarding of the signed by them the extract from the minutes of the Management Board .

The Secretary of the Management Board shall exercise other actions stipulated by the present Regulations.

13) The Secretary of the Management Board shall be liable for the quality of the drawing up the extracts from the minutes of the Management Board, as also for the execution of other obligations stipulated by the present Regulations.

5. ORGANIZATION OF WORK OF THE MANAGEMENT BOARD

5.1. The meetings of the Management Board shall be exercised in compliance with the Plan of work as also when the need arises but not less than once per month.

5.2. The plan of work of the Management Board includes :

- 1) the matters subjects to be considered at the meetings of the Management Board of the Company in the current year (per quarter);
- 2) the schedule of holding the meetings of the Management Board ;
- 3) the list of the individuals (bodies of management of the Company), accountable for the preparation of the matters subject for consideration at the meetings of the Management Board .

5.3. The plan of work of the Management Board shall be composed and presented for consideration to the Management Board by the Chairman of the Management Board of the Company.

Plan of work shall be approved per quarterly by the Management of the Company by the majority of votes of the members of the Management Board, participated at the voting.

5.4. Plan of work of the Management Board shall be formed in compliance with the decisions of the General shareholders' meeting , Board of Directors, Audit Commission, Auditor, the offers of the Director General, members of the Management Board of the Company, heads of the divisions and services of the Company.

5.5. By the proposal of the Chairman and the members of the Management Board the alterations and additions can be made to the approved plan of work. Such alterations and additions shall be approved by the Management Board.

5.6. The meeting of the Management Board shall be convened by the Chairman of the Management Board, and in the event of his absence by the Vice-Chairman :

- in compliance with the Plan of work of the Management Board ;
- by the initiative of the Chairman of the Management Board of one of members of the Management Board ;
- by the decision of the Board of Directors of the Company, Audit Committee and the Auditor of the Company.

5.7. The agenda of the meeting of the Management Board shall be formed based on the Plan of work of the Management Board, as also based on the decisions of the General shareholders meeting, Audit Committee, Auditor of the Company, offers of the Director General and the members of the Management Board of the Company.

5.8. The competence of the Management Board shall be defined by the Charter of the Company.

5.9. With the aim of to ensuring of the effective work of the General Shareholders meeting and of the taking by the Board of Directors of the reasoned and weighted decisions of the Management Board of the Company preliminary considers, works out and present for consideration of the Board of the Directors the recommendations for the following matters that are in the competence of the Board of Directors of the Company:

- 1) determination of the priority directions of the activity and strategy of the Company;
- 2) presentation for consideration of the General shareholders meeting of the Company of the following matters:
 - increase of the authorized capital of the Company by means of the increase of the nominal value of the shares or by means of placement of the additional shares;
 - making the decisions about placement by the Company of the bonds, converted into shares and other emission securities, converted into shares;
 - payment (announcement) of the dividends by the results of the first quarter, half year, nine month of the fiscal year;
- 3) placement by the Company the obligations and other emission securities at the exception of the events stipulated by the Federal Law "On joint stock companies" and by the Charter of the Company;
- 4) approval of the decision upon the securities issue, report on the results of the securities issue, report on the results of the acquisition of shares of the members of the General shareholders meeting and the reports on the results of securities issue, reports on the results of acquisition of the shares from the shareholders of the Company, approval of the quarterly reports of the securities shares;
- 5) determination of the price (pecuniary valuation) of the property, prices of placement and redemption of the emission securities stipulated by the Federal Law "On joint stock companies" as also by the Charter of the Company;
- 6) acquisition of the placed by the Company shares, bonds and other securities in the events stipulated by the federal law " On the joint stock companies";
- 7) alienation (selling) of the shares of the Company came into disposal of the Company in the result of their acquisition or выкупа from the shareholders of the Company as also in other events stipulated by the Federal Law "On joint stock companies";
- 8) recommendations on the rate of the dividend on shares and the payment order , approval of the Regulations on the dividend policy;
- 9) approval of the internal documents of the Company, defining the order of forming and usage of the Company's funds;
- 10) decision making on the utilizing the funds of the Company, approval of the estimate of the special purpose funds draft and consideration of the results of the execution of the special purpose funds draft;

