

12. Approval of the Regulations on the Company's Board of Directors in a revised version

According to clause 10.1.22 of the Company's Charter the issue of approving internal documents regulating activity of the Company's corporate bodies falls within the competence of the General Shareholders' Meeting.

Pursuant to item 13.1.7 clause 13.1 of the Charter, referring the matter to the General Meeting of Shareholders of the Company is within the competence of the Board of Directors.

The Board of Directors has been reviewed the Regulations at the meeting held on April 7, 2015 in person (Minutes #138) and recommended for approval by the Annual General Meeting of Shareholders.

Necessity of approval of the redrafted Regulation on the Board of Directors of the Company is conditioned by the following circumstances:

(1) September 01, 2014 the Federal Law dated May 05, 2014 No.99-FZ "On Amendments to Chapter 4 of Part One of the Civil Code of the Russian Federation and on the Annulment of Certain Provisions of Acts of Legislation of the Russian Federation" entered into force, thus making amendments to the Civil Code of the Russian Federation.

(2) The Central Bank of the Russian Federation (Bank of Russia) approved the new Corporate Governance Code (the letter of the Bank of Russia dated April 10, 2014 No. 06-52/2463), recommended for use by joint stock companies, the securities of which are listed.

(3) September 15, 2014 the new Listing Rules of Closed Joint Stock Company MICEX Stock Exchange entered into force, requiring conformation of the corporate governance system of the Company with the requirements of the organizer of trade on the securities market.

(4) November 24, 2014 the Board of Directors of JSC Inter RAO (minutes dated November 26, 2014 No.128) invalidated the Corporate Governance Code, approved by the Board of Directors April 23, 2008, and determined that the Company's activity is guided by the Corporate Governance Code, approved by the Bank of Russia March 21, 2014 (letter from the Bank of Russia dated April 10, 2014 No.06-52/2463).

(5) Modifications of legal and technical character.

In view of the above, and for the purpose of compliance the text of the Regulation with the changes in the legislation, new Listing Rules of Closed Joint Stock Company "MICEX Stock Exchange" and the Corporate Governance Code, it is proposed to approve the Regulation on the Board of Directors in a revised version.

In particular, changes to the criteria for independence of the members of the Board of Directors are made, a list of issues to be considered at the in-person meetings of the Board of Directors is supplemented, the responsibilities of the members of the Board of Directors are expanded, the questionnaire form of a candidate for a member of the Board of Directors is updated, as well as the form of the notice for convening the meeting of the Board of Directors and the form of consent of the candidate for nomination to the Board are included in the Regulation.

Moreover, legal and technical amendments are made.

Annual General Meeting of Shareholders is proposed to adopt the following resolutions:

Approve the Regulations on the Board of Directors of the Company.

CONSOLIDATED TABLE
of Amendments and Supplements to the Regulations on the Board of Directors

yellow – amendments in accordance with the Civil Code of the Russian Federation

green – amendments in accordance with the Corporate Governance Code

blue – legal and technical amendments

Item No.	No. of Article (Paragraph, Subparagraph) of the Regulations	Most Recent Version	Proposed Version	Comments
Article 1. General Provisions				
1.	1.1.	1.1. These Regulations are developed in accordance with the Civil Code of the Russian Federation, the Federal Law “On Joint-Stock Companies,” other regulations of the Russian Federation and the Articles of Association of Open Joint Stock Company Inter RAO UES (hereinafter the “Company” or “ JSC Inter RAO”).	1.1. These Regulations are developed in accordance with the Civil Code of the Russian Federation, the Federal Law “On Joint-Stock Companies,” other regulations of the Russian Federation and the Articles of Association of Public Joint-Stock Company INTER RAO UES (hereinafter the “Company” or “ PJSC Inter RAO”).	<i>Alignment with the Civil Code of the Russian Federation (paragraph 7 of Article 3 of Federal Law No. 99-FZ dated May 5, 2014, “Concerning the Amendment of Chapter 4 of Part One of the Civil Code of the Russian Federation and the Invalidation of Certain Provisions of the Legislative Acts of the Russian Federation (hereinafter the “Law on Amendments to the Civil Code of the Russian Federation”).</i>
2.	1.3.	1.3. The Board of Directors is management body of the Company, which is in overall charge of the Company’s activities, enforces resolutions of the General Meeting of Shareholders of the Company in accordance with the	1.3. The Board of Directors is management body of the Company, which is in charge of strategic management of the company, establishes general principles and approaches to the organization of risk management and internal control system within the company, controls the activities of the Company’s	<i>The roles of the Board of Directors have been supplemented in accordance with paragraph 2.1 of the Corporate Governance Code.</i>

