

Approved
By a resolution of the Annual General
Shareholders Meeting
Of JSC RusHydro (Minutes 28.06.2013)

ARTICLES OF ASSOCIATION
of Open Joint Stock Company
Federal Hydro-Generating Company – RusHydro
(JSC RusHydro)

(Revision No. 9)

Article 1. General Provisions

1.1. Open Joint Stock Company Federal Hydro-Generating Company – RusHydro (hereinafter referred to as the Company) was established by a sole founder – JSC RAO UES of Russia by a decision dated 24.12.2004, in accordance with Regulation No. 526 of the Government of the Russian Federation (11.07.2001) “On reforming electric power engineering in the Russian Federation”, along with Decrees No. 1254-r (01.09.2003) and No.1367-r (25.10.2004) of the Government of the Russian Federation.

1.2. The company is a legal successor of the following joint stock companies that were merged with the company:

- JSC Bureyskaya HPP (PSRN 1022800873688);
- JSC Volzhskaya HPP (PSRN 1023402009806);
- JSC Votkinskaya HPP (PSRN 1025902029867);
- JSC Dagestan Regional Generation Company (OGRN 1050562009904);
- JSC Zhigulevskaya HPP (PSRN 1026303244076);
- JSC Zagorskaya HPSPP (PSRN 1057746555305);
- JSC Zeiskaya HPP (PSRN 1022800926829);
- JSC Zelenchukskiye HPPs (PSRN 1020900776423);
- JSC Kabardino-Balkarskaya Hydro-Generating Company (PSRN 1050700622170);
- JSC Kabbalk HPP (PSRN 1020700748441);
- JSC Kamskaya HPP (PSRN 1025901508709);
- JSC Cascade of the VV HPPs (PSRN 1027601110063);
- JSC Nizhegorodskaya HPP (PSRN 1035204746972);
- JSC Saratovskaya HPP (PSRN 1036403913413);
- JSC Northern Ossetia HGC (PSRN 1051500419189);
- JSC Stavropolskaya Electric Generating Company (PSRN 1052600222949);
- JSC Sulakenergo (PSRN 1020501741589);
- JSC Neporozhny Sayano-Shushenskaya HPP (PSRN 1021900672364);
- JSC Cheboksarskaya HPP (PSRN 1052128000077);
- JSC EOZ (PSRN 1067758897150);
- JSC Cascade of the NCh HPPs (PSRN 1050700455112);
- JSC State Holding HydroOGK (PSRN 1087760001988);
- JSC Minority Holding HydroOGK (PSRN 1087760001944);

1.3. The full corporate name of the Company in Russian is Открытое акционерное общество “Федеральная гидрогенерирующая компания – РусГидро”, in English – “Open Joint Stock Company Federal Hydro-Generating Company – RusHydro”.

The abbreviated corporate name of the Company in Russian is ОАО “РусГидро”, in English – JSC RusHydro.

1.4. The Company’s former full corporate name is Open Joint Stock Company Federal Hydro-Generating Company, the Company’s former abbreviated corporate name is JSC HydroOGK.

1.5. The Company location is: 51 Respubliki Street, Krasnoyarsk, the Krasnoyarsk Territory, Russia, 660075.

The Company’s postal address is: 7 Malaya Dmitrovka Street, Moscow, Russia, 127006.

1.6. The Company has been founded without a limitation as to time.

Article 2. Company’s Legal Status

2.1. The Company’s legal status is defined by the Civil code of the Russian Federation, the Federal Law *On Joint Stock Companies*, the Federal Law On the Power Industry No. 35-FZ (26.03.2003), the Federal Law On Specifics of the Functioning of the Power Electricity Industry during the Transition Period and On Amendments to Some Particular Legislative Acts of the Russian Federation and the Invalidation of Some Particular Legislative Acts of the Russian Federation in Connection with the Adoption of the Federal Law On the Power Industry No. 36-FZ (26.03.2003), other regulatory legal acts of the Russian Federation, as well as by the present Articles of Association.

2.2. The Company is a legal entity established in accordance with the legislation of the Russian Federation.

2.3. The Company owns independent assets and property accounted for on its independent balance sheet, can acquire and exercise proprietary and personal non-property rights in its own name, fulfill obligations, and litigate any action in court.

2.4. The Company is entitled to open bank accounts both within and outside the Russian Federation.

2.5. The Company is liable for its obligations to the extent of all the property it owns.

The Company shall not be liable for obligations assumed by the Russian Federation and its shareholders.

The Company's shareholders shall not be liable for the Company's obligations except for cases provided for by legislation of the Russian Federation.

The shareholders have the right to alienate their shares without the agreement of other shareholders and the company.

The Company's shareholders bear the risks of losses related to the Company's activities within the limits of their share cost.

2.6. The Company has an official round seal stating the full name of the Company in Russian, its State registration number and the registered address.

The Company has the right to use its own stamps and letterheads with its name and logo, its registered trademark or other visual identification means registered in the appropriate manner.

2.7. The Company enjoys civil rights and bears the obligation required to carry out any kind of activities not prohibited by federal laws.

2.8. The Company has the right to establish affiliates and open representative offices in due order both within and outside the Russian Federation.

The Company's affiliates and representative offices are not legal entities and act on behalf of the Company and on the basis of provisions approved by the Company.

The Company's affiliates and representative offices are vested with property accounted for on their balance sheets and the Company's balance sheet.

An affiliate's executive officer or the representative office's executive officer are appointed by the Chairman of the Company's Management Board and act on the basis of a letter of authority granted by the Company.

The Company bears liability for activities carried out by its affiliates and representative offices.

Information on the Company's affiliates and representative offices is given in Appendix 1 to the present Articles of Association.

2.9. The Company may have subsidiaries and affiliates with the rights of a legal entity on the territory of the Russian Federation and established in accordance with the Federal Law *On Joint Stock Companies* and other federal laws, and beyond the Russian Federation – in accordance with the legislation of a foreign state where such a subsidiary or affiliate is located, unless otherwise provided for by an international treaty of the Russian Federation.

Article 3. Purposes and Types of the Company's Activities

3.1. The Company has been established:

- to create the conditions to ensure the reliability and safety of power generating facilities;
- to implement the State policy in the sphere of the hydro-power sector;
- to create conditions for the efficient functioning of the wholesale market of the electric power (capacity);
- to carry out efficient maintenance and centralized process management for hydro-power facilities;
- to implement a uniform strategy in the sphere of investments and raising capital to resolve general systemic tasks for hydro-power sector development;
- to develop and implement scientific and technical policy and to implement new advanced types of machinery and technologies, including the development of renewable energy sources (RES);
- to generate profit.

3.2. In order to fulfill the stated objectives, the Company has the right to exercise any kinds of activities not prohibited by law.