- 11) approval of the target values (corrected values) of the Key effectiveness (performance) indicators (KEI) of the Company and reports of their implementation;
- 12) opening of the branches and representative offices of the Company, their liquidation, approval of the Regulations for the branches and representative offices;
- 13) preliminary approval of the transactions (including several interconnected transactions) the subject of which is the property, work or services the value (pecuniary valuation) of which is 2 per cent of the book balance of the Company's assets, defined by the data of its accounting as of the reporting date (unless other per cent or value of the transaction has not been set by the decision of the Board of Directors) at the exception of the transactions made in the process of the ordinary economic activity of the Company, transactions connected with the placement of the emission securities converted into the ordinary shares of the Company;
- 14) preliminary approval of the transactions the subjects of which is immovable property of the Company including the lots (ground area), as also the sites of the incomplete construction in the event that such cases (rate, list) have not been defined;
- 15) preliminary approval of the decisions upon the transactions struck by the Company (including several interrelated transactions) connected with the rent of the property or/ and assignation of the property that composes the basic funds, intangible assets, units of the incomplete construction, the aim of the usage of which is generation, transmission and /or distribution of the electric and thermal power, rendering services for supervisory control in the electric power industry including making alteration and termination of power of the said transactions in the events stipulated by the decisions of the Board of Directors (for example by means of defining the rate and/or the list) as also the approval of any aforementioned transactions in the event that such cases have not been determined;
- 16) preliminary approval of the decisions upon the transactions struck by the Company (including several interrelated transactions) connected with the rent of the property or/ and assignation of the property that composes the basic funds, intangible assets, sites of the incomplete construction, the aim of the usage of which is generation, transmission and /or distribution of the electric and thermal power, rendering services for supervisory control in the electric power industry including making alteration and termination of power of the said transactions in the events stipulated by the decisions of the Board of Directors (for example by means of defining the rate and/or the list) as also the approval of any aforementioned transactions in the event that such cases have not been defined
- 17) about indorsing, avalizing of the bill of exchange, as also, its acceptance in the form of mediation as also about the payment of the bill of exchange in the events stipulated by the individual decisions of the Board of Directors of the Company (for example by means of defining the amount and/or the list) as also any aforementioned transactions in the event that such cases (amounts, list) have not been defined (with the account of subparagraph 33, paragraph 15.1. of the article 15 of the present Charter);
- 18) preliminary approval of the transactions (including several interconnected transactions) the subject of which is delay or extension of the execution of the civil obligations in which the Company participates and the execution of which is overdue for more than 3 months or concluding the settlement agreement or novation of such obligations. Aforementioned transactions shall be subject to approval in the event that the scope of obligations (indebtedness) is more than 2 per cent of the balance sheet asset defined in accordance with the data of the financial statements as of the last reporting date (unless by the decision of the Board of Directors another per cent or the price of the transaction have been set);
- 19) preliminary approval of the transactions connected with the Company's property transfer without compensation or property rights (claims) of oneself or of the third party; transactions connected with the release from the property obligations to oneself or to the third party; transactions connected with rendering by the Company services (carrying out work) for the third parties in the events (at the rates) defined by the individual decisions of the Board of Directors of the Company and the acceptance by the decisions

upon concluding such transactions in the events that aforementioned cases (rates) have not been defined;

20) determination of the credit policy of the Company with regard to issuing loans, conclusion of the credit contracts and loan contracts, bank guarantee contracts, issuing guarantees, incurrance of bill of exchange liabilities (issuing of the promissory bill and bill of exchange), property transfer to pledge and making decisions upon striking by the Company of the said transactions in the event that the order of making decisions upon them have not been determined by the credit policy of the Company;