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		requirements of laws of the Russian Federation.	executive bodies , enforces resolutions of the General Meeting of Shareholders of the Company in accordance with the requirements of laws of the Russian Federation and delivers other key roles.	
3.	1.4.	<p>1.4. The principal goals and objectives pursued by the Board of Directors of the Company in its activities shall be as follows:</p> <ul style="list-style-type: none"> - determine the Company's development strategy aimed at increasing its market capitalization, raising attractiveness to investors, achieving maximum profit and expanding the Company's assets; - ensure that the rights and legal interests of the Company's shareholders are exercised and protected, contribute to the resolution of corporate conflicts; - ensure that any disclosed information about the Company is complete, reliable and objective for the shareholders and other stakeholders; - create effective internal control mechanisms; 	<p>1.4. The principal goals and objectives pursued by the Board of Directors of the Company in its activities shall be as follows:</p> <ul style="list-style-type: none"> - determine the Company's development strategy aimed at increasing its market capitalization, raising attractiveness to investors, achieving maximum profit and expanding the Company's assets; - ensure that the rights and legal interests of the Company's shareholders are exercised and protected, contribute to the resolution of corporate conflicts; - ensure that any disclosed information about the Company is complete, reliable and objective for the shareholders and other stakeholders; - create effective internal control mechanisms; - exercise control with a view to ensuring that the actions of the Company's executive bodies are aligned with the approved development strategy and the Company's key lines of activity; - assess performance of the Company's executive bodies and management on a regular basis. 	<i>The goals and objectives of the Board of Directors have been supplemented in accordance with paragraph 2.1 of the Corporate Governance Code.</i>

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		<p>- assess performance of the Company's executive bodies and management on a regular basis.</p> <p>To deliver the above-mentioned goals and objectives, the Board of Directors shall be obliged to rely on the following principles:</p> <ul style="list-style-type: none"> - adoption of decisions based on reliable information about the Company's activities; - cancellation of restrictions on the shareholders' right to participate in managing the Company, rights to be paid dividend and receive information about the Company; - achieving a balance among the interests of different groups of shareholders and adoption by the Board of Directors of as objective decisions as possible for the benefit of all shareholders of the Company. 	<p>To deliver the above-mentioned goals and objectives, the Board of Directors shall be obliged to rely on the following principles:</p> <ul style="list-style-type: none"> - adoption of decisions based on reliable information about the Company's activities; - cancellation of restrictions on the shareholders' right to participate in managing the Company, rights to be paid dividend and receive information about the Company; - achieving a balance among the interests of different groups of shareholders and adoption by the Board of Directors of as objective decisions as possible for the benefit of all shareholders of the Company; - regular analysis of whether the Company's corporate governance system and corporate values and conform to the Company's goals and objectives, scope of business and the risks taken by the Company. 	
Article 2. Composition of the Board of Directors				
4.	2.3, 2.7.	2.3. For purposes of these Regulations, a member of the Board of Directors (Director) may not be treated as	2.3. For purposes of recognizing a member of the Board of Directors as independent director, the Company shall rely on the provisions of the Corporate	<i>As it is not feasible to duplicate in the Regulations the independence criteria defined in the Corporate Governance</i>

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		<p>Independent Director if the latter:</p> <ul style="list-style-type: none"> - is or was for 5 (Five) years an employee of the Company or its Group; - has considerable business connections with the joint-stock company directly or as a partner, shareholder, auditor, director, representative or senior manager of the company which has been in such relationships with the joint-stock company for 3 (Three) years; - is paid additional remuneration by the company other than remuneration payable to member of the Board of Directors, participates in option, pension and other similar plans of the Company; - has close family connections with any advisors to the Company, members of the Board of Directors or upper managers of the Company, including members of the Management Board; - participates together with the other member of the Board of Directors in the management bodies of other companies (or has considerable substantial connections with such member of the 	<p>Governance Code recommended for application by the Central Bank of the Russian Federation (Bank of Russia).</p>	<p><i>Code approved by the Bank of Russia, the Regulations give reference to the new independence criteria for members of the Board of Directors established by the above-mentioned Code.</i></p>

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		<p>Board of Directors);</p> <ul style="list-style-type: none"> - represents major shareholders of the Company; - has been member of the Board of Directors of the Company for more than 7 (Seven) years; - is a representative of the Russian Federation. <p>The Board of Directors shall be obliged to explain the reasons behind its decision if the Board of Directors treats as Independent Director a member of the Board of Directors that fails to conform to the criteria specified in this paragraph 2.3.</p>	<p>2.7. The Board of Directors shall be obliged to explain the reasons behind its decision if the Board of Directors treats as Independent Director a member of the Board of Directors that fails to conform to the criteria established by the Corporate Governance Code recommended for application by the Central Bank of the Russian Federation (Bank of Russia) and the Russian and/or foreign trade institutors in the securities market.</p>	<p><i>Aligned with paragraph 111 of the Corporate Governance Code.</i></p>
5.	2.5.	<p>2.6. Independence criteria for a member of the Board of Directors established by this Article shall be used solely for purposes of application of these Regulations.</p> <p>For purposes of applying to the Company the provisions of Russian or foreign laws, as well as the standards generally practiced by trade institutors which establish other</p>	<p>For purposes of applying to the Company the provisions of Russian or foreign laws, as well as the standards generally practiced by trade institutors which establish independence criteria for members of the Board of Directors different from those established by the Corporate Governance Code recommended for application by the Bank of Russia, the status and number of Independent Directors of the Board of</p>	<p><i>Due to removal of the description of independence criteria for members of the Board of Directors from the Regulations (as their duplication is not feasible, the article contains reference to the Corporate Governance Code).</i></p>