- activity related to electric power generation and/or capacity;
- supply (sale) and/or purchase of electric power on the wholesale electricity and capacity market;

- supply (sale) and/or purchase of capacity on the wholesale electricity and capacity market;
- supply (sale) and/or purchase of electric power and/or capacity on commodity exchange markets which are allowed to carry out electric power and capacity exchange trade on the wholesale markets, as well as entering into agreements being derivative financial instruments, a basic asset of which is specified exchange commodities;
- supply (sale) and/or purchase of electric power (capacity) on the retail electricity and capacity market;
- rendering services to ensure system reliability and other services related to the distribution of electricity and/or capacity on the wholesale and retail electricity (capacity) markets;
- performance of works that determine the terms of parallel activity, in accordance with regimes of the Unified Energy System (UES) of Russia within the framework of contractual relations;
- ensuring power maintenance in compliance with normative requirements, carrying out timely and quality repairs, and the technical re-equipment and upgrading of power facilities;
- maintenance of power facilities that are not on the Company's balance sheet, under agreements with owners of such power facilities;
- training and testing the knowledge of rules, norms and instructions with respect to operations, occupational safety, and industrial and fire safety;
- the arrangement of energy-saving operating modes for power plants' equipment, the observance of power supply modes in accordance with agreements;
- the assimilation of new machinery and technologies that ensure the efficiency, safety and environmental friendliness of the Company's facilities;
- focusing its scientific and technical and production potential on the development and assimilation of new state-of-the-art types of machinery, technologies and materials;
- development and implementation of programs targeted at the use of renewable (non-conservative) sources of electric power;
- the performance of the powers of the executive bodies in joint stock companies and other companies, pursuant to procedures provided for by legislation and executed agreements;
- performance of investment activity;
- property trust management;
- performance of agency activity;
- performance of foreign economic activity;
- performance of activity related to environmental protection work;
- performance of activity related to the influence on the environment, its protection and the use of natural resources;
- development and implementation of scientific and technical, economic and social programs;
- maintenance of buildings and structures;
- arrangement and performance of programs related to the preparation for mobilization, civil defense and the non-disclosure of information classified as a State secret, in accordance with legislation of the Russian Federation;
- safeguarding activity solely in the Company's interests within the framework of its Security Service that in its activity is guided by the Law of the Russian Federation On Private Detective Services and Safeguarding Activity in the Russian Federation and Russian legislation;
- other types of activity.

3.3. Certain types of activities, determined in the Russian federal laws, may be performed by the company only upon obtaining special permission (a license).

The Company has the right to exercise the activity that requires a license from the moment it acquires such a license or from the date stated in it, and stops after its expiration date, unless otherwise specified by Russian laws or other legislative acts.

Article 4. The Company's Authorized Capital

4.1. The Company's authorized capital is comprised of the face value of the Company's shares purchased by shareholders (placed shares).

The Company's authorized capital is Three hundred and seventeen billion six hundred and thirty seven million five hundred and twenty thousand and ninety-four (317,637,520,094) rubles.

4.2. The Company has placed ordinary registered, uncertified shares with a face value of

1 (one) ruble per share in the amount of Three hundred and seventeen billion six hundred and thirty seven million five hundred and twenty thousand and ninety-four (317,637,520,094) shares to the number by its face value of Three hundred and seventeen billion six hundred and thirty seven million five hundred and twenty thousand and ninety-four (317,637,520,094) rubles.

4.3. The Company's authorized capital can be:

- increased by increasing the face value of shares or by placing additional shares;
- decreased by reducing the face value of shares or by reducing their total number in particular by acquiring or redeeming a part of the shares placed by the Company in accordance with these Articles of Association.

4.4. The Company has the right to increase its authorized capital only after its full payment.

It is prohibited to increase the Company's authorized capital to cover losses incurred by the Company.

4.5. It is allowed to decrease the Company's authorized capital only after notifying all its creditors in accordance with legislation of the Russian Federation.

The company is obliged to decrease its registered capital in cases stipulated by the Federal Law *On Joint Stock Companies*.

4.6. The Company has the right to acquire its placed shares by a decision of the General Shareholders Meeting on the reduction of the Company's authorized capital by acquiring a part of placed shares with the purpose of reducing their total number.

The General Shareholders Meeting does not have the right to make a decision on reducing the Company's authorized capital by acquiring a part of placed shares with a view to decreasing their total number, provided that the face value of shares remaining in circulation is not lower than the minimum authorized capital stipulated by the Federal Law *On Joint Stock Companies*.

The shares acquired by the Company on the grounds of such a decision are redeemed when acquired.

The shares acquired as per this item can be paid for with monetary assets and/or other property in accordance with a decision by the General Shareholders Meeting.

4.7. The company has the right to place, in addition to the placement of One hundred and twenty two billion six hundred and sixty five million one hundred and eighty two thousand two hundred and eighty-five (122,665,182.285) ordinary registered uncertified shares, with a nominal value of One (1) ruble per share, in the total amount of One hundred and twenty two billion six hundred and sixty five million one hundred and eighty two thousand two hundred and eighty-five (122,665,182.285) rubles.

The ordinary registered shares declared for placement by the Company provide their holders with the rights stipulated by Clause 6.2 of Article 6 of these Articles of Association.

Article 5. Shares, Bonds and Other Equity Securities of the Company

5.1. The Company is entitled to place ordinary shares and one or several types of preferred shares, bonds and other Loan Stocks and other equity securities in accordance with legislation of the Russian Federation.

5.2. Ordinary shares in no manner can be converted into preferred shares, bonds and/or other equity securities of the Company.

5.3. The Company shall place the bonds and other equity securities converted into shares only in accordance with regulatory acts of the Russian Federation.

5.4. The Company shall be entitled to place additional shares and other equity securities by distributing them among shareholders, via subscription and conversion.

5.5. In cases provided for by legislation of the Russian Federation, the Company's shareholders have pre-emptive rights to purchase additional shares and equity securities placed via subscription and converted into shares in the number of shares of this category (type) being in their possession.

5.6. If while executing the pre-emptive right to purchase additional shares, as well as when consolidating shares, a shareholder cannot purchase a whole number of shares for some reason, shares can be made into fractions (fractional shares).

A fractional share provides its shareholder – owner with the rights of the corresponding share category (type) in the amount corresponding to a part of the whole share, which it makes up.

Fractional shares are traded on an equal basis with whole shares. In case a person purchases two or more fractional shares of the same category type, such shares make up one whole and/or fractional share being equal to the sum of these fractional shares.

5.7. Additional shares placed via subscription can be paid for with money, equity securities, property rights or any other rights with monetary value.

The payment method for additional shares is defined by a decision at the time of their placement.

Other equity securities can be paid for only with monetary assets.

5.8. The Company is entitled to purchase its placed shares by a decision of the Company's Board of Directors (in accordance with Item 2 of Article 72 of the Federal Law *On Joint Stock Companies*).

The Board of Directors does not have the right to make a decision on purchasing Company shares, if the face value of Company shares being in circulation make up less than 90 percent of the Company's authorized capital.

If shares purchased by the Company in accordance with this item do not provide voting rights, these shares are not taken into account during the counting of votes and no dividends are accrued on these shares. These shares shall be sold by a decision of the Board of Directors at a price not lower than their market value and not later than one year from the date of their release. Otherwise, the General Shareholders Meeting shall make a decision to reduce the authorized capital by redeeming the above-mentioned shares.

The shares acquired as per this item can be paid for with monetary assets and/or other property in accordance with a decision by the General Shareholders Meeting.

Article 6. Rights of the Company's Shareholders

6.1. A person holding the Company's shares on the grounds stipulated by legislation of the Russian Federation and these Articles of Association shall be acknowledged as the Company's shareholder.

6.2. Each ordinary share of the Company provides its holder with an equal measure of rights.

Shareholders holding the Company's ordinary registered shares are entitled to:

1) participate personally or via their representatives in the Company's General Shareholders Meeting with the right to vote on all issues within the scope of their competence;

2) propose issues to be included in the agenda of the General Shareholders Meeting in accordance with the procedure stipulated by legislation of the Russian Federation and by the Articles of Association;

3) receive information on corporate activities and to examine the Company documents in accordance with Article 91 of the Federal Law *On Joint Stock Companies*;

4) receive dividends announced by the Company;

5) have the pre-emptive right to purchase additional shares placed via subscription and the issue of securities that are convertible into shares, in a quantity pro-rated to the quantity of the given category (type) of shares held by them;

6) get part of Company's property in case of corporate liquidation;

7) exercise other rights provided for under legislation of the Russian Federation and the Articles of Association.

Article 7. Dividends

7.1. The Company has the right to make decisions on (to declare) dividend payouts on placed shares, according to results of the first quarter, six months, nine months of the fiscal year and/or according to the results of one fiscal year.

The decision to pay out (to declare) dividends according to results of the first quarter, six months and nine months of the fiscal year can be made within three months after the termination of the corresponding period.

The Company is obliged to pay dividends declared on each category (type) of shares.