21) preliminary approval of the transactions that could entail creation of the obligations denominated in foreign exchange (or obligations the rate of which related to foreign exchange) in the events and at the rates determined by the individual decisions of the Board of Directors of the Company as also if such events (rates) have not been determined by the Board of Directors of the Company;

22) decision making upon participation of the Company in other organizations (about entering the operating Company or setting up of the new one, including coordination of the foundation documents) as also (with the account of the provisions of the subparagraph 37 of the paragraph 15.1 of the article 15 of the Company's Charter) about acquisition, carve-out and charge over shares in the authorized capital of the companies where the Company participates, change of the participatory interest in the authorized capital of the corresponding company, termination of participation of the Company in other companies;

23) decision making upon striking by the Company several interrelated transactions on alienation, transfer to pawn or other charge over shares of the affiliated and dependent companies that are not engaged in generation, transmission, dispatching, distribution and sales of electric and thermal energy in the event that the market value of the shares that are the subject of the transaction, defined in compliance with the decision of the independent appraiser, surpasses 30 million of rubles as also in other cases (rates) determined by the individual decisions of the Board of Directors of the Company;

24) determination of the position of the Company (representatives of the Company) on the following matters in agenda of the general shareholders' meeting (participants) at the exception of the events when the functions of the general shareholders' meetings (participants) of the daughter and dependent companies (further DDC) of the Company shall be exercised by the Board of Directors) and the meetings of the Board of DDC, including the instruction to take part or not to take part in the voting for the matters in agenda, to vote for the drafts decisions "for", "against" or "abstain":

a) about determination of the agenda of the general shareholder's meeting (participants) of DDC;

b) about reorganization, liquidation of DDC;

c) about defining the quantitative composition of the Board of Directors of DDC, nomination and election of its members, about early termination of their powers;

d) about determination of the quantity, nominal value, category (type) of the DDC" shares and the rights accorded by these shares;

e) placement of the DDC' securities converted into ordinary shares;

f) about splitting, consolidation of DDC' shares;

g) about approval of the large-scaled transactions struck by the DDC;

h) about participation of the DDC in other companies (about entering the operating organization or setting up of the new organization), as also about acquisition, alienation and charge over shares in the authorized capitals of the companies in which the DDC participates, change of the participatory interest in the authorized capital of the corresponding company;

i) about striking by the DDC transactions (including several interconnected ones) connected with alienation or possibility of alienation of the property that comprises the capital assets, intangible assets, incomplete construction sites the aim of the utilizing of which is generation, transfer, dispatching, distribution of the electric and thermal energy in the events (at the rates) determined by the order of cooperation of the Company with the

companies where Company participates, that shall be approved by the Board of Directors of the Company;

j) about making alterations and additions into the foundation documents of the DDC;

k) about determination of the order of remunerations to the members of Board of Directors and the Audit Commission of the DDC;

25. defining of the positions of the Company (representatives of the Company) by the matters in agenda of the meetings of the Board of Directors (including instruction to take part or not to take part at the voting for the matters in agenda for the draft decisions "for", "against", "abstain"):

a) about determination of the position of the representatives of DDC on the matters in agendas of the general shareholders meetings (participants) and the meetings of the Board of Directors of the companies that are daughter or dependent in relation to DDC, that are connected with alienation or possibility of alienation of the property that comprises the capital assets, intangible assets, incomplete construction sites, the aim of the usage of which generation, transfer, dispatching, distribution of the electric and thermal energy in the events (at the rates), defined by the order of cooperation of the Company with the companies at which the Company participates, approved by the Board of Directors of the Company;

b) about determination of the position of the representatives of DDC on the matters in agenda of the general shareholders' meetings (participants) and the meetings of the Board of Directors of the companies that are dependent or daughter in relation to DDC, that exercise generation, transfer, and distribution and sales of electric and thermal power, about reorganization, liquidation, increase of the authorized capital of such companies by means of the increase of the nominal value of such shares or by means of placement of the additional shares, securities, converted into ordinary shares;