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		<p>independence criteria for members of the Board of Directors, the status and number of Independent Directors of the Board of Directors for the relevant purposes shall be determined in accordance with such criteria.</p>	<p>Directors for the relevant purposes shall be determined in accordance with such criteria.</p>	
6.	<p>2.6.</p>	<p>-</p>	<p>2.6. In specific situations (which should be treated as exceptional) the Board of Directors when giving assessment may recognize as independent a candidate (member of the Board of Directors) despite any formal criteria of a special relationship with the company, substantial shareholder of the Company, substantial counterpart or competitor of the Company unless such special relationship affects such person's ability to deliver independent, objective and fair judgments.</p> <p>A candidate (elected member of the Board of Directors) may be recognized as independent by the Board of Directors in the following circumstances:</p> <p>1) related party of the candidate (member of the Board of Directors) is an employee (except when entrusted with managerial powers) of the entity controlled by the company or a corporate entity which</p>	<p><i>Added in accordance with paragraph 109-110 of the Corporate Governance Code.</i></p>

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			<p>belongs to the same group as substantial shareholder of the Company (other than the Company itself), the Company's substantial counterpart or competitor, the corporate entity which controls the Company's substantial counterpart or competitor or the entities it controls;</p> <p>2) the relationships between the candidate (member of the Board of Directors) and the related party are, by definition, unable to affect any possible decisions of the candidate;</p> <p>3) candidate (member of the Board of Directors) has a generally recognized reputation among investors, etc., evidencing the candidate's/member's ability to have an independent position;</p> <p>4) in other cases if the Board of Directors so decides.</p>	
7.	2.8.	-	<p>2.8. Independent director shall refrain from any actions which may cause him/her to lose independence. If after election to the Board of Directors an independent director faces any circumstance which causes him/her to lose independence, such member of the Board of Directors shall be obliged to notify the Board of Directors of such circumstances. The Board of Directors shall ensure disclosure of information about the loss of independent director status by the Board of Directors member.</p>	<p><i>Added in accordance with paragraph 111 of the Corporate Governance Code.</i></p>

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8.	2.9.	-	2.9. It shall be recommended that the Board of Directors member who has lost his/her independent status take every possible action to restore his/her independent status.	<i>Added pursuant to paragraph 111 of the Corporate Governance Code.</i>
9.	2.20.	-	2.20. With due consideration of the recommendations given by the Nomination and Remuneration Committee and the information provided by the candidate, the Board of Directors shall assess the independence of candidates for membership on the Board of Directors and deliver judgment on the candidate's independence, as well as perform regular analysis of whether independent members of the Board of Directors conform to independence criteria and ensure immediate disclosure of information about any revealed circumstances due to which a director loses independence; furthermore, the Board of Directors shall adopt a decision on whether particular members of the Board of Directors are Executive, Non-executive or Independent Directors.	<i>Added in accordance with paragraph 108 of the Corporate Governance Code.</i>
Article 3. Chairman of the Board of Directors. Senior Independent Director.				
10.	3.3.	3.3. The Board of Directors shall be entitled to re-elect at any time the Chairman of the Board of Directors by a majority vote of total membership of the	3.3. The Board of Directors shall be entitled to re-elect at any time the Chairman of the Board of Directors and Deputy Chairman by the majority of votes cast by all members of the Board of Directors of the Company that	<i>Aligned with paragraphs 13.1.35 and 13.1.26 of the draft Articles of Association of the Company (restated version).</i>

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		Board of Directors of the Company.	participate in the meeting.	<i>Also corrected for clarification purposes.</i>
11.	3.4.	<p>3.4. The Chairman of the Board of Directors shall:</p> <ol style="list-style-type: none"> 1) organize the activity of the Board of Directors; 2) convene the Board of Directors meetings; 3) determine the form of the Board of Directors meetings; 4) approve the Board of Directors meeting agendas; 5) determine the list of materials (information) on the meeting agenda issues provided to members of the Board of Directors; 6) determine the list of persons invited to participate in discussing certain issues on the Board of Directors meeting agendas; 7) chair the Board of Directors meetings; 8) sign the minutes of the Board of Directors meetings, requests for 	<p>3.4. Chairman of the Board of Directors:</p> <ol style="list-style-type: none"> 1) organize the activity of the Board of Directors; 2) convene and chair the Board of Directors meetings; 3) determine the form of the Board of Directors meetings; 4) approve the Board of Directors meeting agenda; 5) develop the most effective resolutions on agenda issues and, if necessary, ensure free discussion of these issues, as well as constructive atmosphere at meetings; 6) determine the list of materials (information) on the meeting agenda issues provided to members of the Board of Directors; 7) take all necessary actions to ensure the timely provision to members of the Board of Directors of any information necessary for the adoption of resolutions on agenda issues, take the lead in formulating draft resolutions on the issues under consideration; 	<p><i>Aligned with paragraphs 122-125 of the Corporate Governance Code.</i></p> <p><i>Amendments also include legal and technical corrections (clarification with regard to new title of the Regulations on the General Meeting of Shareholders and newly added obligation to ensure compliance with the requirements of laws of the Russian Federation, the Articles of Association of the Company and these Regulations during the Board of Directors meetings).</i></p>

