

Approved by:  
Management Board of “UES of Russia”,  
Russian Public Limited Company  
of Power Engineering and Electrification  
Minutes №1484 pr/6 of June 24, 2006  
Minutes of RAO “UES of Russia”, PLC Management Board

**REGULATIONS**  
**On the Rules for Calling and Carrying out of Board of**  
**Directors Meetings**  
**of “Interregional Distribution Grid Company of the Center**  
**and North Caucasus”, Public Limited Company**

Tver, 2006

## **1. General Provisions**

1.1. The present Regulations were drawn up in accordance with the Civil Code of the Russian Federation, the Federal Law “On Joint-Stock Companies”, other normative-legal acts of the Russian Federation and the Charter of the “Interregional Distribution Grid Company of the Center and North Caucasus”, Public Limited Company (below the Company).

1.2. The present Regulations are an internal document of the Company, determining rules for calling and carrying out of meetings of the Company’s Board of Directors.

1.3. The Board of Directors is a Managing body of the Company that carries out general management of the Company’s activities, controls implementation of resolutions of general meetings of the Company’s shareholders in accordance with the requirements of the Legislation of the Russian Federation.

1.4. The main goals and objectives of activities performed by the Company’s Board of Directors are:

- determining of a strategy for the Company’s development, aimed at increase of its market capitalization and investment attractiveness, achieving the maximum benefit and enlarging of the Company’s assets;
- providing protection of rights and legal interests of the Company’s shareholders and assistance in settling the corporative conflicts;
- providing complete, reliable and objective disclosure of information on the Company to the shareholders and other interested individuals;
- establishment of effective internal control mechanisms;
- regular evaluation of the activities realized by executive bodies and administration of the Company;

For realization of the stated goals and objectives the Board of Directors must be guided by the following principles:

- passing resolutions based on reliable information on the Company’s activities;
- exclusion of restrictions of the shareholders rights to participate in the Company’s management, receive dividends and information on the Company;
- achieving balance of the interests of different shareholders groups and making maximum objective resolutions meeting the interests of all the Company’s shareholders.

1.5. In its activities the Board of Directors is guided by the Federal Law “On Joint-Stock Companies”, other normative-legal acts of the Russian Federation, the Charter of the Company and the present Regulations.

## **2. Chairperson and Deputy Chairperson of the Company’s Board of Directors**

2.1. Activities of the Board of Directors are organized by the Chairperson of the Company’s Board of Directors.

2.2. The Chairperson of the Board of Directors is elected by the members of the Company’s Board of Directors from their number by a majority vote of the total number of members of the Company’s Board of Directors.

A person functioning as the Company’s general director is not entitled to be elected the Chairperson of the Company’s Board of Directors.

2.3. The Board of Directors is entitled to reelect the Chairperson of the Board of Directors at any time by a majority vote of the total number of members of the Company’s Board of Directors.

2.4. Chairperson of the Board of Directors:

1. organizes activities of the Board of Directors;
2. calls the Board of Directors meetings;
3. determines a mode for carrying out the Board of Directors meetings;
4. approve agenda for the Board of Directors meetings;
5. determines a list of materials (information) on agenda of the meetings which are to be presented to the members of the Company’s Board of Directors;
6. determines a list of individuals invited for participation in discussing of certain problems on agenda of the Board of Directors meetings;

7. presides at the Board of Directors meetings;
8. signs the Minutes of the Board of Directors meetings, demands for carrying out inspection (revision) of the financial and economic activities of the Company and other documents on behalf of the Company's Board of Directors;
9. carries out control of implementation of the working plan of the Board of Directors activities, approved by the Board of Directors;
10. represents the Board of Directors in liaising with the Company's shareholders, administrative bodies, public organizations, mass media;
11. carries out correspondence of the Board of Directors with shareholders, executive bodies, staff members of the Company, other organizations;
12. presides at general meetings of the Company's shareholders, announces agenda, informs on coming speeches and reports and realizes other functions of the Chairperson of the general meetings of the Company's shareholders, stipulated by the Regulations on the Procedures of Preparation and Carrying out of General Meetings of the Company's Shareholders;
13. organizes on behalf of Board of Directors control of implementation of the resolutions of the general meetings of the Company's shareholders and Board of Directors, officially puts to the control implementation of the resolutions passed by the Company's Board of Directors and terminates control from the implemented resolutions;
14. provides meeting the requirements of the legislation of the Russian Federation, the Charter of the Company, other internal documents of the Company and the present Regulations in the process of carrying out of the Board of Directors meetings;
15. realizes other functions stipulated by the legislation of the Russian Federation, the Charter of the Company and resolutions of the Company's Board of Directors.

2.5. in case of absence of the Chairperson of the Company's Board of Directors his functions are realized by a person, elected from the number of the Board of Directors members by a majority vote of the members of the Company's Board of Directors (Deputy Chairperson of the Company's Board of Directors).

A member of the Company's Board of Directors being the General Director of the Company or a member of a corporate executive body of the Company can not be elected a Deputy Chairperson of the Company's Board of Directors.