26. determination of the order of election and approval of the candidacy of the independent appraiser(appraisers) for defining the cost of the shares, property and other assets of the Company in the events stipulated by the Federal Law "On joint stock companies", by the Charter of the Company as also by the individual decisions of the Board of Directors of the Company;

27. preliminary approval of the collective treaty, agreements concluded by the Company within the framework of regulating social-labor relations;

28. decision of the matter about admission actions brought in the court, conclusion by the company of the amicable agreement on the said actions and refusal from the actions of the Company to the rate of more than 2 per cent of the balanced cost of the Company's assets, defined by the data of its financial reporting as of the last reporting date (if by the decision of the Board of Directors another per cent or price of the action has been set);

5.10. Said in the paragraph 5.9. of the present article the matters that are within the competence of the Board of Directors of the Company shall be subject to the preliminary review by the Management Board:

- in the event that they have not been included into the approved plan of work of the Board of Directors of the Company for reviewing of these matters;

- by the initiative of the Director General with the aim of following convocation of the meeting of the Board of Directors of the Company to review such matters;

- in the event of presentation by the Secretary of the Board of Directors of the Company to the Management Board notification and materials to the regular meeting of the Board of Directors of the Company.

5.11. Under preliminary consideration of the matter that is within the competence of the Board of Directors in compliance with the approved plan of work of the Board of Directors or by the initiative of the Director General of the Company, recommendation of the Management Board on this matter shall be presented to the Secretary of the Board of Directors of the Company not later than 11 (eleven) working days prior the date of holding the meeting of the Board of Directors of the Company, in the agenda of which the matter has been included.

Under preliminary review of the matter that is within the competence of the Board of Directors in compliance with the received from the Secretary of the Board of Directors notification and materials, decision (recommendation) of the Management Board shall be forwarded to the Secretary of the Board of Directors within 3 (three) working days

From the moment of holding the meeting of the Management Board, during which the corresponding matter has been considered, but not later than 4 (four) working days till the date of holding the meeting of the Board of Directors.

In the events when the said in the paragraph 5.9. of the present article matters that are within the competence of the Board of Directors are subject to the preliminary consideration of the Board of Directors, decisions (recommendations) of the Management Board about them shall be forwarded in the corresponding commission of the Company within 3 (three) working days from the moment of holding the meeting of the Management Board at which the corresponding matter shall be considered, but not later than 4 (four) working days till the date of holding the meeting of the commission.

The Chairman of the Management Board of the Company shall take all the measures that ensure timely holding of the meeting of the Management Board to make decisions (work out of the recommendations) in compliance with the paragraph 5.9. of the present article and their timely presentation to the Board of Directors of the Company as also in the event stipulated by the third paragraph of the paragraph 5.11. of the Regulations, to the committees of the Board of Directors.

5.12. The Meetings of the Management Board shall be held as simultaneous attendance of the members of the Management Board (on-site form) or by means of the absentee voting (off-site form).

By the order of the Chairman of the Management Board the visiting session (meetings) of the Management Board can be held.

5.13. The Management Board has the quorum (in the absentee voting) in the event that no less than half of the elected members of the Management Board takes part in it.

5.14. All the decisions shall be made by the Management Board by the simple majority of votes of the Management Board present at the meeting (taking part in the absentee voting).

5.15. Under making decisions each member of the Management Board shall have one vote. Vote transfer by one members of the Management Board to another member of the Management is inadmissible.

In the event of the equality of the votes of the members of the Management Board the vote of the Chairman of the Management Board shall be decisive.

5.16. In the event of disagreement with the making decision upon the matters (matter) in agenda of the Management Board the member of the Management Board, participated at the meeting, shall be entitled in the written form to set forth his position upon this matter (matters). Such written position of the member of the Management Board shall be enclosed to the Minutes if the corresponding meeting of the Management Board of the Company.