7.2. Decisions on the payment (declaration) of dividends, including decisions on the amount of dividends and the form of payment for each category (type) of shares are made by the General Shareholders Meeting.

The amount of dividends shall not exceed the one recommended by the Company's Board of Directors.

The General Shareholders Meeting has the right to make a decision not to pay dividends.

7.3. In cases provided for by the legislation of the Russian Federation, the Company has no

right to make decisions (declarations) on the dividend payments on shares as well as to pay declared dividends on shares:

7.4. The source of dividend payment is the Company's after-tax profit (the net profit of the Company). The Company's net profit is defined by the Company's accounting statement.

7.5. Declared dividends are paid by the Company not later than 60 (sixty) days from the day when the decision on the dividend payout was made.

Article 8. The Company's Funds

8.1. The emergency reserve fund is created in the Company in the amount of five (5) percent of the Company's authorized capital.

The amount of the mandatory annual deductions to the reserve fund equals five (5) percent of the Company's net profit till the reserve fund reaches a pre-set size.

8.2. The Company's reserve fund exists to cover the Company's losses, as well as to redeem the Company's bonds and to re-purchase the Company's shares in case no other means are available.

The reserve fund cannot be used for any other purposes.

8.3. The Company has the right to form other funds ensuring its economic and financial activity as a business entity in accordance with requirements of Russian Federation legislation.

Article 9. Management and Control Bodies of the Company

9.1. The management bodies of the Company are the following:

- The General Shareholders Meeting;
- The Board of Directors;
- The Management Board;
- The Chairman of the Management Board.

9.2. The financial and economic activity of the Company is checked by the Company's Audit Commission.

Article 10. The Company's General Shareholders Meeting

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

10.2. The following issues shall fall under the competence of the General Shareholders Meeting:

1) making amendments and supplements to the Articles of Association or approving the revised version thereof;

2) re-organization of the Company;

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

4) determination of the number, par value and category (type) of authorized shares and the rights granted thereby;

5) enlargement of the Company's authorized capital by increasing the face value of shares or by offering additional shares in cases provided for by the Federal Law *On Joint Stock Companies*;

6) reduction of the Company's authorized capital by decreasing the par value of shares, through the acquisition by the Company of a part of the shares to reduce their total number and by paying off shares acquired or redeemed by the Company;

7) split and reverse split of the Company's shares;

8) decision-making on the placement by the Company of bonds converted into shares and of other securities converted into shares;

9) the election of members to the Company's Board of Directors and the termination of their powers;

10) the election of members to the Company's Audit Commission and the termination of their powers;

11) approval of the Company's auditor;

12) approval of the annual report, the annual accounting statements, including the Company's profit and loss statement (profit and loss account), and the distribution of profit (including the payment (declaration) of dividends, except for profit distributed as dividends at the

end of the first quarter, the half year and the nine months of the financial year) and losses of the Company based on the financial year's performance;

13) payment (declaration) of dividends at the end of the first quarter, the half year and the nine months of the financial year;

14) decision making on the approval of major transactions where provided for in Article 79 of the Federal Law *On Joint Stock Companies*;

15) decision-making on the approval of transactions where provided for in Article 83 of the Federal Law *On Joint Stock Companies*;

16) adoption of resolutions on the participation in financial industrial groups, associations and other alliances with profit-making organizations;

17) approval of internal documents governing the activities of the Company's management and audit bodies;

18) decision-making on the payment of fees and/or compensation to members of the Company's Audit Commission;

19) decision-making on the payment of fees and/or compensations to members of the Company's Board of Directors;

20) decision-making on applying for the de-listing of shares and/or issue-grade securities of the Company, which are convertible into its shares.

21) handling other issues as stipulated in the Federal Law *On Joint Stock Companies*.

10.3. Issues that fall within the competence of the General Shareholders Meeting may not be referred for resolution to the Company's Board of Directors and/or to the Chairman of the Board.

The General Shareholders Meeting may not to consider and pass resolutions on issues that do not fall within its competence under the Federal Law *On Joint Stock Companies*.

10.4. Decisions on the matters indicated in Sub-clauses 2, 5, 7, 8, and 11–20 of Clause 10.2 of Article 10 of the present Articles of Association as well as decisions on matters related to a reduction in the Company's authorized capital by decreasing the face value of shares shall be made by the General Shareholders Meeting only at the suggestion of the Board of Directors.

10.5. A decision by the General Shareholders Meeting on a matter put to a vote shall be taken by the majority of the Company's shareholders participating in the meeting, unless otherwise provided for by the Federal Law *On Joint Stock Companies*.

10.6. In such a case, a decision of the General Shareholders Meeting is made by the majority, a three-fourths majority of the shareholders' votes – the owners of the voting shares taking part in the General Shareholders Meeting.

– making amendments and supplements to the Articles of Association or approving the revised version thereof;

– re-organization of the Company;

– liquidation of the Company, appointment of a liquidation committee and approval of interim and liquidation balance sheets;

– determination of the number, par value and category (type) of authorized shares and rights granted thereby;

– reduction of the Company's authorized capital by decreasing the face value of the Company's shares;

– placement of shares (equity securities of the Company convertible into shares) via private subscription is to be executed only upon a decision by the General Shareholders Meeting to increase the Company's authorized capital by offering additional shares (placing the Company's equity securities that are convertible into shares);

– placement of ordinary shares via public subscription and accounting for more than twenty-five (25) percent of earlier placed ordinary shares;

– placement of equity securities that are convertible into ordinary shares via public subscription and accounting for more than twenty-five (25) percent of the earlier placed ordinary shares;

– making decisions on the approval of a large transaction, the subject of which is property with a cost that exceeds fifty (50) percent of the Company's balance sheet assets;

– making a decision on applying for the de-listing of shares and/or Issue-grade securities of the Company, which are convertible into its shares

– in other cases provided for by the Federal Law *On Joint Stock Companies*.

A decision on the approval of a transaction which is an interested party transaction is made by the General Shareholders Meeting in cases provided for by Article 83 of the Federal Law *On Joint Stock Companies*.

10.7. The Annual General Shareholders Meeting is held no earlier than two months and no later than six months after the end of the fiscal year.

The Annual General Shareholders Meeting considers and makes decisions in the mandatory order on the election of the Board of Directors, the Audit Commission, approving the Company's auditor, the annual reports, the annual financial statements including reports on profit and losses (the profit and loss statement) of the Company, as well as profit distribution (including dividend distribution (declaration) except for profit distributed as dividends as per the results of the first quarter, the half year, the nine months of the financial year) and the Company's losses as per the results of the financial year.

10.8. The General Shareholders Meeting is conducted in the form of the joint presence of the shareholders (shareholders' representatives) gathered to discuss agenda items and make decisions on issues put to the vote.

The General Shareholders Meeting can be conducted at the actual address of the Company, in the city of Moscow, the Moscow Region or at the locations of the Company's subsidiaries.

A certain address for conducting the General Shareholders Meeting is defined by the Board of Directors when making decisions on issues connected with conducting the General Shareholders Meeting.

The Chairman of the Board of Directors presides at the General Shareholders Meeting; in case he/she is absent, the Deputy Chairman of the Board of Directors takes his/her place.

The procedure for convening, preparing and conducting the General Shareholders Meeting is determined by the Provision on convening and conducting the Company's General Shareholders Meeting, as approved by the General Shareholders Meeting.

10.9. Decisions of the General Shareholders Meeting can be made without holding a meeting (the joint presence of shareholders) by absentee vote.

10.10. The list of persons having the right to participate in the General Shareholders Meeting is drawn up based on the register of the Company's shareholders as of the date defined by the Board of Directors when making decisions on issues related to holding the General Shareholders Meeting in accordance with Article 51 of the Federal Law *On Joint Stock Companies*.

10.11. A message on holding the General Shareholders Meeting shall be published in the Rossiiskaya Gazeta newspaper as well as on the official Internet site of the Company not later than thirty (30) days prior to the day of holding it.