### **3. Members of the Board of Directors, their Rights, Duties and Responsibility**

3.1. Members of the Board of Directors within the competence of the Board of Directors are entitled to:

- 1) receive information on the Company's activities, study all the constituent, normative, accounting, reporting, contractual and other documents of the Company according to the legislation of the Russian Federation and internal documents of the Company;
- 2) introduce written suggestions on drawing up a plan for the Board of Directors operation;
- 3) according to the approved procedure to introduce problems of the agenda of the Board of Directors meetings;
- 4) demand calling of the Board of Directors meetings;
- 5) realize other rights stipulated by the legislation of the Russian Federation, the Charter of the Company and resolutions of the Company's Board of Directors.

3.2. A member of the Board of Directors is entitled to demand in written form for documents and information necessary for passing a resolution on problems within competence of the Board of Directors directly from the Company's General Director (other person acting as a sole executive body of the company) or from the Secretary of the Board of Directors as well.

3.3. The documents and information must be presented to the member of the Board of Directors no later than 5 (five) working days from the date of the corresponding demand.

3.4. Members of the Board of Directors can be paid a reward and (or) a compensation of expenses connected to the implementation by the members of the Board of Directors of their functions according to the procedure fixed in the Regulations on Rewards and Compensations to the members of the Board of Directors, approved by the general meeting of the Company's shareholders.

3.5. Members of the Board of Directors in realizing their rights and responsibilities must act in the interests of the Company, honestly and reasonably realize their rights and duties.

3.6. Members of the Board of Directors respond before the society for the losses inflicted to the Company by their actus reus (negligence) according to the valid legislation.

Those members of the Board of Directors who voted against the resolution that led to inflicting losses to the Company or those, who did not participate in the vote, are not responsible for the losses.

#### **4. Secretary of the Board of Directors<sup>1</sup> and Secretariat of the Board of Directors**

4.1. Technical (informational, documentary, legal, secretarial) support of the current activity of the Board of Directors is realized by the Secretary of the Company's Board of Directors, functioning in accordance with the Charter of the Company, present Regulations, Regulations on the Secretary of the Board of Directors, other internal documents of the Company and on the instructions of the Chairperson of the Board of Directors.

4.2. Secretary of the Board of Directors is elected by members of the Company's Board of Directors by a majority vote of the members, participating in the meeting.

The candidate for the Secretary of the Board of Directors is suggested by the Chairperson of the Board of Directors.

Board of Directors is entitled to reelect the Secretary of the Board of Directors at any time.

In case if the suggested candidate is a member of the Company's staff his candidature must be approved by the general director of the Company.

In order to provide an effective operation of the Secretary of the Board of Directors, the Board of Directors by its resolution is entitled to establish a Secretariat of the Board of Directors composed of members of the Company's staff.

Management of the Secretariat of the Board of Directors (in case of its establishment) must be realized by the Secretary of the Board of Directors.

4.3. Function of the Secretary of the Board of Directors include:

1) drawing up and presentation to the Chairperson of the Board of Directors of a project agenda for the coming meeting of the Board of Directors according to the Plan of Operation of the Board of Directors and the suggestions from the members of the Board of Directors, the Company's General Director, Inspection Commission, Auditor of the Company and the shareholder (shareholders), holding in the aggregate no less than 5 (five) percent of the voting shares of the Company;

2) providing preparation and delivery of the documents (materials), necessary for organization and carrying out of Board of Directors meetings (notification on carrying out meetings, project resolutions of the problems on the agenda of the meeting, project of the documents for pre-studying, etc.);

3) organizational and technical support for carrying out a vote at the Board of Directors meetings;

4) organization of cooperation of the Board of Directors with the executive bodies of the Company, Board of Directors committees and departments of the Company;

5) organization of preparation and presentation of the documents (information) on demands of the Board of Directors members;

6) organization of demands and replies for the letters on behalf of the Company's Board of Directors on instruction of the Chairperson of the Board of Directors;

7) collection of the questionnaires filled out by the Board of Directors members;

8) drawing up minutes of Board of Directors meetings and extracts from the minutes of Board of Directors meetings;

9) delivery of the documents approved by the Board of Directors;

10) drawing up and carrying out a nomenclature of the Board of Directors activities;

11) systematization and storing of the Board of Directors documents and materials;

12) control of implementation of the Board of Directors resolutions;

13) preparation of demands for presenting information (materials) on the problems on agenda of the Board of Directors meetings;

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<sup>1</sup>In case if the Company elects a Corporative Secretary, the Secretary of the Board of Directors will be called here and below a Corporative Secretary

14) control of reliability of information being presented and correct designing of the documents, presented for consideration and approval to the Board of Directors;

15) preparation on instruction of the Board of Directors Chairperson (Deputy Chairperson of the Board of Directors) of projects of certain documents and resolutions of the Board of Directors including project of the Plan of the Board of Directors Operation;

16) organization of keeping record of the Board of Directors meetings, including on agreement of the participating members, on magnetic devices;

17) realizing other functions stipulated by present Regulations, instructions of the Chairperson and members of the Company's Board of Directors.