6. ORDER OF CONVOCATION AND HOLDING OF THE MEETINGS OF THE MANAGEMENT BOARD IN THE FORM OF SIMULTANEOUS ATTENDANCE

6.1. The notification of the members of the Management Board about the place, dates, time and agenda of the meeting of the Management Board shall be forwarded to the members of the Management Board 2 (two) working days prior holding the aforementioned meeting.

6.2. The notification about holding the meeting of the Management Board in the form of the simultaneous attendance shall contain :

- full Company's name and its location;
- agenda of the meeting of the Management Board ;
- date, time and place of holding the meeting of the Management Board ;
- list of the information (materials) presented to the members of Management Board

under preparation for the meeting.

6.3. Notification about holding the meeting of the Management Board shall be prepared by the Secretary of the Management Board and shall be signed by the Chairman, and in the events stipulated by the present Regulations it shall be signed by the Vice-Chairman of the Management Board.

Simultaneously with the notification of the meeting of the Management Board the members of the Management Board shall be forwarded the materials (information) and the draft of the decisions upon the matters in agenda of the meeting.

6.4. At the meetings of the Management Board the matters included into the agenda of the Management Board meeting shall be considered.

In exceptional circumstances at the on-site meetings of the Management Board the matters not included in the agenda shall be considered upon approval of the consideration of the matter by all members of the Board present at the meeting and under the presence of quorum.

6.5. The meetings of the Management Board shall be presided by the Chairman, and in the event of his absence – the Vice-Chairman of the Management Board in compliance with the paragraph .3.3.1. of the present Regulations.

6.6. The Secretary of Management Board shall determine the presence of the quorum for holding the meeting of the Management Board and the Chairman of the Management Board shall inform the attendants about the presence of the quorum and announce the agenda of the meeting of the Management Board .

6.7. The consideration of the matters in agenda of the Management Board shall include the following stages:

- 1) taking floor of the member of the Management Board (invited person) with the report upon the matter in agenda;
- 2) discussion of the matter in agenda;
- 3) suggestion about the wording the decision upon the matter in agenda;
- 4) voting for the matter in agenda;
- 5) calculation of the votes, summary and announcement of the preliminary results of the voting (without regard to the written positions of the members of the Management Board absent at the meeting).

At the meeting of the Management Board , held in the form of the simultaneous attendance of his members, the information of the secretary of the Management Board about implementation of earlier taken decisions of the Management Board must be heard.

6.8. In the event of the presence at the meeting no less than half of the members of the Management Board under determination the results of the voting for the matters in agenda, the written positions of the members of the Management Board of the Company absent at the meeting of the Management Board shall be considered in the order set by the present Regulations.

6.9. On the date of holding the meeting of the Management Board the Secretary of the Management Board by the results of voting at the meeting shall make a ballot in due form in complacence with the Appendix 1 of the present Regulations, signed by the Chairman of the Management Board (and in the event of his absence – by the Vice-Chairman of the Management Board) that shall be forwarded in the original or by means of fax communication (with the subsequent forwarding of the original of the ballot at the address given in the ballot) to the Members of the Management Board of the Company, absent at the meeting.

6.10. Under filling in the ballot by the member of the Management Board only one of the possible options of voting shall be left non- crossed out ("for", "against", "abstain") for each decision drafts for each of the matters. Filled in ballot shall be signed by the member of the Management Board with indication of his surname and initials.

6.11. Filled in and signed ballot shall be forwarded by the member of the Management Board not later the following date upon holding the meeting of the Management Board to the Secretary of the Management Board in the original or by means of fax communication,

with the subsequent forwarding of the original of the ballot at the address given in it.

6.12. The ballot filled in with the violations of requirement set in the paragraph 6.10 of the present Regulations shall be declared invalid (in the event of violation of the requirements of filling-in of the voting options, it shall be declared invalid only with regard to the corresponding matter) and shall not be taken into account under counting the votes.