10.12. A message on holding the Extraordinary General Shareholders Meeting, with the proposed agenda to elect members of the Board of Directors, shall be published in the Rossiiskaya Gazeta newspaper as well as on the official corporate Internet site not later than seventy (70) days prior to the day of holding it.

10.13. Information (materials) concerning the agenda issues of the General Shareholders Meeting within the thirty (30) calendar days prior to the General Shareholders Meeting (in case of an Extraordinary General Shareholders Meeting with an issue on the agenda as per Sub-paragraph 4. Paragraph 1 of Article 48 of the Federal Law *On Joint Stock Companies* within 20 days prior to holding such a Meeting) shall be made available to persons having the right to participate in the General Shareholders Meeting whose addresses are to be stated in the announcement about the General Shareholders Meeting being called. This information is also placed on the Company's Internet site.

A procedure in which persons entitled to participate in the General Shareholders Meeting can familiarize themselves with information (materials) on agenda items for the General Shareholders Meeting and the list of such information (materials) is defined by a decision of the Company's Board of Directors.

10.14. Voting on the agenda items for the General Shareholders Meeting is carried out only via voting ballots.

A voting ballot shall be either forwarded to each person from the list of persons entitled to participate in the General Shareholders Meeting by registered mail, or handed over personally against signature not later than twenty (20) days prior to the date of holding the General Shareholders Meeting.

10.15. The General Shareholders Meeting is legally competent (has a quorum) if shareholders having in the aggregate more than half of the votes under voting shares placed by the Company are present.

Shareholders registered to participate in the General Shareholders Meeting to be conducted in the form of joint presence, as well as shareholders whose voting ballots are received not later than two (2) days prior to the date of holding the General Shareholders Meeting are considered

shareholders, who have taken part in the General Shareholders Meeting.

Shareholders whose voting ballots are received prior to the acceptance end date for ballots are considered to be shareholders, who have taken part in the General Shareholders Meeting to be conducted in the form of an absentee vote.

10.16. General Shareholders Meetings held apart from the annual one are considered to be extraordinary meetings.

10.15.1. An Extraordinary General Shareholders Meeting is held according to a decision made by the Company's Board of Directors at its own initiative, at the request of the Audit Commission, the Company's auditor or shareholder(s) who own at least ten (10) percent of the Company's voting shares as of the date such requests are presented.

10.15.2. An Extraordinary General Shareholders Meeting convened at the request of the Audit Commission, the Company's auditor or shareholder(s) who own not less than ten (10) per cent of the Company's voting shares, shall be convened by the Board of Directors within Forty (40) calendar days from the moment that such a request is issued.

If the proposed agenda of the Extraordinary General Shareholders Meeting contains issues related to the election of members of the Board of Directors, such a General Shareholders Meeting shall be held within Seventy (70) calendar days from the moment of presenting such a request.

10.15.3. Within Five (5) days from the date representing the request to convene the General Shareholders' Meeting the Board of Directors shall make a decision to convene the extraordinary General Shareholders' Meeting or to refuse to convene such a meeting.

A decision by the Board of Directors to convene an Extraordinary General Shareholders Meeting or a refusal detailing its reasons not to convene said meeting is sent to persons who had requested such a convocation not later than three (3) calendar days from the moment that such a decision was made.

10.16. The Minutes of the General Shareholders Meeting is drawn up not later than three (3) working days after the conclusion of the General Shareholders Meeting or the acceptance end date for voting ballots in case the General Shareholders Meeting is conducted in form of an absentee vote.

The Minutes of the General Shareholders Meeting shall be signed by the Chairman of the General Shareholders Meeting and by the Secretary of the General Shareholders Meeting.

10.17. Results of voting and the decisions adopted by the General Shareholders Meeting may be announced at the Company's General Shareholders Meeting.

In case the decisions made by the General Shareholders Meeting, as well as the voting results have not been announced at the General Shareholders Meeting during which voting took place, the Company not later than ten (10) days after compiling the voting act shall publish this information in the Rossiiskaya Gazeta newspaper in form of a report on the voting results, as well as will post this information on the Company's Internet site.

Article 11. Proposals to the Agenda of the Company's General Shareholders Meeting

The shareholder(s), who in the aggregate own not less than 2 (two) percent of the Company's voting shares are entitled to propose issues to be included in the agenda of the Annual General Shareholders Meeting and to nominate candidates to the Company's Board of Directors and the Audit Commission, whose number may not exceed the numerical composition of the corresponding body.

Such propositions shall be delivered to the Company within ninety (90) days from the end of the financial year.

11.1. A proposition to include certain issues in the agenda of the General Shareholders Meeting and a proposition for certain nominees shall be made in writing with an indication of the name of the shareholder(s), the quantity and category (type) of shares held by them and shall be signed by the shareholder(s).

11.2. The proposition to include certain issues in the agenda of the General Shareholders Meeting shall contain wording for each proposed issue, while the proposition for a certain nominee shall contain the name and information on the ID document (serial code and/or number of the document, the date and place of its issue, the issuing authority) for each proposed nominee, and the name of the body to which such a candidate is proposed to be elected (or considered for election).

11.3. The Board of Directors shall review the received propositions and decide whether or not to include them in the agenda of the General Shareholders Meeting or to withhold from

including them in said agenda, not later than within five days of the end of the period specified in Clause 11.1 of this Article.

11.4. The Board of Directors has the right to refuse to include the issues proposed by shareholder(s) in the agenda of the General Shareholders Meeting as well as to include the nominated candidates in the list of nominees to be elected for the corresponding corporate body on grounds provided for by the Federal Law *On Joint Stock Companies* or other Russian legislative acts.

A motivated decision of the Board of Directors to refuse to include a proposed issue in the agenda of the General Shareholders Meeting or to refuse to include a proposed candidate in the list of nominees for voting at the elections to the appropriate body of the Company shall be forwarded to the shareholder(s) having proposed to include such an issue or a candidate, within three (3) days, as of the date such a decision is made.

11.5. The Board of Directors shall not be entitled to introduce amendments to the wording of the issues proposed to be included in the agenda of the General Shareholders Meeting, and (if any) to the wording of the resolution on such issues.

11.7. Apart from the issues proposed by the shareholder(s) to be included in the agenda of the General Shareholders Meeting, and also in case no such propositions have been made or in the case of the absence or insufficient quantity of candidates proposed by shareholders to be elected to the appropriate body to be formed, the Board of Directors may include at its own discretion issues for the agenda or to propose candidates to be included into the list of nominees.

Article 12. The Company's Board of Directors

12.1. The Board of Directors shall carry out general management of the Company's business, except for issues referred to by the Federal Law *On Joint Stock Companies* and these Articles of Association to the competence of the General Shareholders Meeting.