4.4. Secretary of the Board of Directors provides coordinated and operative cooperation of Board of Directors members with the Company's shareholders and their representatives, with executive body of the Company, heads and employees of the Company's departments in order to provide an effective operation of the Board of Directors.

Secretariat of the Board of Directors must technically provide an effective operation of the Board of Directors, render every kind of assistance to the operation of the committees, commissions and other Board of Directors bodies.

4.5. Secretary of the Board of Directors is entitled to demand and receive information, necessary for the Board of Directors operation, including that according to the demands of members of the Company's Board of Directors from departments of the executive body of the Company.

4.6. Secretary of the Board of Directors is responsible for:

- timely delivery of notifications on the Board of Directors meetings and materials for the meetings to the Board of Directors members;

- quality of design and reliability of the information contained in the Minutes of the Board of Directors meetings;

- timely delivery of Minutes to the Board of Directors members.

4.7. Bodies and officials of the Company must render assistance to the Secretary of the Board of Directors in realizing his functions.

4.8. It is possible to sign a contract with the Secretary of the Company's Board of Directors on realizing functions of the Secretary of the Company's Board of Directors.

Terms of the contract with the Secretary of the Company's Board of Directors, including terms of rewarding the Secretary of the Board of Directors for realization of his/her duties are determined by the Company's Board of Directors or by a person entitled by the Company's Board of Directors.

4.9. Expenses on providing operation of the of Board of Directors Secretariat and on salary for its employees are covered by the Company's assets within the estimate, approved by a Board of Directors resolutions on presentation of Board of Directors Secretary.

## **5. Organization of the Board of Directors Operation**

5.1. Board of Directors meeting are carried out in accordance with the approved plan of the Board of Directors operation and also in case of necessity, but no less than once in a quarter, if other is not fixed by the present Regulations.

5.2. In case of necessity the Board of Directors Chairperson may decide on carrying out an extraordinary Board of Directors meeting or delaying of the scheduled Board of Directors meeting.

5.3. Plan of the Board of Directors operation.

5.3.1. Plan of the Board of Directors operation may be drawn up according to the following main directions:

- strategic development of the Company;
- medium-term and current planning of the Company's activities;
- organization of the Board of Directors operation;
- control of implementation of the Board of Directors resolutions and general shareholders meeting.

5.3.2. Plan of the Board of Directors operation must include:

- 1) problems for consideration at the Company's Board of Directors meetings in the passing year (quarterly);
- 2) list of individuals (management bodies of the Company), responsible for preparation of the problems for consideration at the Board of Directors meeting (Board of Directors member, General Director of the Company, other individuals).

5.3.3. Plan of the Board of Directors operation are based on suggestions of Board of Directors Chairperson and members, Company's Inspection Commission, Company's General Director, Company's Auditor with meeting the requirements stated in paragraphs one and two of 6.4. of present Regulations.

The suggestions must be sent to the Board of Directors Chairperson in written form and at the same time its copy must be sent to the Board of Directors Secretary.

## **6. Calling for a Board of Directors Meeting**

6.1. First meeting of Board of Directors, elected in its new composition, is called by a member of the Company's Board of Directors through delivering a notification on calling a meeting to all the other members of the Company's Board of Directors and to the Company addressed for the General Director.

The General Director must render assistance and present all the information necessary for organization of the first meeting of Board of Directors elected in its new composition.

At the first meeting of Board of Directors it is necessary to consider the following problems:

- election of a Board of Directors Chairperson;
- election of a Deputy Chairperson of the Board of Directors;
- election of a Board of Directors Secretary.

6.2. Following meetings of Board of Directors are called by the Board of Directors Chairperson (except the case stated in 2.5. of the present Regulations):

- according to the schedule of carrying out Board of Directors meetings, approved by the Plan of Board of Directors operation;
- on an initiative of Board of Directors Chairperson;
- on written demand of a member of Board of Directors, Company's Inspection Commission, Company's General Director, Company's Auditor or shareholder (shareholders), holding in the aggregate no less than 5 (five) percent of the voting shares of the Company.

6.3. Demand for calling a Board of Directors meeting must contain:

- reference to the initiator of carrying out the meeting;
- statement of problems on agenda;
- motives for putting the stated problems on agenda;
- information (materials) on the problems on agenda;
- projects of resolutions on the problems on agenda.

6.4. Demand for calling a Board of Directors meeting must be designed in written form and signed by a person, demanding its calling.

Demand of the Company's Inspection Commission for calling a Board of Directors meeting must be signed by the Inspection Commission Chairperson.