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		<p>independent (internal) audit of the Company's financial and economic activities and other documents on behalf of the Board of Directors of the Company;</p> <p>9) exercise control of the implementation of the Board of Directors action plan approved by the Board of Directors;</p> <p>10) represent the Board of Directors when it interacts with the Company's shareholders, before government authorities, public organizations, mass media;</p> <p>11) handle correspondence between the Board of Directors and the Company's shareholders, executive bodies, staff members and other entities;</p> <p>12) chair the General Meetings of Shareholders of the Company, read out the agenda, announce the upcoming presentations and speeches and perform other functions of the Chairman of the Company's General Meeting of Shareholders provided for in the Regulations Containing the Procedure</p>	<p>8) determine the list of persons invited to participate in discussing certain issues on the Board of Directors meeting agendas;</p> <p>9) sign the minutes of the Board of Directors meetings, requests for independent (internal) audit of the Company's financial and economic activities and other documents on behalf of the Board of Directors of the Company;</p> <p>10) organize development of the Board of Directors Action Plan and exercise control of the implementation of the Board of Directors action plan approved by the Board of Directors;</p> <p>11) represent the Board of Directors when it interacts with the Company's shareholders, before government authorities, public organizations, mass media;</p> <p>12) handle correspondence between the Board of Directors and the Company's shareholders, executive bodies, staff members and other entities;</p> <p>13) chair the General Meetings of Shareholders of the Company, read out the agenda, announce the upcoming presentations and speeches and perform other functions of the Chairman of the Company's General Meeting of Shareholders provided for in the Regulations on the General Meeting of Shareholders of the</p>	

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		<p>for Preparing and Holding the General Meeting of Shareholders of the Company;</p> <p>13) organize on behalf of the Board of Directors control of implementation of the resolutions adopted by the General Meeting of Shareholders and the Board of Directors, officially bring under control the implementation of resolutions adopted by the Board of Directors and discontinue control procedure with respect to the already implemented resolutions of the Board of Directors;</p> <p>14) ensure during the Board of Directors meeting compliance with the requirements of laws of the Russian Federation, the Articles of Association of the Company, other internal documents of the Company and these Regulations;</p> <p>15) perform other functions provided for in the laws of the Russian Federation, the Articles of Association of the Company and the resolutions adopted by the Board of Directors of the Company.</p>	<p>Company;</p> <p>14) organize on behalf of the Board of Directors control of implementation of the resolutions adopted by the General Meeting of Shareholders and the Board of Directors, officially bring under control the implementation of resolutions adopted by the Board of Directors and discontinue control procedure with respect to the already implemented resolutions of the Board of Directors;</p> <p>15) ensure during the Board of Directors meeting compliance with the requirements of laws of the Russian Federation, the Articles of Association of the Company, other internal documents of the Company and these Regulations;</p> <p>16) ensure that the Board of Directors committees perform effectively, specifically take the lead in nominating members of the Board of Directors to any Committee based on their professional and personal qualities and with due account for the committees formation proposals put forward by members of the Board of Directors;</p> <p>17) ensure compliance with the requirements of laws of the Russian Federation, the Articles of Association of the Company and these Regulations during the Board of Directors meetings;</p>	

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			18) perform other functions provided for in the laws of the Russian Federation, the Articles of Association of the Company and the resolutions adopted by the Board of Directors of the Company.	
12.	3.7.	<p>3.7. The Senior Independent Director shall:</p> <ul style="list-style-type: none"> - render support to the Chairman of the Board of Directors in achieving the goals of Chairman's activity; - interact with the Chairman of the Board of Directors, members of the Board of Directors of the Company, ensure the effectiveness of communication channels within the Board of Directors and in relationships with the Company's shareholders; - ensure the effectiveness and necessary contribution of Independent Directors to the activity of the Company's Board of Directors; - assess the performance of the Board of Directors Chairman; - monitor relationships between the Chairman of the Board of Directors and the Chairman of the Management Board; 	<p>3.7. The Senior Independent Director shall:</p> <ul style="list-style-type: none"> - act as advisor to the Chairman of the Board of Directors, contributing to effective organization of the Board of Directors' activity; - render support to the Chairman of the Board of Directors in achieving the goals of Chairman's activity; - interact with the Chairman of the Board of Directors, members of the Board of Directors of the Company, ensure the effectiveness of communication channels within the Board of Directors and in relationships with the Company's shareholders; - coordinate interaction among independent directors, specifically convene (and chair) the meetings of independent directors as needed; - assess the performance of the Board of Directors Chairman; - monitor relationships between the Chairman of the Board of Directors and the Chairman of the Management Board; - in conflict situation (for example, in case of striking discrepancies within the Board of Directors or 	<p><i>Aligned with paragraphs 117 and 118 of the Corporate Governance Code.</i></p>