The following issues shall fall within the competence of the Board of Directors:

- 1) identification of the Company's priority areas of activity, the approval of the Company's long-term development programs (including the approval of the Company's investment program);
- 2) calling Annual and Extraordinary General Shareholders Meetings and engaging in decision-making related to calling, preparing and holding the General Shareholders Meetings;
- 3) offering the Company's bonds and other securities, except in cases established by the Federal Law *On Joint Stock Companies* and these Articles of Association;
- 4) the approval of resolutions on the issue of securities, the Prospectus, reports on the acquisition of shares from the Company's shareholders, share pay-off reports and reports on share redemption claims from the Company's shareholders;
- 5) determination of the price (monetary value) of property, placement value or the price determination procedure for Issue-grade securities and their re-purchase, were provided so by the Federal Law *On Joint-Stock Companies*, as well as when handling the issues as referred to in Sub-paragraphs 7, 20 and 21 of paragraph 12.1 of these Articles of Association;
- 6) acquisition of shares, bonds and other securities placed by the Company where provided for by the Federal Law *On Joint Stock Companies*;
- 7) disposal of the Company's shares that the Company has acquired or redeemed from corporate shareholders, as well as in other cases provided for in applicable Russian laws;
- 8) determination of the number of the Company's Management Board members, election of Board members, the determination of the procedure for paying fees and compensation, the termination of their powers, including the adoption of resolutions on the early termination of contracts;
- 9) election of the Chairman of the Management Board and the termination of his/her powers, including decision-making on the termination of the employment contract therewith, holding the Chairman of the Management Board disciplinarily accountable and offering commendation in accordance with Russian labor laws, the adoption of a resolution on recommending the Chairman of the Company's Management Board for national and sectoral awards;
- 10) approval for the Chairman of the Management Board and Management Board members to hold concurrent positions in the management bodies of other organizations, as well as other paid positions in other organizations;
- 11) election of the Chairman and Deputy Chairman of the Company's Board of Directors and the termination of his/her powers;

12) setting up committees of the Company's Board of Directors, the election of members to the Company's Board of Directors, the approval of regulations for the committees of the Company's Board of Directors;

13) election of the Company's corporate secretary and termination of his/her powers;

14) approval (adjustment) of the Company's key performance indicators (KPIs) and the business plan, as well as reviewing reports on implementation;

15) determination of the Auditor's fee;

16) recommendations to the General Shareholders Meeting with regard to the size of dividends per share and the dividend payment procedure;

17) approval of the Company's internal documents defining the procedure for setting up and using the Company's funds, the adoption of a resolution on the use of corporate funds;

18) approval of the Company's internal documents, except for those to be approved by the General Shareholders Meeting or the Company's executive bodies, as well as the approval of internal documents designed to meet the requirements of the regulatory legal acts of the Russian Federation and regulations of securities market trade organizers for issuers whose shares are in circulation in the securities market;

19) setting up branches and opening representative offices of the Company, liquidation and alteration of the Company's Articles of Association related to setting up branches and opening representative offices (including changing the names and locations of the Company's branches and representative offices) and their liquidation;

20) decision-making on the participation and on termination of the Company's participation in other organizations (except for organizations listed in Sub-clause 16 Clause 10.2 of these Articles of Association);

21) pre-approval of resolutions on the following types of transactions to be conducted by the Company:

a) transactions, the subject of which is the Company's non-current assets in the amount of more than ten (10) percent of their balance value as of the date of making a decision on the execution of such a transaction;

b) transactions (a few related transactions) connected with the disposal of the Company's property comprising fixed assets, intangible assets and construction-in-progress, where determined so (including amounts) by separate resolutions of the Company's Board of Directors;

c) transactions with shares and interests of the organizations in which the Company participates, where determined so (including amounts) by the Company's Board of Directors, or in all other cases when the procedure for decision-making by the Company's Board of Directors is not defined.

22) determination of the Company's credit policy as regards issuing loans, signing credit and loan contracts, granting surety, assuming obligations on bills (the issue of promissory notes and bills of exchange) and decision-making on said transactions to be conducted by the Company when the procedure for decision-making thereon is not defined by the Company's credit policy; decision-making in accordance with the approved credit policy;

23) decision-making on transactions to be conducted by the Company, related to the gratuitous transfer of the Company's property or proprietary rights to itself or to a third party; on transactions connected with the release from a property liability to itself or to a third party; on transactions related to services (work) rendered by the Company free-of-charge to third parties, where determined (including amounts) by separate resolutions of the Company's Board of Directors;

24) approval of major transactions, where so provided for in Chapter X of the Federal Law *On Joint Stock Companies*;

25) approval of transactions provided for in Chapter 11 of the Federal Law *On Joint Stock Companies*;

26) approval of the Company's registrar, terms of the contract therewith and resolving to terminate the contract therewith;

27) approval of the procedure for the interaction(s) of the Company with business entities, in which the Company has shares and interests;

28) determination of the Company's (Company representatives') position, including instructions whether or not to vote on agenda items, vote "for", "against" or "abstained" on draft resolutions on the following agenda items handled by management bodies of the business entities' subsidiaries and affiliates (SA):

a) on SA re-structuring and winding up;

b) determination of the quantity, face value, and category (type) of the SA's declared shares of and the entitlements attached to these shares.

c) on an increase in SA's authorized capital by raising the par value of shares or by the placement of additional shares;

d) on the placement of SA's securities converted into ordinary shares;

e) on the split and reverse split of SA's shares;

f) on the acquisition of stock of the subsidiaries and affiliates (shares of the authorized capital stock) and other business associations also at the time of their formation in case the value of such a transaction makes up 15 percent or more of the balance sheet assets of the SA, which are determined based on accounting records for the last reporting date;

g) on the approval of major transactions carried out by the SA;

h) on transactions conducted by the SA (including a few related transactions), connected with the disposal or possible disposal of the SA's property, including fixed assets, intangible assets and construction-in-progress, that is intended for the production, transfer, dispatching, distribution and sales of electric and heat power, where defined so (including amounts) by the procedure for the Company's interaction with entities, in which the Company participates, approved by the Company's Board of Directors;

i) on transactions conducted by the SA on the alienation, pledging or any other encumbrance (by making a single or several inter-connected transactions) of stock and shares of the SA's affiliated or dependent companies, which are involved in the generation, transferring, dispatching, distribution and selling of electric and thermal power regardless of the number of shares (interest size in the authorized capital) of these companies;

29) determination of the Company's insurance policy, including the approval of the Company's Insurer;

30) determination of the Company's procurement policy, including approval of the Regulations for the regulated purchase of goods, work and services; decision-making under approved Regulations;

31) approval of the procedure for selecting appraisers and/or appraiser candidate(s) to determine the value of shares, property and other corporate assets, where provided for by the Federal Law *On Joint Stock Companies*, these Articles of Association and individual resolutions made by the Company's Board of Directors;

32) review of the Company's organizational structure;

33) approval of a collective bargaining contract;

34) increase in the Company's authorized capital through issuing additional shares within the scope of declared shares given limitations stated by the Federal Law *On Joint Stock Companies* and the Articles of Association;

35) making a decision on applying for the listing of shares and/or, which are convertible into shares of the Company, in cases provided for by the Federal Law *On Joint Stock Companies* and other legal acts of the Russian Federation;

36) other issues that fall within the competence of the Board of Directors under the Federal Law *On Joint Stock Companies* and these Articles of Association;

12.2. Issues that fall within the competence of the Company's Board of Directors may not be referred for resolution to the Company's Management Board and its Chairman.

Article 13. Election of the Company's Board of Directors

13.1. The number of members of the Company's Board of Directors is determined to be thirteen (13) persons.

13.2. Members of the Board of Directors are elected by the Annual General Shareholders Meeting as set forth by the Federal Law *On Joint Stock Companies* and these Articles of Association, for the period up till the next Annual General Shareholders Meeting.

If the Board of Directors is elected at an Extraordinary General Shareholders Meeting, members of the Board of Directors are considered to be elected for a term that lasts up to the date that the Annual General Shareholders Meeting is held.

If the Annual General Shareholders Meeting hasn't been conducted in terms established by Clause 10.7 Article 10 of these Articles of Association, the authorities of the Board of Directors are terminated, except for authorities for the preparation, calling and holding of the Annual General Shareholders Meeting.

13.3. Only an individual person can be a member of the Company's Board of Directors.

13.4. Persons elected as members of the Board of Directors can be re-elected for an unlimited number of terms.

13.5. The authorities of all members of the Board of Directors can be terminated ahead of schedule according to a decision made by the General Shareholders Meeting.

13.6. While exercising their rights and obligations, members of the Board of Directors shall act in the Company's interests, exercise their rights and liabilities to the Company in a fair and reasonable manner.

13.7. A member of the Board of Directors bears responsibility to the Company for losses incurred by their faulty actions (the failure to act), unless other grounds of responsibility are not determined by legislation of the Russian Federation.