A demand of a shareholder (shareholders) must contain the name of the shareholders (shareholder), number and category (type) of shares owned by them and must be signed by the shareholders (shareholder). In case if the demand is signed by a representative of a shareholder, such a suggestion (demand) must enclose a letter of attorney (copy of the letter of attorney, notarized according to a valid procedure), containing information of the representative and the person being represented, which according to the Federal Law "On Joint-Stock Companies" must be included in a letter of attorney for a voting designed in accordance with the requirements to designing a letter of attorney for a voting, fixed by Federal Law "On Joint-Stock Companies". In case if the demand is signed by a shareholder (representative of a shareholder), whose rights to the shares are considered according to a deposit account in the depositary, such a demand must enclose an extract from the deposit account of the shareholder in the depositary registering rights to the mentioned shares.

A demand for calling a Board of Directors meeting with all the necessary enclosures must be sent to the Board of Directors Chairperson and at the same time its copy must be sent to the Board of Directors Secretary.

6.5. The Board of Directors Chairperson must consider the presented demand for calling an extraordinary Board of Directors meeting and pass a resolution on calling of such a meeting, on denial from its calling or on putting the problems stated in the demand on agenda of a coming scheduled Board of Directors meeting (according to the approved Plan of Board of Directors Operation) no later than 5 (five) working days from the moment of receiving of the corresponding demand. Board of Directors meeting for consideration of the problem (problems), stated in the demand must be carried out no later than 30 (thirty) calendar days from the moment of receiving by the Board of Directors Chairperson of the corresponding demand.

Motivated resolution of the Board of Directors Chairperson on denial from calling an extraordinary Board of Directors meeting must be sent to the person, demanding calling of such a meeting no later than 3 (three) working days from the moment of passing such a resolution.

Not meeting with the requirements stated by 6.3. and 6.4. of the present Regulations may serve as a ground for not meeting the demand for calling an extraordinary Board of Directors meeting.

6.6. Notification on calling a Board of Directors meeting must be prepared by the Board of Directors Secretary and signed by the Chairperson or Deputy Chairperson of the Board of Directors (in the cases stipulated by the present Regulations).

6.6.1. Notification on calling a Board of Directors meeting must be sent by the Board of Directors Secretary to every member of the Board of Directors in written form no later than 11 (eleven) working days before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except the case, stipulated by the present Regulations. By a resolution of the Board of Directors Chairperson the term of delivery to the Board of Directors members of notification on calling a Board of Directors meeting may be reduced.

6.6.2. In case of putting on agenda of the Board of Directors meeting of the problems which according to the Regulations on the Board of Directors Committees must be pre-studied by a corresponding Board of Directors Committee (in case of its establishment) and by the moment of sending a notification the resolutions (recommendations) of the Board of Directors Committee on the problems were not presented, notification on calling such a meeting of the Board of Directors must be sent by the Board of Directors Secretary to every member of the Board of Directors in written form no later than 15 (fifteen) working days before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except cases, stipulated by the present Regulations.

6.7. Simultaneously with notification on calling a Board of Directors meeting, materials on the problems on agenda of the meeting must be delivered to the members of the Board of Directors.

Materials (information) on the problems on agenda of the meeting are:

- projects of Board of Directors resolutions on the problems on agenda of the Board of Directors meeting;
- explanatory note to the projects of Board of Directors resolutions on the problems on agenda of the Board of Directors meeting;
- projects of the documents presented for approval, agreement or confirmation by the Board of Directors;
- minutes of the meetings and sittings of the governing bodies, resolutions (recommendations) of the Board of Directors Committees and other purposely established bodies and commissions of the Company for pre-study of the problems (in case of establishment);
- materials, proving the information, stated in the projects of resolutions and explanatory notes;
- other informational materials on the problems on agenda of the Board of Directors meeting.

6.8. Materials (information) on the problems on agenda may be presented to the members of the Board of Directors personally, via fax, electronic mail or in the original.

6.9. In case of putting on the agenda of the Board of Directors meeting of the problems which according to the Regulations on the Board of Directors Committees must be pre-studied by a

corresponding Board of Directors Committee, notification on the Board of Directors meeting and materials on the stated problems must be presented by the Secretary of the Company's Board of Directors to the corresponding Committee according to the terms and deadlines stipulated by 6.6.2. and 6.8. of the present Regulations.

Resolutions (recommendations) of the Board of Directors Committee must be sent by the Secretary of the Company's Board of Directors to the members of the Board of Directors members in case of their presentation to the Board of Directors no later than 3 (three) working days before the date of carrying out of the Board of Directors meeting except the case, mentioned in 10.18. of the present Regulations. In case if the resolutions (recommendations) of the corresponding Board of Directors Committee were not presented (or were presented with violation of the fixed terms) - the Board of Directors is entitled to pass a resolution on the problem without consideration of such resolutions (recommendations).

6.10. The Board of Directors Chairman is entitled on agreement with the initiator of putting to consideration of the Board of Directors of the problem which according to the Regulations on the Board of Directors Committees must be pre-studied by a corresponding Board of Directors Committee, to delay once consideration of the stated problem in case if the Committee have not presented the necessary resolutions (recommendations) and the Committee Chairperson has sent a letter with the motivated request for such a delaying.

6.11. In cases considered in 5.2. and part 10 of the present Regulations the deadline of delivering of a notification on calling a Board of Directors meeting to the Board of Directors members and presentation of the materials (information) may be reduced by a resolution of the Board of Directors Chairman.