The ballot received by the Company upon expiration of the said term shall not be taken into account under counting the votes and summarizing the results of voting.

6.13. The Secretary of the Management Board in virtue of the results of voting at the meeting and received ballots from the members of the Management Board shall summarize the results of voting and execute the minutes of the Management Board in the order set by the present Regulations.

7. ORDER OF DECISION MAKING BY THE ABSENTEE VOTING

7.1. Decision of the Management Board of the Company upon the matter of its competence may be made by the absentee voting.

7.2. To make a decision by the Board of Directors by the absentee voting each member of the Management Board shall be forwarded the notification about holding the absentee voting for the matters in agenda, draft of decisions and materials (information) of the matters included in agenda not later than 3 (three) working days prior the dead line of receiving ballots for absentee voting.

7.3. The notification about holding the absentee voting shall contain:

- full Company's name and place of its location;
- wording of the matters in agenda;
- indication of the holding of the absentee voting by means of filling in a ballot ;
- date and time of dead line of receiving ballots for absentee voting;
- list of information (materials) presented to the members of the Management Board.

7.4. The members of the Management Board are entitled to present their proposals and/ or remarks about the offered draft of decisions of the Board of Directors by the matters of the absentee voting not later than 2 (two) days prior the receiving ballots deadline, set in the notification about holding the absentee voting.

7.5. The Secretary of the Management Board of Directors shall make the ballot for the absentee voting with the account of the received proposals and/ or remarks about the presented draft of the decision for the absentee voting, in form in compliance with the Appendix 2 to the present Regulations. In the event that the member of the Management Board has changed the formulation of the draft decisions upon the matters in agenda, the Secretary of the Management Board shall include into the ballot all draft decisions upon such matters, proposed by the member (members) of the Management Board.

7.6. A ballot for the absentee voting shall be forwarded to the members of the Management Board not later than 1 (one) working day prior the receiving ballots deadline, set in the notification about holding the absentee voting.

7.7. The ballot shall contain:

- full Company's name and place of its location;
- wording of the matters in agenda;
- options of voting;
- date and time of dead line of receiving ballots for absentee voting;
- address of forwarding the filled in ballots;

7.8. Under filling in the absentee voting ballot by the member of the Management Board only one of the options of voting ("for", "against", "abstain") shall be non crossed out for each draft of the decision for each matter. A filled in ballot shall be signed by the member of the Board of Directors with the indication of his family name and initials.

7.9. The ballot filled in with the violations of requirement set in the paragraph 6.10 of the present Regulations shall be declared invalid (in the event of violation of the requirements to filling-in of the voting options, it shall be declared invalid only with regard to the

corresponding matter) and shall not be taken into account under counting the votes.

7.10. Filled in and signed ballot shall be presented by the member of the Management Board within the terms said in the ballot, to the Secretary of the Board of Directors in the original or by means of the facsimile communication with the following forwarding of the original of a ballot at the address said in the ballot.

The members of the Management Board shall be considered to have taken part in the absentee voting if their ballots in the original or by means of facsimile communication have been received by the Secretary of the Board of Directors not later the said in the ballot deadline of ballots receiving.

7.11. The presence of quorum for decision making by means of holding the absentee voting shall be determined in virtue of the ballots filled-in and signed by the members of Management Board, received by the Company within the time said in the notification about holding the absentee voting.

The Secretary of the Management Board in virtue of the results of voting at the meeting and received ballots from the members of the Management Board shall summarize the results of voting and executed the minutes of the Management Board in the order set by the present Regulations

8. MINUTES OF THE MANAGEMENT BOARD

8.1. The minutes of the Management Board of the Company by the results of the meeting of the Management Board (by the results of the absentee voting) shall be drawn up and signed within 2 (two) working days upon holding the meeting by the Chairman and by the Secretary of the Management Board, who are liable for the correctness of minutes drawing.