At that, no responsibility shall be borne by members of the Board of Directors who voted against the decision which lead to the Company's losses, or who did not take part in voting.

Article 14. Chairman of the Company's Board of Directors

14.1. The Chairman of the Board of Directors is elected by members of the Board of Directors by a majority of votes from the total number of elected members of the Board of Directors.

The Company's Board of Directors has the right to re-elect the Chairman of the Board of Directors at any time by a majority of votes from the total number of elected members of the Board of Directors.

14.2. The Chairman of the Board of Directors manages the work of the Board of Directors, calls meetings and presides over them, and arranges that Minutes are kept during the meetings.

14.3. In case the Chairman of the Board of Directors is absent, his/her functions shall be performed by the Deputy Chairman of the Board of Directors.

Article 15. Meetings of the Company's Board of Directors

15.1. The Board of Directors shall hold a meeting as and when needed, but not less than once in a quarter.

The meeting of the Board of Directors shall be called by the Chairman of the Board of Directors (or by the Deputy Chairman of the Board of Directors where so provided for by Clause 14.3 Article 14 of the Articles of Association) at his/her own initiative, at the request of a member of the Board of Directors, the Audit Commission, the auditor, the Management Board or the Chairman of the Management Board.

15.2. The quorum for holding a meeting of the Company's Board of Directors is not less than half of the elected members of the Board of Directors.

In case the number of members of the Board of Directors becomes less than the number constituting a specified quorum, the Company is obliged to hold a General Shareholders Meeting to elect a new Board of Directors. The remaining members of the Board of Directors do not have the right to make a decision on issues that fall within its competence.

15.3. Decisions of the Board of Directors are made by a majority of votes of the Board of Directors members participating in the meeting, except in cases established by legislation of the Russian Federation and these Articles of Association.

In case the transaction is subject to be approved simultaneously for several reasons (stipulated by these Articles of Association and Chapter X or Chapter XI of the Federal Law *On Joint Stock Companies*), the procedure for its approval shall be governed by provisions of the Federal Law *On Joint Stock Companies*.

15.4. A decision by the Board of Directors on the approval of a major transaction is adopted without a single dissenting vote by all members of the Board of Directors. In this case, no votes of former members of the Board of Directors are taken into account.

15.5. A decision on the approval of a transaction which is an interested party transaction is made by the Company's Board of Directors in accordance with the procedure specified in Article 83 of the Federal Law *On Joint Stock Companies*.

15.6. The decisions of the Board of Directors on the issues provided for in Sub-clauses 20–22, 27–28, Clause 12.1 Article 12 of the Articles of Association are made by a majority, two-thirds vote of members of the Company's Board of Directors participating in the meeting.

15.7. When making decisions at the meeting of the Company's Board of Directors, each member of the Board of Directors has one vote. When the number of opposing votes is equal, the Chairman of the Board of Directors casts the tie-breaking vote.

15.8. A member of the Board of Directors who was absent from a meeting of the Board of Directors has the right to state his/her opinion on agenda issues in written form and to submit it by the above-mentioned meeting.

The written opinion of the member of the Board of Directors who was absent from the meeting of the Board of Directors shall be taken into account when establishing a quorum and summing up the voting results on the agenda issues of the Board of Directors meeting.

15.9. A decision of the Board of Directors can be made by absentee vote.

In case of an absentee vote, all members of the Board of Directors shall receive materials on agenda issues and a voting ballot, with the term when the completed and signed (by a member of the Board of Directors) document shall be submitted to the Company's Board of Directors.

15.10. The Minutes of a meeting of the Board of Directors shall be produced not later than three (3) days after such a meeting and should be signed by the presiding person and the Company's corporate secretary, who are responsible for its correctness.

15.11. The procedure for decision-making by the Board of Directors is determined by the Company's internal documents, as approved by the General Shareholders Meeting.

Article 16. Committees of the Company's Board of Directors

16.1. Committees of the Company's Board of Directors are established by a decision of the Board of Directors.

16.2. Committees of the Board of Directors are established in order to develop issues pertaining to the competence of the Board of Directors or being considered by the Board of Directors when controlling activities of the Company's executive bodies, and to develop necessary recommendations for the Board of Directors and the Company's executive bodies.

16.3. Activities regulation, the establishment procedure, the competence and term of the appointment of the committees of the Board of Directors shall be determined by separate resolutions of the Board of Directors.

Article 17. Executive Bodies of the Company

17.1. Day-to-day operations of the Company are managed by the Chairman of the Company's Management Board (the sole executive body) and the Company's Management Board (the collegial executive body).

17.2. The Management Board and the Chairman of the Management Board are accountable to the General Shareholders Meeting and to the Company's Board of Directors.

17.3. The rights and obligations of the Chairman of the Management Board, members of the Company's Management Board for the management of the day-to-day operation of the Company shall be determined by legislation of the Russian Federation, Regulation about the Company's Management Board, approved by the General Shareholders Meeting, and by a contract concluded by each of them with the Company.

17.4. Conditions of the labor contract of the Chairman of the Management Board shall be determined by the Board of Directors or a person authorized by the Board of Directors to sign a labor contract.

On behalf of the Company, a labor contract with the Chairman of the Management Board shall be signed for up to five years by the Chairman of the Board of Directors or by a person authorized by the Company's Board of Directors.

Rights and obligations of the employer on behalf of the Company in relation to the Chairman of the Management Board are exercised by the Board of Directors or by a person authorized by the Board of Directors in a procedure stipulated by resolutions of the Board of Directors.

17.5. Contracts with member of the Management Board shall be signed by the Chairman of the Management Board. The terms of the contracts concluded with a member of the Management Board shall be determined by the Chairman of the Management Board.

17.6. The powers of the Chairman of the Management Board and members of the Management Board are terminated on grounds established by legislation of the Russian Federation and by the contract concluded by each of them with the company.

17.7. Holding more than one position for both the Chairman of the Management Board and members of the Management Board in management bodies of other organizations, as well as other

paid offices in other organizations, is allowed only with the consent of the Company's Board of Directors).

17.8. While exercising their rights and obligations, the Chairman of the Management Board, members of the Management Board shall act in the Company's interests, to exercise their rights and liabilities to the Company in a fair and reasonable manner.

17.9. The Chairman of the Management Board, members of the Management Board bear responsibility to the Company for losses inflicted by their faulty actions (failure to act), unless other grounds of responsibility are not determined by legislation of the Russian Federation.

No responsibility, provided for by this clause, shall be borne by members of the Management Board who voted against the decision which has led to the Company's losses, or who did not take part in the voting.

Article 18. The Company's Management Board

18.1. The Company's Management Board acts on the basis of the Articles of Association, as well as on the basis of the Regulation about the Management Board approved by the General Shareholders Meeting and by determining the terms and procedures for convening and running the meetings as well as the procedure for decision-making.