## **7. Rules for Carrying out the Board of Directors Meeting**

7.1. The Board of Directors meetings are opened by the Board of Directors Chairperson.

7.2. In the Board of Directors meetings participate the Board of Directors members and individuals invited to the meeting for every problem, being considered according to the list approved by the Board of Directors Chairperson.

7.3. The Board of Directors Secretary states the quorum for carrying out the Board of Directors meeting.

The quorum for carrying out the Board of Directors meeting is no less than a half of the elected members of the Company's Board of Directors.

7.4. The Board of Directors Chairperson informs the participants on presence of the quorum necessary for carrying out the Board of Directors meeting and announces agenda of the Board of Directors meeting.

7.5. In case of absence of the quorum the meeting shall be considered incompetent. Under such circumstances the Board of Directors Chairperson shall pass one of the following resolutions:

1) by way of consultations with the present Board of Directors members shall set a new time for the beginning of the meeting, but no more than two hours later;

2) shall set a date for another meeting instead of the cancelled one with the previously approved agenda;

A new meeting instead of the cancelled one shall be held no later than 20 days after passing the corresponding resolution by the Board of Directors Chairperson on the problem;

3) shall put items of the cancelled meeting on the agenda of the coming regular meeting of the Board of Directors.

7.6. Meeting of the Board of Directors includes the following stages:

1) speech of the Board of Directors member or an invited person on a problem on agenda;

2) discussion on the problem on agenda;

3) suggestions on definition of a resolution of the problem on agenda;

4) vote on the problem on agenda;

5) counting of votes and summing up the results of the vote;

6) announcing of the results of the vote and a resolutions passed on the problem on agenda.



7.7. At the Board of Directors meeting with total presence of its members it is necessary to hear information of the Board of Directors Secretary on implementation of the previous Board of Directors resolutions.

7.8. Resolutions at the Company's Board of Directors shall be passed by a majority vote of the Board of Directors members present at the meeting except cases implemented by the Legislation of the Russian Federation and the Charter of the Company.

7.9. While passing resolutions on the problems of Board of Directors every member of the Board of Directors has one vote.

In case of equality of votes the vote of the Board of Directors Chairperson is the casting vote.

Transfer of a vote of one member of the Company's Board of Directors to another member of the Company's Board of Directors or any other individual is not admissible.

## **8. Rules for Carrying out the Board of Directors Meeting in Open-Postal Form**

8.1. By a resolution of Board of Directors Chairperson the Board of Directors meeting may be carried out in open and postal form. Information on it shall be fixed in the notification on carrying out of the meeting.

8.2. In case of presence at the meeting of more than a half of the Board of Directors members while determining of the results of the voting on the problems on agenda it is necessary to consider written suggestions of the Board of Directors members absent at the Board of Directors meeting according to the procedure, fixed by the present Regulations.

8.3. On the day of carrying out a meeting of the Board of Directors the Board of Directors Secretary according to the results of the vote at the meeting draws up a questionnaire (Enclosure 1), signed by the Board of Directors Chairperson which is sent in the original or via fax or e-mail (with the following delivery of the original of a questionnaire to the address, fixed in the questionnaire) to the members of the Company's Board of Directors, who were absent at the stated meeting.

8.4. While filling out the questionnaire a Board of Directors member must leave uncrossed only one of the suggested variants of the voting ("for", "against", "abstainer") regarding every project of resolution for every problem. The filled out questionnaire must be signed by the Board of Directors member and have his/her last name and initials.

8.5. Filled out and signed questionnaire must be presented by the Board of Directors member no later than the following day from the date of the meeting to the Board of Directors Secretary in the original or via fax with the following delivery of the original questionnaire to the address, stated in the questionnaire.

8.6. The questionnaire, filled out and presented with the violation of terms, stated in 8.4. of the present Regulations is considered invalid (in case of violation of the requirements to filling out of the vote variants it is considered invalid only with respect to the corresponding problem) and is not considered in the poll.

A questionnaire received by the Company after its deadline is not considered in the poll and in summing up the results of the voting.

8.7. According to the results of the vote at the meeting and questionnaires, received from the Board of Directors members, the Board of Directors Secretary sums up the results of the voting on the problems on agenda and draws up the minutes of the Board of Directors according to the procedure, fixed by the present Regulations.

8.8. Filled out questionnaires of the Board of Directors members absent at the Board of Directors meetings shall be enclosed to the minutes of the Board of Directors meetings.

## **9. Rules for Passing Resolutions by the Absentee Ballot**

9.1. Resolutions of the Company's Board of Directors on the problems on agenda of a meeting may be made by the absentee ballot (polling).

9.2. For passing a resolution of the Board of Directors by the absentee ballot (polling) every member of the Board of Directors shall receive a notification on carrying out the absentee ballot on the problems on agenda, project resolution and materials (information) on the problems, put on agenda according to the terms and procedures fixed by 6.6.-6.11. of the present Regulations.

