

Agreement No. HH/965-2007

20 June 2007

Moscow

RAO UES of Russia (hereinafter "Company") represented by Deputy Chairman of the Management Board Y.M. Urinson acting under the Power of Attorney of 26.04.2007 and MMC Norilsk Nickel, a shareholder in RAO UES of Russia holding 1,016,370,000 (one billion sixteen million three hundred and seventy thousand) ordinary registered shares in RAO UES of Russia and 500,000,000 (five hundred million) A preference shares ("Shareholder"), represented by its CEO D.S. Morozov acting under the Articles of Association, hereinafter collectively referred to as the "Parties",

For the purposes of ensuring the possibility for allocation to the Shareholder of shares in the special holding company JSC Intergeneration to be created in compliance with submitted proposal on creation of a special holding company No. ГМК/8188 of 21 May 2007 and Final Joint Proposal No. ГМК/9785 of 19.06.07 (hereinafter collectively referred to as "Proposals") and for compliance with the rights of other shareholders in the Company in the course of reorganization of the Company¹,

Whereas the conditions for ensuring the possibility for the Shareholder to be allocated shares in JSC Intergeneration in compliance with the Proposals and for compliance with the rights of other shareholders in the Company in the course of reorganization of the Company include:

- the Shareholder undertaking to maintain its share in the authorized capital of the Company (number of shares of each type and class in the Company) intact from the date of signing the proposal on creation of the special holding company until State Registration of JSC Intergeneration,
- approval of the terms of reorganization of RAO UES of Russia and its subsidiary and dependent companies of RAO UES of Russia participating in the reorganization,
- approval of the procedure for raising investments in SDC of RAO UES of Russia for implementation of priority investment projects,

Have come to mutual understanding and agreed that:

1. the Shareholder shall maintain its share in the authorized capital of the Company (1,016,370,000 (one billion sixteen million three hundred and seventy thousand) ordinary registered shares in RAO UES of Russia and 500,000,000 (five hundred million) A preference shares) until State Registration of JSC Intergeneration on the terms provided for herein.
2. the Parties shall finalize and sign before 29 June 2007 all documents required for implementation of mechanisms ensuring and guaranteeing that the Shareholder will maintain intact its share (number of Shares) in the authorized capital of the Company, providing for the following, inter alia:
 - 2.1. until the earlier of 10 July 2008 or the completion date of reorganization of the Company (entry of a record into the CSRLE on termination of existence of RAO UES of Russia as a result of takeover by FGC UES), the Shares shall be kept in the custody account ("Custody Account") open with Depository and Corporate Technologies ("Depository") under an agreement with the Depository (draft agreement in Annex 1) being a nominal first tier holder in the share register of the Company.

¹ In this document reorganization of RAO UES of Russia shall mean reorganization of RAO UES of Russia as defined in the decision of 02 March 2007 by the Board of Directors of RAO UES of Russia (MoM No. 245) and the decision of 27 April 2007 by the Board of Directors of RAO UES of Russia (MoM No. 250).

- 2.2. the Shareholder shall execute by itself and for its own expense all documents (including a tripartite agreement between the Depository, Shareholder and Company; draft agreement in Annex 2) required to appoint the Company or a person indicated by the Company as operator ("Account Operator") of the Custody Account stated in clause 2.1 herein, with the Account Operator having no right to perform any operations with the Shares (or other securities kept in the Custody Account) without consent by the Shareholder.
- 2.3. the Shareholder shall transfer custody account instructions relating to writing-off securities from the custody account, and to operations related to closing the custody account solely through the Custody Account Operator.
- 2.4. the agreement with the Account Operator shall provide for restrictions to the transfer of instructions for writing-off shares from the account before the expiry of the period stated in clause 2.1 herein;
- 2.5. the custody account may not be closed while there are Shares kept in it.
- 2.6. the agreement with the Depository shall provide for unilateral termination by 12 (twelve) month notice.
- 2.7. the agreement with the Depository shall provide for blocking the Shares, with only the Account Operator and Shareholder capable of unblocking the Shares.
- 2.8. the agreement with the Depository and the agreement with the Operator shall provide for potential transfer of title to all shares stated in clause 1 herein and kept in the Custody Account from the Shareholder only to one entity (assignee) created as a result of reorganization of the Shareholder through a spin-off.
- 2.9. the agreement with the Custody Account Operator shall provide for mandatory compliance with the special termination procedure of the Custody Account Operator's authorities.
- 2.10. the agreement with the Depository and the agreement with the Operator shall provide for potential termination of these agreements within 3 days in cases provided for in clause 4.
- 2.11. the Shareholder may appoint a custody account custodian, who shall be agreed with the Company in writing, with the Shareholder having no right to give instructions with respect to the Shares without written consent thereto by the Custody Account Custodian.
- 2.12. other conditions ensuring and guaranteeing that the share of the Shareholder (number of Shares) in the Company will remain intact until completion of the Company's reorganization, as agreed between the Parties.
3. Until 29 June 2007 the Shareholder shall execute all agreements, assume all obligations, grant the Company or the person indicated by the Company with all rights required for implementation of mechanisms provided for in clause 2 herein, and ensure that all corporate approvals and consents required for the Shareholder, including as provided for in clause 10 herein, are obtained.
4. The obligations of the Shareholder hereunder shall be terminated in case of occurrence of any of the circumstances below:
 - failure by the General Meeting of Shareholders of RAO UES of Russia to adopt before 1 January 2008 a decision on reorganization of RAO UES of Russia providing for a spin-off from RAO UES of Russia of a special holding company JSC Intergeneration as proposed by the Shareholder, with the shares in JSC Intergeneration to be allocated to the Shareholder, or an entity created in the course of reorganization of the Shareholder through a spin-off, in case all shares in RAO UES of Russia as indicated in clause 1 herein are assigned to such entity.
 - absence, as of 10 July 2008, of State Registration of JSC Intergeneration to be created following the proposal of the Depositor.
5. The Shareholder shall ensure assignment of all shares in RAO UES of Russia as indicated in clause 1 herein, rights and obligations under this Agreement and agreements