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		- head the Nomination and Remuneration Committee of the Board of Directors.	<p>whenever the Chairman of the Board of Directors ignores any issues which the Chairman is requested to consider by individual members of the Board of Directors or the Company's shareholders entitled to contact the Board of Directors), the Senior Independent Director shall endeavor to resolve a conflict through interaction with the Chairman of the Board of Directors, other members of the Board of Directors and shareholders of the Company with a view to ensuring the effectiveness and stability of the Board of Directors;</p> <p>- head the Nomination and Remuneration Committee of the Board of Directors.</p>	
Article 4. Rights and Obligations of Members of the Board of Directors				
13.	4.5.	4.5. In exercising their rights and performing their obligations, members of the Board of Directors shall act for the benefit of the Company, exercise rights and perform obligations in respect of the Company reasonably and in good faith.	4.5. In exercising their rights and performing their obligations, members of the Board of Directors shall act for the benefit of the Company and its shareholders, adopt decisions in compliance with environmental protection standards and social standards , exercise rights and perform obligations in respect of the Company reasonably and in good faith.	<i>Aligned with paragraphs 126 and 127 of the Corporate Governance Code.</i>
Article 5. Secretary of the Board of Directors				
14.	5.6.	-	5.6. The Secretary of the Board of Directors shall have	<i>Correction for clarification purposes</i>

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			the right to accept the Company's incoming correspondence concerning the activity of the General Meeting of Shareholders and the Board of Directors, including, but not limited to, the proposals of shareholders for including issues on the agenda of the General Meeting of Shareholders and nominating candidates for the Company's management and supervisory bodies.	<i>is proposed</i>
Article 6. Organization of Activity of the Board of Directors				