9.3. Notification on carrying out the absentee ballot shall contain:

- full name of the Company and its address;
- definition of the problems on agenda;
- notification of carrying out the absentee ballot through filing out a questionnaire;
- date and time of the deadline for collection of the questionnaires for the absentee ballot;
- list of information (materials), presented to the members of the Board of Directors.

9.4. Taking into consideration all the presented suggestions and (or) remarks on the presented projects of resolutions on the problems on agenda, the Board of Directors Secretary on agreement with the Board of Directors Chairperson draws up a questionnaire for the absentee ballot (according to the form presented in Enclosure 2).

9.5. A questionnaire for the absentee ballot shall be sent to the Board of Directors members no later than 3 (three) working days before the deadline for collection of the questionnaires, fixed in the notification of carrying out the absentee ballot.

Together with a questionnaire it is necessary to send resolutions (recommendations) of the corresponding Committees (in case if the latter ones were received by the Secretary of the Company's Board of Directors)

9.6. While filling out a questionnaire for the absentee ballot a Board of Directors member must leave uncrossed only one of the suggested variants of the voting ("for", "against," "abstainer") regarding every project of resolution for every problem. The filled out questionnaire must be signed by the Board of Directors member and have his/her last name and initials.

9.7. The questionnaire, filled out and presented with the violation of terms, stated in 9.6. of the present Regulations is considered invalid (in case of violation of the requirements to filling out of the vote variants it is considered invalid only with respect to the corresponding problem) and does not participate in stating of the quorum, necessary for passing a resolution by the absentee ballot, and is not considered in the poll.

9.8. Filled out and signed questionnaire must be presented by the Board of Directors member before the deadline fixed in the questionnaire to the Board of Directors Secretary in the original or via fax with the following delivery of the original questionnaire to the address, stated in the questionnaire.

A questionnaire received by the Company after its deadline is not considered in the poll and in summing up the results of the voting.

9.9. Results of the voting on the problems on agenda of the meeting, carried out by the absentee ballot are summed up on the basis of the questionnaires filled out and signed by the Board of Directors members, received by the Company on time, fixed in the notification of carrying out the absentee ballot.

9.10. According to the received questionnaires the Board of Directors Secretary draws up the minutes of the Board of Directors according to the procedure, fixed by the present Regulations.

## **10. Calling and Carrying out the Board of Directors meetings, Connected to the Establishment of the Governing Bodies of the Company.**

10.1. Calling and carrying out the Board of Directors meetings, connected to the establishment of the governing bodies of the Company (election, suspension, termination of the power) is realized by the common rules fixed by the present Regulations with consideration of the specifications, determined by the present part.

10.2. The procedure, determined by the part shall be realized in the following cases:

- termination of the power of the General Director and election of a new General Director (or acting General Director);
- election of a General Director (in case if earlier the Board of Directors resolved on termination of the power of the General Director and on election of an acting General Director and a new General Director of the Company was not elected);
- suspension of power of the managing organization (manager) and assignment of an acting General Director.

10.3. Preparation and carrying out of a Board of Directors meeting with the agenda containing the problems, fixed in 10.2. of the present Regulations shall include the following stages:

- notification of the Board of Directors members on calling a meeting with a right to run a candidate for the position of the General Director (or acting General Director in case of statement of the question on suspension of the power of the managing organization (manager)) or a candidature of the managing organization (manager) in the cases stipulated by the present part;
- running by the Board of Directors members of the candidatures for the position of the General Director (acting General Director, managing organization (manager));
- passing a resolution on termination of the power of the General Director or on suspension of the power of the managing organization (manager);
- passing a resolution on election of a General Director (or acting General Director in case of statement of the question on suspension of the power of the managing organization (manager));
- passing a resolution on election of an acting General Director in case of the resolution on suspension of the power of a General Director, but as a result of voting, a resolution on election of a new General Director was not made;
- establishment of suggestion of the Board of Directors on a candidature (candidatures) of a managing organization (manager) for a vote at the Company's general shareholders meeting on the problem of transfer of the power of a sole executive body of the Company to the managing organization (manager).

10.4. In case of passing a resolution on suspension of the power of the managing organization (manager) and assignment of an acting General Director, the Board of Directors is obliged to pass a resolution on carrying out an extraordinary general shareholders meeting of the Company for passing a resolutions on preterm termination of power of the managing organization (manager).

10.5. In case, stipulated by 10.4. of the present Regulations, at the meeting when the resolutions on suspension of the power of the managing organization (manager) and on assigning of an acting General Director are passed, the Board of Directors must also consider a problem on a candidature (candidatures) of a managing organization (manager), to which it is suggested to transfer the power of a sole executive body of the Company, as well as to pass other resolutions connected to suspension of the power of the managing organization (manager) and implementation by the acting General Director of his functions before carrying out of the general shareholders meeting of the Company.

10.6. Notification on calling a Board of Directors meeting with the agenda containing the problems, fixed in 10.2. of the present Regulations shall be sent to the Board of Directors members in written form no later than 3 (three) days before the date of carrying out the Board of Directors meeting.