18.2. The following issues fall within the competence of the Management Board:

1) development and submission of the Company's priority lines of activity and long-term implementation plans to the Company's Board of Directors for consideration;

2) preparation of reports on implementing resolutions passed by the General Shareholders Meeting and by the Company's Board of Directors;

3) submission of reports on meeting the Company's key performance indicators (KPIs) and the business plan to the Board of Directors for consideration;

4) approval (adjustment) of the Company's budget;

5) determination of the Company's (Company representatives') position, including instructions whether or not to vote on agenda items, vote "for", "against" or "abstained" on draft resolutions on the following agenda items handled by the management bodies of business entities' subsidiaries and affiliates (SA):

a) on the approval (adjustment) of target values for SA's key performance indicators (KPIs) and a review of implementation reports;

b) on the SA's participation in other organizations (on joining an existing organization or setting up a new one), and on the acquisition, disposal and encumbrance of shares and interests in the authorized capital of the entities in which SA participates and on changing a participation interest in an organization's authorized capital, except for issues pertaining to the competence of the Board of Directors;

c) on the determination of the SA representatives' position on agenda items of the management bodies of SA's subsidiaries and affiliates, concerning the conduct (approval) of transactions (a few related transactions) connected with the disposal or possible disposal of the SA's property, including: fixed assets, intangible assets and construction-in-progress, that is intended for production, transfer, dispatching, distribution and the sale of electricity and thermal power;

d) on the determination of the SA representatives' position on agenda items for the management bodies of the SA's subsidiaries and affiliates, engaged in production, transfer, dispatching, distribution and the sale of electricity and thermal power, concerning re-structuring, liquidation and increasing the authorized capital of such subsidiaries and affiliates by raising the par value of shares, the placement of additional shares or the placement of securities converted into ordinary shares;

6) nomination by the Company of candidates for the sole executive body and other management and inspection bodies, as well as those for the auditor of the entities, in which the Company participates;

7) decision-making on issues pertaining to the competence of the top management bodies of the business entities whose authorized capital is one hundred (100) percent owned by the Company;

8) handling other issues related to the Company's daily management subject to resolutions by the General Shareholders Meeting and the Board of Directors, as well as to issues referred to the Management Board for consideration by the Chairman of the Company's Management Board.

18.3. Members of the Management Board are elected by the Board of Directors by a proposition of the Chairman of the Management Board. The number of members of the

Management Board is specified by a resolution of the Company's Board of Directors.

18.4. The Management Board is legally competent if at least half of the elected members of the Management Board participate in the meeting (in the form of absentee voting).

18.5. All decisions are made by the Management Board by a simple majority vote of Management Board members that are present at the meeting (which took place via absentee voting).

When the numbers of opposing votes are equal, the tie-breaking vote belongs to the Chairman of the Management Board.

18.6. A member of the Management Board is not allowed to grant voting power to any other person, including to another member of the Management Board.

Article 19. Chairman of the Company's Management Board

19.1. The Chairman of the Company's Management Board shall handle all issues related to the Company's daily management, except for those that fall under the competence of the Company's General Shareholders Meeting, the Board of Directors and the Management Board.

The Chairman of the Management Board shall act for the Company without a power of attorney and shall, in particular:

- 1) conduct transactions on behalf of the Company, issue powers of attorney, and open current and other accounts for the Company;
- 2) dispose of the Company's assets, allowing for restrictions as specified in applicable laws and these Articles of Association;
- 3) hire and dismiss the Company's employees, commend and reprimand them;
- 4) manage the work of the Company's Management Board and preside over its meetings;
- 5) submit proposals for the appointment and dismissal of Management Board members to the Company's Board of Directors for consideration;
- 6) approve the Company's staffing table and official salaries;
- 7) allocate responsibilities among the Deputy Chairmen of the Company's Management Board;
- 8) ensure implementation of the Company's business plans necessary to attain corporate objectives;
- 9) approve Regulations for the Company's branches and representative offices, appoint directors for the Company's branches and representative offices;
- 10) manage business accounting and reporting in the Company;
- 11) issue orders, approve instructions and other internal documents of the Company on issues pertaining to the Management Board Chairman's competence, and give instructions that are binding upon all corporate employees;
- 12) deal with other issues related to the Company's daily operations, except for those that fall within the competence of the General Shareholders Meeting, the Board of Directors and the Management Board of the Company.

19.2. The Chairman of the Management Board is elected by the Board of Directors by a majority of votes of members of the Board of Directors who participated in the meeting.

Article 20. The Audit Commission and the Company's Auditor

20.1. The General Shareholders Meeting shall annually elect the Audit Commission to supervise the Company's financial and economic activities.

The Company's Audit Commission shall consist of five (5) people.

20.2. The General Shareholders Meeting may resolve to terminate the powers of all or any individual member of the Audit Commission prior to the expiration of their term.

If the Audit Commission or its individual members are elected by an Extraordinary General Shareholders Meeting, the Audit Commission shall be deemed to have been elected for a period until the date of the Company's Annual General Shareholders Meeting.

20.3. The Audit Commission shall be responsible for:

- 1) verification of the reliability of data contained in the Company's annual report, the accounting balance sheet and the profit and loss account;
- 2) analysis of the Company's financial standing, identification of reserves for improving and drawing up recommendations for the Company's management body;
- 3) audit of the Company's financial and economic activities, including:

an audit of the Company's financial, accounting, payment and accounting documents and other documentation related to financial and economic operations, for their compliance with applicable laws of the Russian Federation, the Articles of Association and internal corporate documents;

inspections of safety and the use of fixed assets;

inspections for compliance with the established procedure for charging for the indebtedness of insolvent debtors to the Company's loss;

inspections of the expenditure of the Company's monetary resources in accordance with approved corporate transaction documents;

inspections of the building up and use of the reserve fund and other special corporate funds;

inspections of the correct and timely distribution and re-payment of dividends on the Company's shares, bond interest and income from securities;

inspections of progress on earlier issued instructions to remedy faults and shortcomings that had been revealed in previous audits;

performance of other measures related to auditing the Company's financial and business operations.

20.4. All decisions on issues related to the competence of the Audit Commission are made by a simple majority of votes from the total number of its members.

20.5. The procedure for the Audit Commission's activity is determined by internal corporate documents approved by the General Shareholders Meeting.

In accordance with a decision to conduct an audit (inspection), the Audit Commission has the right to involve specialists who are experts in the corresponding areas of law, economics, finances, accounting, management, and economic security, etc., including specialized organizations.

20.6. The audit (inspection) of the Company's financial and business activities can be performed at any time at the initiative of the Audit Commission, based on a decision of the General Shareholders Meeting, the Board of Directors or by a request of the Company's shareholders.

20.7. For the purpose of the verification and approval of the Company's annual financial statements, once a year, the General Shareholders Meeting appoints an Auditor of the Company who is not connected by property interests with the Company and/or its shareholders.

20.8. Payment for the services of an Auditor shall be determined by the Company's Board of Directors.

20.9. The Company's Auditor checks the financial and business activities of the Company in accordance with Russian Federation legislative requirements and on the basis of the contract concluded therewith.

20.10. Following the audit results of the Company's financial and business activities, the Audit Commission, the Auditor shall draw up a conclusion that contains:

– confirmation of the reliability of data contained in the reports and other financial documents of the Company;

– information on the actual violations of the procedure for bookkeeping and financial reporting established by legal acts of the Russian Federation by the Company, as well as the violation of legal acts of the Russian Federation while performing financial and business activities.

The Procedure and terms for drawing up the conclusion report on the audit results of the Company's financial and business activities are defined by legal acts of the Russian Federation and by the Company's internal documents as well.

Article 21. Bookkeeping and the Financial Statements of the Company

21.1. The Company is obliged to maintain bookkeeping and represent financial statements in the order stipulated by legislation of the Russian Federation and the Company's Articles of Association.

21.2. The Chairman of the Company's Management Board bears responsibility for the organization, condition and authenticity of bookkeeping in the Company, for the timely representation of annual reports and other financial statements to the corresponding bodies, as well as data on corporate activities, represented to the Company's shareholders, creditors and mass media, according to legislation of the Russian Federation and the present Articles of Association.

21.3. The authenticity of data contained in the Company's annual report and the annual financial statements shall be confirmed by the Audit Commission and the Company's Auditor.

21.4. The annual report, balance sheet, profit and loss account, distribution of profits and losses of the Company are subject to preliminary approval by the Board of Directors not later than thirty (30) days before the date of holding the Annual General Shareholders Meeting.