entered into hereunder that can be recognized in the separation balance sheet of MMC Norilsk Nickel prepared in case of reorganization, only to one company created as a result of reorganization of MMC Norilsk Nickel, and ensure entry by the assignee of MMC Norilsk Nickel into all agreements and contracts required for transfer of all rights and obligations under this Agreement and agreements entered into hereunder to such assignee.

6. The Shareholder undertakes of its own free will to support the terms of reorganization of RAO UES of Russia, including to vote positively or cause positive voting by its representatives, affiliates (entities of which it is an affiliate) at the General Meeting of Shareholders of the Company on reorganization issues, and at general meetings of shareholders (meetings of Boards of Directors) of the subsidiary and dependent companies (SDC) of RAO UES of Russia on issues of reorganization of SDCs of the Company through consolidation by such SDCs of companies spun-off from RAO UES of Russia (in case the Shareholder, its representatives, affiliates (entities of which it is an affiliate) have the right to vote at the meetings of shareholders of such SDCs on reorganization issues).
7. The Shareholder undertakes of its own freewill to support additional share issues performed by SDCs of RAO UES of Russia in order to raise investments in construction and reconstruction of utility facilities, including to vote positively or cause positive voting by its representatives, affiliates (entities of which it is an affiliate) at general meetings of shareholders (meetings of Boards of Directors) of the SDCs of RAO UES of Russia on additional share issues (in case the Shareholder, its representatives, affiliates (entities of which it is an affiliate) have the right to vote at the meetings of management bodies of such SDCs).
8. Within 3 months from signing of this Agreement the Company shall consider entering into the agenda of the Board of Directors of the Company the issue of potential implementation of the pre-emptive right of the shareholder to acquire shares in additional share issues by subsidiaries and dependent companies of RAO UES of Russia whose shares will be referred in the separation balance sheet of RAO UES of Russia to the balance sheet of JSC Intergeneration.
9. The Company shall consider potential finalization with MMC Norilsk Nickel of the procedure of voting by representatives of RAO UES of Russia at meetings of the Boards of Directors of companies whose shares will be transferred to JSC Intergeneration in the separation balance sheet of RAO UES of Russia.
10. In case this Agreement is an interested-party transaction for the Parties, this Agreement shall enter into force after it has been approved by the management bodies of such Party as an interested-party transaction.

Annexes:

1. Draft Agreement with the Depository;
2. Draft Tripartite Agreement between the Depository, Shareholder and Company.

RAO UES of Russia

Address:

101/3 Prospekt Vernadskogo, Moscow

MMC Norilsk Nickel

Registered address:

Dudinka, Krasnoyarsk Territory 647000

INN: 8401005730; KPP: 997550001;

a/c 4070281080800001014636 with AKB
Rosbank in Moscow;

BIC: 044525256;

Correspondent a/c: 30101810000000000256;

Location: KDC Usadba-Centre, 22
Voznesenskiy pereulok, Moscow 125993

[signed] Y.M. Urinson [seal]

[signed] D.S. Morozov [sealed]