The mentioned meeting of the Board of Directors may be carried out in any form and the requirements of the present Regulations, stipulating approval of all the Board of Directors members for carrying out the meeting by the absentee ballot, shall not be applied.

10.7. In case if the stated problems according to the Regulations on the Board of Directors Committees shall be pre-studied by a corresponding Board of Directors committee of the Company, a notification on carrying out a Board of Directors meeting, which agenda contains the stated problems shall be delivered to the Board of Directors members in written form no later than 5 (five) days before the date of carrying out the Board of Directors meeting.

The mentioned Board of Directors meeting may be carried out in any form.

10.8. If other is not fixed by a Board of Directors resolution, every member of the Board of Directors is entitled to run no more than one candidate for the position of General Director (acting General Director). A member of the Board of Directors is entitled to run a candidate for the position of acting General Director in case if a resolution is passed on termination of power of the General Director, but on the result of the vote the resolution on election of a new General Director is not made. In such a case a member of the Board of Directors is entitled to run the same candidate for the position of General Director as well as for the position of acting General Director.

10.9. In case of putting g on agenda of a meeting g of the Company's Board of Directors of a problem on suspension of the power of the managing organization (manager), a member of the Board of Directors is also entitled to run a candidate of the managing organization (manager) for formation of suggestion of the Board of Directors to the general shareholders meeting of the Company on the problem of transfer of the power of a sole executive body of the Company to the managing organization (manager).

10.10. Suggestion on running a candidate (10.8 and 10.8 of the present Regulations) shall be presented in written form and signed by the member of the Board of Directors, running the candidate.

10.11. Suggestion on running a candidate for the position of General Director (acting General Director) shall contain the following information:

- name of the suggested candidate;
- date and place of birth;
- information on education, specialty and qualification;
- information on presence of a scientific degree;
- information on labor activities for the latest 5 (five) years;
- quantity and categories (types) of the Company's shares owned by the candidate.

10.12. Suggestion on running a candidature of a managing organization shall contain the following information:

- full name of the company;
- information on date and time of the state registration of the company;
- information on the Company's founders;
- information on the Company's shareholders (participants);
- information on the Company's affiliated individuals.

10.13. Suggestion on running a candidature of a manager shall contain the information stipulated by 10.11. of the present Regulations and the information on presence of a certificate of the state registration as an individual businessman.

10.14. Suggestions on running a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original or via fax (with the following presentation of the original at the meeting) within the term no later than 1 (one) day before the meeting of the Board of Directors.

In cases stipulated by 10.7. suggestions on running a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original or via fax (with the following presentation of the original at the meeting) within the term no later than 3 (three) working days before the meeting of the Board of Directors.

10.15. Suggestion on running candidatures received from the members of the Board of Directors shall be included into the list for vote.

10.16. In case if on results of the vote (votes) on the problem of election of a General Director, no candidature has the necessary number of votes the Board of Directors is entitled to appoint an acting General Director. IN this case the vote is carried out with the candidatures for the position of acting General Director, run by the Board of Directors members according to 10.8. of the present part. In case if no members has run a candidate for the position of acting General Director according to 10.8. of the present part the vote is carried out with the candidatures which Board of Directors members are entitled to run in the process of the Board of Directors meeting.

10.17. Board of Directors members are entitled to demand from a member of the Board of Directors for information on his candidate.

10.18. In case if the problems, stipulated by 10.2. of the present Regulations according to the Regulations on the Board of Directors Committees (in case of its establishment) must be pre-studied by a corresponding Board of Directors Committee, a notification on carrying out a meeting of the Board of Directors on the stated problems shall be sent by the Board of Directors Secretary to the corresponding committee within the terms, stipulated by 10.7. of the present Regulation. Suggestions on running a candidate for the position of a General Director (acting General Director) or a managing organization of the Company and information on them, received from the members of the Board of Directors shall be sent by the Board of Directors Secretary to the corresponding Board of Directors Committee immediately on their reception according to the procedure and terms, providing their soonest delivery to the committee (via fax, e-mail, etc.)

The resolutions (recommendations) of the Board of Directors Committee in case of their reception by the Board of Directors before the date of carrying out of the Board of Directors meeting shall be immediately delivered by the Board of Directors Secretary to the members of the Board of Directors of the Company and shall be presented to the members of the Board of Directors at the Board of Directors meeting in case of carrying out the meeting in open- postal form. In case if the resolutions (recommendations) of a corresponding committee were not presented to the Board of Directors, the Board of Directors is entitled to pass a resolution without consideration of such resolutions (recommendations).

10.19. In case if according to the Charter of the Company, election of a General Director shall be carried out by the general shareholders meeting, the provisions of the present part shall be applied in a way not contradicting to the Charter of the Company and the legislation of the Russian Federation.

10.20. In case of establishment in the Company of a corporative executive body, the terms of election and termination of power of its members shall be fixed by an internal document of the Company, regulating activities of the body.