15.	6.4.	<p>6.4. With a view to ensuring that the most critical issues related to the Company's activity are considered more thoroughly by members of the Board of Directors, the latter shall endeavor to hold in-person meetings at least 4 per year. Specifically, the following issues shall be considered at in-person meetings (unless decided otherwise by the Chairman of the Board of Directors, specifically if issues under consideration are purely formal):</p> <ul style="list-style-type: none"> - determination of the Company's lines of activity given the highest priority, including consideration of the Company's strategic development priorities and the Strategy Implementation Reports; - convocation of the annual General Meeting of Shareholders and other issues related to convocation of the annual General Meeting of Shareholders; - expansion of the Company's authorized capital through public follow-on offering of shares in the Company from among declared shares accounting (in total) for not more than 25% of the total number of outstanding shares in the Company; - the Company's follow-on offering 	<p>6.4. With a view to ensuring that the most critical issues related to the Company's activity are considered more thoroughly by members of the Board of Directors, the latter shall endeavor to hold in-person meetings at least 4 per year.</p> <p>Specifically, the following issues shall be considered at in-person meetings (unless decided otherwise by the Chairman of the Board of Directors, specifically if issues under consideration are purely formal):</p> <p>6.4.1. determination of the Company's lines of activity given the highest priority, the Company's strategy, including consideration of the Company's strategic development priorities and the Strategy Implementation Reports;</p> <p>6.4.2. convocation of the annual and extraordinary General Meeting of Shareholders of the Company;</p> <p>6.4.3. preliminary approval of the Company's annual report;</p> <p>6.4.4. election of the Chairman of the Board of Directors;</p> <p>6.4.5. approval of transactions (including several interrelated transactions) which cause or may cause the Company to assume obligations worth at least 5 (five) percent of the Company's book value according to its accounting statements as of the most recent</p>	<p><i>Aligned with paragraph 168 of the Corporate Governance Code.</i></p>
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	<p>of shares into which the preference shares of a certain type placed by the company are convertible, which are convertible into ordinary shares or other types of preference shares unless such offering is related to expansion of the Company's authorized capital, as well as the Company's offering of bonds or other issue-grade securities other than shares;</p> <ul style="list-style-type: none"> - purchase of the shares, bonds and other securities placed by the Company as provided for in these Articles of Association and the Federal Law "On Joint-Stock Companies"; - consideration of the Company's performance reports prepared by the Management Board and reports on the implementation of resolutions adopted by the General Meeting of Shareholders and the Board of Directors of the Company; - approval of business plan (revised business plan) and the business plan implementation report, including the Company's investment program approval, amendment and supplement; - approval of targets (revised targets) for the Company's Key Performance Indicators (KPI); - approval of Risk Maps and Action Plans, as well as reports on the risk 	<p>balance sheet date (unless decided otherwise by the Chairman of the Board of Directors);</p> <p>6.4.6. determination of position of the Company (representatives of the Company) on the following issue on the agenda of management bodies of the corporate entities controlled by the Company which are critical to the Company's activity (hereinafter "controlled entities") other than the executive bodies of controlled entities: approval of transactions (including several interrelated transactions) which cause or may cause the controlled entity to assume obligations worth at least a sum equivalent to RUB 3,000,000,000 (three billion) (or an equivalent amount in the currency of the country in which the controlled entity is registered);</p> <p>6.4.7. consideration of the recommendations concerning any voluntary or mandatory proposal received by the Company in accordance with the Federal Law "On Joint-Stock Companies";</p> <p>6.4.8. submission of a request for listing of the Company's shares and/or the Company's issue-grade securities convertible into the Company's shares;</p> <p>6.4.9. expansion of the Company's authorized capital through public follow-on offering of shares in the Company from among declared shares, as well as bonds convertible into shares and other issue-grade securities convertible into shares, accounting (in total) for not more than 25% of the total number of outstanding shares in the Company;</p> <p>6.4.10. submission of the following issues to be</p>	
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		<p>management system functioning;</p> <ul style="list-style-type: none"> - approval of the Company's cost management program (revised program) and the implementation reports; - approval of the Company's internal documents; - formation of committees of the Company's Board of Directors; - the Company's membership and abandonment of membership in other entities. 	<p>resolved by the General Meeting of Shareholders of the Company:</p> <p>6.4.11.1. expansion of the Company's authorized capital through an increase in the par value of shares or distribution of additional shares among the Company's shareholders using its property;</p> <p>6.4.11.2. expansion of the Company's authorized capital through private offering of additional shares (issue-grade securities convertible into the Company's shares) and the offering of ordinary shares in the Company (issue-grade securities convertible into the Company's ordinary shares) accounting for more than 25% of the ordinary shares in the Company placed in a public offering earlier;</p> <p>6.4.11.3. submission of a request for delisting of the Company's shares and/or the Company's issue-grade securities convertible into its shares;</p> <p>6.4.11.4. reorganization of the Company;</p> <p>6.4.11.5. liquidation of the Company, appointment of the liquidation committee and approval of the interim and final liquidation balance sheets.</p> <p>6.4.12. determination of status of the Company's Board of Directors members, consideration of the results of annual self-assessment of the Board of Directors and the results of independent assessment of the Board of Directors performance;</p> <p>6.4.13. determination of the amounts of remuneration and compensation payable to the Chairman and members of the Company's Management Board (unless decided otherwise by the</p>	
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		<p>Chairman of the Board of Directors);</p> <p>6.4.14. approval of the Company’s internal documents, including the Dividend Policy, unless their approval falls under the authority of the General Meeting of Shareholders, as well as other internal documents to be approved by the duly authorized executive bodies of the Company;</p> <p>6.4.15. the Company’s follow-on offering of shares into which the preference shares of a certain type placed by the company are convertible, which are convertible into ordinary shares or other types of preference shares unless such offering is related to expansion of the Company’s authorized capital, as well as the Company’s offering of bonds or other issue-grade securities other than shares;</p> <p>6.4.16. purchase of the shares, bonds and other securities placed by the Company as provided for in these Articles of Association and the Federal Law “On Joint-Stock Companies” or other federal laws;</p> <p>6.4.17. consideration of the Company’s performance reports prepared by the Management Board and reports on the implementation of resolutions adopted by the General Meeting of Shareholders and the Board of Directors of the Company;</p> <p>6.4.18. approval of business plan (revised business plan) and the business plan implementation report, including the Company’s investment program approval, amendment and supplement;</p> <p>6.4.19. approval of targets (revised targets) for the Key Performance Indicators (KPI) and benchmarks</p>	
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			<p>(BM) for the Chairman of the Company's Management Board and members of the Company's Management Board and KPI/BM achievement reports, as well as the methods used for calculating and assessing the achievement percentages;</p> <p>6.4.20. approval of risk management and internal control policies, approval of critical risk maps and plans of action for critical risk management; consideration on annual basis of reports on the functioning of risk management and internal control systems;</p> <p>6.4.21. approval of the Company's cost management program (revised program) and the implementation reports;</p> <p>6.4.22. formation of committees of the Company's Board of Directors;</p> <p>6.4.23. the Company's membership and abandonment of membership in other entities (specifically through incorporation of an entity, including preliminary approval of the resolution on incorporation, on approval of the Company's Articles of Association and election of candidates for management and supervisory bodies), change of stake (number of shares, value of units, stakes), encumbrance on shares (stakes).</p>	
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Article 7. Rights of the Company's Shareholders