8.2. The minutes shall contain:

-Full Company's name;

-Form of the holding of the meeting;

-Place and time of holding the meeting (summarizing the results of the voting);

-Names of the members of the Management Board s present at the meeting (taken part in the on-site – off-site voting) as also invited persons ;

-Information about the presence of quorum of the meeting;

-Agenda of the meeting;

-Matters to vote and the by-roll results of voting for these matters;

-Consolidated rendering of the reports and speeches of the persons, taken part in the meeting;

-Made decisions;

8.3. The Company shall keep the minutes of the Management Board at the place of location of the executive body of the Company. The Chairman of the Management Board shall be liable for the safe-keeping of the minutes of the Management Board meetings.

The minutes of the Management Board of the Company shall be available for familiarization for any member of the Board of Directors, member of the Audit Committee, Auditor of the Company, Director General of the Company, shareholder(s) possessing more than 25 per cent of the voting shares of the Company.

9. CONTROL OVER IMPLEMENTATION OF THE DECISIONS OF THE MANAGEMNT BOARD

9.1. Decisions made by the Management Board shall be brought to the information of the members of the Management Board in written form by means of forwarding of the copies of the minutes of the Management Board meeting not later than 3(three) working days from the moment of signing the minutes .

9.2. The decision of the Management Board shall be brought to the information of the responsible parties by individual abstracts of minutes of the Management Board of the Company, signed by the Secretary of the Management Board and certified by the seal of the Company.

9.3. Control over implementation of the decisions of the Management Board shall be exercised by the Secretary of the Management Board .

10. FINAL PROVISIONS

10.1. The regulations of the Management Board of the Company shall be approved by the General Shareholders' Meeting.

10.2. Alterations and additions to the present Regulations shall be made by the General Shareholders' Meeting of the Company.

10.3. In the event that in the result of alterations of the legislation and regulatory acts of the Russian Federation several articles of the present Regulations contradict them, these articles cease to be in force and till the moment of making alterations into the present Regulations the Company shall be governed by the legislation and regulatory acts of the Russian Federation.

MANAGEMENT BOARD
Open Joint Stock Company
"Far Eastern Energy Company "

BALLOT
For voting for the matters in agenda of the Management Board
of JSC "FEEC",
held in the form of the simultaneous attendance
"_____ " _____ 200__

Matter1:

1. _____

Decision (made at the meeting):

FOR

AGAINST

ABSTAIN

(leave uncrossed your variant of answer)

Answer:

2. _____

Decision (accepted at the meeting):

FOR

AGAINST

ABSTAIN

(leave uncrossed your variant of answer)

Filled in and signed ballot shall be sent by fax _____ or in original in
the term not later _____.
/date, time/

A ballot entered the Company upon expiration of the above mentioned term, shall not be
taken into account under counting of votes and summarizing the results of on-site- off-site
voting.

Please send the original of the ballot at the address: _____

Member of the Management Board JSC "FEEC"

_____/_____

Chairman of the Management Board JSC "FEEC"

_____/_____

The ballot without signature of the Chairman and the member of the Management
Board is invalid

MANAGEMENT BOARD
Open Joint Stock Company
"Far Eastern Energy Company "

BALLOT

**For the absentee voting for the matters in agenda of the meeting of the
Management Board of JSC "FEEC"**

Matter1:

Decision:

FOR

AGAINST

ABSTAIN

(leave uncrossed your variant of answer)

Matter2:

Decision:

FOR

AGAINST

ABSTAIN

(leave uncrossed your variant of answer)

**Filled in and signed ballot shall be sent by fax _____ or in original in
the term not later _____.**
/date, time/

**A ballot entered the Company upon expiration of the above mentioned term, shall not be
taken into account under counting of votes and summarizing the results of on-site- off-site
voting.**

Please send the original of the ballot at the address: _____

Member of the Management Board JSC "FEEC"

_____/_____

Chairman of the Management Board JSC "FEEC"

_____/_____

**The ballot without signature of the Chairman and the member of the Management
Board is invalid**