## **11. Minutes of a Board of Directors Meeting**

11.1. At a Board of Directors meeting the Secretary of the Board of Directors keeps minutes.

11.2. Minutes of a Board of Directors Meeting shall be drawn up no later than 3 (three) days after its carrying out (summing up the results of postal, open-postal vote).

11.3. The Minutes shall include:

- full name of the Company;
- form of carrying out the meeting;
- place and time of carrying out the meeting;
- members of the Board of Directors, present at the meeting (those who participated in postal, open-postal vote) and invited individuals;
- information on presence of the quorum;
- agenda of the meeting;
- problems put on the vote and results of the roll-call vote on them;
- summaries of the reports and speeches of the participants;

- pass resolutions.

Minutes of a Board of Directors Meeting shall be signed by the presiding person and the Secretary of the Board of Directors, responsible for correct drawing up of the Minutes.

Secretary of the Board of Directors vises all the enclosures to the Minutes of the Board of Directors Meeting (Chairperson of the Board of Directors vises the enclosures to the Minutes of the Board of Directors Meeting in case if it is stipulated by the document format).

11.4. Resolutions passed by the Board of Directors are announced to the Board of Directors members in written form through their delivery by the Secretary of the Board of Directors of a copy of the Minutes of the Board of Directors Meeting within the term no later than 3 (three) days from the moment of signing of the Minutes of the Board of Directors Meeting.

11.5. The Company is obliged to keep the Minutes of the Board of Directors Meetings at the executive body of the Company or at other place known and available for the interested individuals.

11.6. Minutes of the Board of Directors Meeting must be available to any shareholder of the Company, a member of the Board of Directors, Inspection Commission, Auditor of the Company, General Director of the Company, official representatives of federal control bodies at the executive body of the Company or at any other place, determined by the Company's Board of Directors.

## **12. Conclusions**

12.1. In order to improve its operation the Board of Directors is obliged to carry out a regular evaluation of efficiency of its activities.

Frequency, criteria of evaluation and other questions connected to evaluation of efficiency of the Board of Directors operation shall be determined by separate resolutions of the Company's Board of Directors.

Enclosure 1  
to the Regulations  
On the Rules for Calling and Carrying out  
of the Board of Directors Meetings  
of “Interregional Distribution Grid Company  
of the Center and North Caucasus”,  
Public Limited Company

**Board of Directors  
of the “Interregional Distribution Grid Company  
of the Center and North Caucasus”,  
Public Limited Company**

**QUESTIONNAIRE**

for voting on the problems on agenda of the Board of Directors Meetings  
of “IDGC of the Center and North Caucasus”, PLC,  
carried out in the open -postal form on “ \_\_\_\_\_ ” “ \_\_\_\_\_ ” 200\_\_

Problem

1. \_\_\_\_\_

Resolution (made at the meeting):

1. \_\_\_\_\_

for

against

abstainer

(leave your variant uncrossed)

Problem

2. \_\_\_\_\_

Resolutions (made at the meeting):

2. \_\_\_\_\_

for

against

abstainer

(leave your variant uncrossed)

Filled out and signed questionnaire shall be sent via fax \_\_\_\_\_ or in the original no later than  
\_\_\_\_(date, time)

The questionnaire received by the Company after the fixed deadline is not considered in the poll and  
in summing up the results of the vote in the open - postal form.

Please send the original of the questionnaire to the address: \_\_\_\_\_ -

Member of the Board of Directors  
of “IDGC of the Center and North Caucasus”, PLC \_\_\_\_\_(signature/ full name)

The Board of Directors Chairperson \_\_\_\_\_(signature/ full name)

The questionnaire is considered invalid without signatures of the Board of Directors Chairperson and the member of the Board of Directors

Enclosure 2  
to the Regulations  
On the Rules of Calling and Carrying out  
of the Board of Directors Meetings  
of “Interregional Distribution Grid Company  
of the Center and North Caucasus”,  
Public Limited Company

**Board of Directors  
of the “Interregional Distribution Grid Company  
of the Center and North Caucasus”,  
Public Limited Company**

QUESTIONNAIRE

for the postal vote on the problems on agenda of the Board of Directors Meetings  
of “IDGC of the Center and North Caucasus”, PLC.

Problem 1:

\_\_\_\_\_

Resolution:

\_\_\_\_\_

for

against

abstainer

(leave your variant uncrossed)

Problem 2:

\_\_\_\_\_

Resolutions:

\_\_\_\_\_

for

against

abstainer

(leave your variant uncrossed)

Filled out and signed questionnaire shall be sent via fax \_\_\_\_\_ or in the original no later than  
\_\_\_\_(date, time)

The questionnaire received by the Company after the fixed deadline is not considered in the poll and  
in summing up the results of the postal vote.

Please send the original of the questionnaire to the address: \_\_\_\_\_ -

Member of the Board of Directors  
of “IDGC of the Center and North Caucasus”, PLC \_\_\_\_\_(signature/ full name)

The questionnaire is considered invalid without signature of the member of the Board of Directors