16.	7.1.	7.1. The first meeting of the newly elected membership of the Board of Directors shall be convened by one of the Company's Board of Directors members	7.1. The first meeting of the newly elected membership of the Board of Directors shall be convened by one of the Company's Board of Directors members by giving notice of the upcoming meeting to the remaining	<i>Aligned with paragraph 157 of the Corporate Governance Code.</i>
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		<p>by giving notice of the upcoming meeting to the remaining members of the Board of Directors, as well as to the Company addressed to the Chairman of the Company's Management Board.</p> <p>The Chairman of the Company's Management Board shall be obliged to render assistance and provide any and all information necessary for organizing the first meeting of the newly elected membership of the Board of Directors.</p> <p>The first meeting of the Board of Directors shall consider the following issues on a mandatory basis:</p> <ul style="list-style-type: none"> - election of Chairman of the Board of Directors; - election of Deputy Chairman of the Board of Directors; - election of secretary of the Board of Directors; - formation of Committees of the Board of Directors; - determination of the status of members of the Company's Board of Directors; - election of Senior Independent Director (in compliance with the conditions provided for in paragraph 3.6 of these Regulations). 	<p>members of the Board of Directors, as well as to the Company addressed to the Chairman of the Company's Management Board and shall be held within reasonably short time limits of the Board of Directors election date.</p> <p>The Chairman of the Company's Management Board shall be obliged to render assistance and provide any and all information necessary for organizing the first meeting of the newly elected membership of the Board of Directors.</p> <p>The first meeting of the Board of Directors shall consider the following issues on a mandatory basis:</p> <ul style="list-style-type: none"> - election of Chairman of the Board of Directors; - election of Deputy Chairman of the Board of Directors; - election of secretary of the Board of Directors; - formation of Committees of the Board of Directors; - determination of the status of members of the Company's Board of Directors; - election of Senior Independent Director (in compliance with the conditions provided for in paragraph 3.6 of these Regulations). 	
17.	7.6.	7.6. Notice of the upcoming meeting of	7.6. Notice of the upcoming meeting of the Board of	<i>Aligned with paragraph 165 of the</i>

		the Board of Directors shall be prepared by the secretary of the Board of Directors and signed by the Chairman or secretary of the Board of Directors upon instruction from the Chairman of the Board of Directors. Notice of the upcoming meeting of the Board of Directors shall be sent by the Board of Directors secretary to every member of the Board of Directors in writing at least 15 (Fifteen) days prior to the Board of Directors meeting date (ballot submission deadline) except as provided for in these Regulations.	Directors shall be prepared by the secretary of the Board of Directors using the form provided in Appendix 4 to these Regulations and signed by the Chairman or secretary of the Board of Directors upon instruction from the Chairman of the Board of Directors. Notice of the upcoming meeting of the Board of Directors shall be sent by the Board of Directors secretary to every member of the Board of Directors in writing at least 15 (Fifteen) days prior to the Board of Directors meeting date (ballot submission deadline) except as provided for in these Regulations	<i>Corporate Governance Code.</i>
Article 8. Procedure for Conducting the Board of Directors Meetings				
18.	8.15.	-	8.15. During the Board of Directors meetings, the Secretary of the Board of Directors shall take minutes and make sound recordings of meetings and subsequently keep them.	<i>Added in accordance with paragraph 166 of the Corporate Governance Code.</i>
19.	8.17.	-	8.17. Special opinions of the Board of Directors members shall be appended to, incorporated in and made part of the Board of Directors meeting minutes.	<i>Added in accordance with paragraph 166 of the Corporate Governance Code.</i>
20.	8.18.	-	8.18. If any issue on the Board of Directors agenda is subject to preliminary consideration by a committee of the Board of Directors, the recommendation of the relevant committee shall be included in the Board of Directors meeting minutes.	<i>The correction proposed for clarification purposes is related to paragraph 196 of the Corporate Governance Code.</i>

21.	8.19.		8.19. If any resolution adopted at the Board of Directors meeting in the form of co-presence is in conflict with a recommendation of the relevant committee of the Board of Directors, the Board of Directors shall justify the reasons why the recommendation have been ignored. The justification concerned shall be included in the Board of Directors meeting minutes.	<i>Added in accordance with paragraph 196 of the Corporate Governance Code.</i>
22.	8.20.	-	8.20. In considering issues related to delisting of the Company's securities, the Board of Directors shall ensure that the relevant resolution is adopted in a fully transparent manner, specifically that the owners of such securities are informed of the grounds for adoption of such resolution by the General Meeting of Shareholders and the risks of securities owners associated with delisting; moreover, the Board of Directors shall ensure protection of their rights in connection with the delisting procedure.	<i>Added in accordance with paragraph 347 of the Corporate Governance Code.</i>
Article 10. Board of Directors Meeting Minutes				
23.	10.7.	-	10.7. The Audit Committee of the Company's Board of Directors shall pre-assess possible actions and draft resolutions of the Company which may give rise to a corporate conflict. The document containing the assessment given by the Audit Committee shall be included in the materials of the Company's Board of Directors meeting during which the issue is considered.	<i>Added in accordance with paragraph 115 of the Corporate Governance Code.</i>

Appendices to the Regulations on the Board of Directors				
24.	Appendix 1 (Questionnaire for Candidate for the Board of Directors of the Company / member of the Board of Directors)	Information on shareholdings in JSC Inter RAO and Subsidiaries and Affiliates of JSC Inter RAO	Information on shareholdings in PJSC Inter RAO and subsidiaries of PJSC Inter RAO.	<p><i>Aligned with the Civil Code of the Russian Federation (paragraph 7 of Article 3 of the Law on Amendments to the Civil Code of the Russian Federation).</i></p> <p><i>Furthermore, reference to dependent companies has been removed in accordance with Article 67.3 of the Civil Code of the Russian Federation (as amended by the Law on Amendments).</i></p>
25.	–		<p>Criteria added to the questionnaire:</p> <ul style="list-style-type: none"> - special relationship with the company (plus the newly introduced concept of beneficiary¹); - special relationship with substantial shareholder of the Company (newly introduced definition of substantial shareholder)²; - special relationship with substantial counterparty (newly introduced definition of substantial 	<p><i>The submission and update of such information on a quarterly basis is necessary for the recognition of updated information in the Company's quarterly and annual reports in conformity with the requirements of laws of the Russian Federation, as well as for determining whether candidates for the Board of Directors and members of the Board of</i></p>

¹ Beneficiary with respect to the company's refers to means a natural person who by virtue of membership in the company, under a contract or otherwise gains economic benefit by owning shares (stakes) and/or disposing of the votes carried by the shares (stakes) which constitute the company's authorized capital.