Article 22. Document Storage by the Company. Provision of Information by the Company

22.1. The Company is obliged to keep the following documents:

- 1) decision on the Company's establishment (the Order on establishment); the certificate of State registration of the company;
- 2) the Articles of Association of the Company, amendments and supplements to the Articles of Association of the Company registered in an appropriate manner;
- 3) documents confirming the right of the Company for property that is on its balance sheet;
- 4) internal documents of the Company approved by the management bodies of the company;
- 5) regulations for the Company's branches and representative offices;
- 6) annual reports;
- 7) prospectus, quarterly reports of the Issuer and other documents containing the information subject to the publication or disclosure in any other way according to federal laws;
- 8) bookkeeping documents;
- 9) financial statements;
- 10) Minutes of the General Shareholders Meetings, a meeting of the Company's Board of Directors, the Audit Commission and the Company's Management Board;
- 11) reports of independent appraisers;
- 12) lists of the Company's affiliated persons;
- 13) lists of persons having the right to participate in the General Shareholders Meeting, having the dividend right, as well as other lists drawn up by the Company in order that the shareholders could exercise their rights according to requirements of the Federal Law *On Joint Stock Companies*;
- 14) conclusions of the Audit Commission, the Company's Auditor, State and municipal financial control authorities;
- 15) deed of take-over, transfer acts and other documents related to the re-organization of the Company;
- 16) voting bulletins and powers of attorney (copies of the powers of attorney) for participation in the General Shareholders Meeting;
- 17) notices on the conclusion of shareholder agreements sent to the Company, as well as the lists of persons that concluded these agreements;
- 18) legal acts related to disputes arising out of the Company's creation, its management and participation;
- 19) other documents stipulated by legislation of the Russian Federation, the Articles of Association, internal documents of the Company and resolutions of the Company's management bodies.

22.2. The Company shall keep the documents provided for by Clause 22.1 of the present Articles of Association at the registered address of the Company's body in accordance with the procedure and during the terms specified by the federal executive authority for the securities market.

22.3. During the re-organization of the Company, all the documents shall be transferred to an assignee in the appropriate manner.

22.4. During the liquidation of the Company, the documents of permanent storage of academic and historical importance shall be transferred for State storage to the federal Archive Service of the Russian Federation; personnel documents (orders, personnel records and record cards, and personal accounts, etc.) shall be transferred for storage to a corresponding archive of the constituent of the Russian Federation.

The documents shall be transferred and adjusted by resources and at the expense of the funds of the Company in accordance with the requests of the archive bodies. Information on the Company shall be submitted in accordance with requirements of legislation of the Russian Federation.

22.5. The Company shall provide its shareholders with access to documents provided for by Clause 22.1 of the present Articles of Association.

Shareholder(s) having not less than twenty-five (25) percent of the Company's voting shares in aggregate have the right to access bookkeeping documents and the Minutes of the Management Board's meetings.

Access to the Company's legal acts related to disputes arising out of the Company's creation, its management and participation, including decisions of the court of arbitration on the commencement of proceedings and the acceptance of a statement of claim or application on changing the reason or subject of a previously submitted application, shall be granted by the Company within three (3) days from the date that a relevant demand was submitted, for familiarization in the office of the Company's executive body.

22.6. Documents specified in Clause 22.1 of the Articles of Association shall be submitted by the Company within seven (7) days from the date that the relevant demand was submitted, for familiarization within the office of the Company's executive body.

Upon the request of persons having the right of access to documents specified in Clause 22.1 of the Articles of Association, the Company is obliged to provide them with copies of the listed documents.

The fee taken by the Company for the submission of these copies cannot exceed the cost of their execution.

22.7. The Company shall provide the Company's shareholders and employees with access to information, observing the requirements of legislation regarding State secrets.

Article 23. Re-organization and Liquidation of the Company

23.1. The Company may be voluntarily re-organized through merger, take-over, separation, split-off and conversion, as well as on the basis and in the order stipulated in the Civil Code of the Russian Federation and by federal laws.

23.2. The Company can be liquidated by a decision of the court or voluntarily in the order stipulated in the Civil Code of the Russian Federation, the Federal Law *On Joint Stock Companies* and the Company's Articles of Association.

23.3. In case of a corporate re-organization or liquidation, as well as in the case of the termination of work containing State secrets, the Company shall provide for the security of data and data carriers via the development and execution of secrecy order measures, the protection of data, counter-measures to foreign technical intelligence, guarding and fire safety provisions.

List of subsidiaries and representative offices of JSC RusHydro

List of Subsidiaries

№	Full name	Abbreviated name	Location
1.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Bureyskaya HPP	JSC RusHydro branch – Bureyskaya HPP	The Village of Talakan, the Bureysky District, the Amur Region, the Russian Federation
2.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Volzhskaya HPP	JSC RusHydro branch – Volzhskaya HPP	1a Lenina Avenue, Volzhsky, the Volgograd Region, the Russian Federation
3.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Votkinskaya HPP	JSC RusHydro branch – Votkinskaya HPP	Chaykovsky, the Perm Region, the Russian Federation
4.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Dagestan affiliated branch	JSC RusHydro branch – Dagestan Branch	5 M. Khalilova Street, Kaspiysk, the Republic of Dagestan, the Russian Federation
5.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Zhigulevskaya HPP	JSC RusHydro branch – Zhigulevskaya HPP	Zhigulevsk, the Samara Region, the Russian Federation
6.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Zagorskaya PSHPP	JSC RusHydro branch – Zagorskaya PSHPP	100, the Bogorodskoe Settlement, the Sergievo-Posadskiy District, the Moscow Region, the Russian Federation
7.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Zeyskaya HPP	JSC RusHydro branch – Zeyskaya HPP	Zeya, the Amur Region, the Russian Federation,
8.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Kabardino-Balkarian affiliated branch	JSC RusHydro branch – Kabardino-Balkarian branch	1-a Mechiyeva Street, Kashkhatau, the Chereksky District, the Kabardino-Balkarian Republic, the Russian Federation
9.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Kamskaya HPP	JSC RusHydro branch – Kamskaya HPP	The Kamskaya HPP, Perm, the Russian Federation
10.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Karachayev-Cherkessky affiliated branch	JSC RusHydro branch – Karachaevo-Cherkessian branch	The Village of Pravokubansky, the Karachaevo-Cherkessian Republic, the Russian Federation
11.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Cascade of the	JSC RusHydro branch – Cascade of the Verkhnevolzhskiy HPPs	Rybinsk, the Yaroslavl Region, the Russian Federation

	Verkhnevolzhskiy (VV) HPPs		
12.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Cascade of the Kubanskiye HPPs	JSC RusHydro branch – Cascade of the Kubanskiye HPPs	360 A Vodoprovodnaya Street, Nevinnomyssk, the Stavropol Territory, the Russian Federation
13.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Corporate Hydro-power University	JSC RusHydro branch – KorUnG	8A Vernadskogo Avenue, Moscow, the Russian Federation
14.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Nizhegorodskaya HPP	JSC RusHydro branch – Nizhegorodskaya HPP	14 Privokzalnaya Street, Zavolzhie, the Gorodetskiy District, the Nizhny Novgorod Region, the Russian Federation
15.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Novosibirskaya HPP	JSC RusHydro branch – Novosibirskaya HPP	4 Novomorskaya Street, Novosibirsk, the Russian Federation.
16.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Saratovskaya HPP	JSC RusHydro branch – Saratovskaya HPP	The Saratovskaya HPP, Balakovo, the Saratov Region, the Russian Federation
17.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Neporozhniy Sayano-Shushenskaya HPP	JSC RusHydro branch – Neporozhny Sayano-Shushenskaya HPP	The Village of Cheremushki, Sayanogorsk, the Republic of Khakassia, the Russian Federation
18.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Northern Ossetian affiliated branch	JSC RusHydro branch – Northern Ossetian branch	63 Vaso Abaeva Street, Vladikavkaz, the Republic of North Ossetia – Alania, the Russian Federation,
19.	Affiliated branch of Open Joint Stock Company Federal Hydro-Generating Company – RusHydro – Cheboksarskaya HPP	JSC RusHydro branch – Cheboksarskaya HPP	34 Naberezhnaya Street, Novocheboksarsk, the Chuvash Republic, the Russian Federation