² Substantial shareholder of the company refers to a person entitled to dispose of at least five percent of votes carried by the voting shares which constitute the company's authorized capital, whether directly or indirectly (through the entities it controls) and whether alone or in combination with other persons if substantial shareholder and such persons are mutually bound by property trust management agreement and/or partnership agreement and/or suretyship and/or shareholder agreement and/or other agreement for exercise of the rights certified by the issuer's shares (stakes).

			counterparty)³ or competitor of the Company; - special relationship with the federal government or municipality.	<i>Directors meet the independence criteria.</i>
26.			Lines added to the questionnaire: - information about the nomination of candidates for membership on the Boards of Directors or for election (appointment) to a position with other corporate entities; - information about related parties and affiliates (plus the definition of related party⁴); - information about relationship between the candidate, on the one part, and the affiliates and major counterparties of PJSC Inter RAO, on the other part; - information about a conflict of interest involving the company.	<i>Aligned with the requirements of the Corporate Governance Code.</i>
27.	Appendix 2 (form of		Full text of the consent form is provided in the draft Regulations on the Board of Directors.	

³ Substantial counterparty of the company refers to a person that is a party to agreement(s) with the company whereunder the amount of obligations constitutes at least two percent of book value or at least two percent of revenue (income) of the company (inclusive of the group of entities controlled by the company) or substantial counterparty of the company (group of entities in which substantial counterparty of the company is a member).

⁴ Related parties of a natural person refer to spouse, parents, children, foster parents, adopted children, full and half-siblings, grandparents or any person with whom a natural person lives together and has common housekeeping arrangements.

	written consent)			
28.	Appendix 3 (feedback form)	“ JSC Inter RAO ” throughout the text.	“ PJSC Inter RAO ” throughout the text.	<i>Aligned with (paragraph 7 of Article 3 of the Law on Amendments to the Civil Code of the Russian Federation.</i>
29.	Appendix 4 (Form of notice of election to the Board of Directors)	<p>6. <u>Obligations of Member of the Board of Directors</u></p> <p>...</p> <p>3.7. Take part in voting at the Board of Directors meetings on all agenda issues except when member of the Board of Directors does not participate in voting in accordance with the requirements of laws of the Russian Federation.</p> <p>3.14. –</p> <p>3.19. In the event of any potential or actual conflict of interest, immediately notify the Company thereof, to prevent the actual existence of conflict of interest from being suppressed.</p>	<p>7. <u>Obligations of Member of the Board of Directors</u></p> <p>...</p> <p>3.7. Take an active part in voting at the Board of Directors meetings on all agenda issues, specifically in discussing and voting on agenda issues, except when member of the Board of Directors does not participate in voting in accordance with the requirements of laws of the Russian Federation</p> <p>3.14. Whenever the resolutions of the Board of Directors may have different implications for different groups of shareholders, be fair to all shareholders.</p> <p>3.19. In the event of any potential or actual conflict of interest, immediately notify the Company thereof, to prevent the actual existence of conflict of interest from being suppressed.</p> <p>Should any conflict of interest arise, inform the Board of Directors through its Chairman or secretary of the Company’s Board of Directors both of the existence of</p>	<p>Full text of the notice form is provided in the draft Regulations on the Board of Directors.</p> <p><i>The provisions of notice are based on the requirements of laws of the Russian Federation, including the requirements of the Law on Amendments to the Civil Code of the Russian Federation, internal documents of the Company (including the Regulations on Insider Information, Code of Business Ethics), as well as the Corporate Governance Code approved by the Bank of Russia (in particular, paragraphs 130, 133, 135, 142, 151).</i></p>

		<p>3.20. –</p> <p>3.21. –</p> <p>3.22. –</p>	<p>conflict of interest as such and the reasons behind it. Such communication shall precede discussion of the issue on which such member of the Board of Directors has conflict of interest at the meeting of the Board of Directors or its subordinate Committee attended by such member of the Board of Directors.</p> <p>3.20. Refrain from participating in decision-making in the event of actual conflict of interest (refrain from voting on the issues with respect to which member of the Board of Directors has conflict of interest).</p> <p>3.21. Refrain from accepting gifts from parties that have interest in decision-making, as well as using any direct or indirect benefits given by such persons (with the exception of perfunctory gestures in accordance with the generally accepted rules of etiquette or souvenirs in the framework of official events).</p> <p>3.22. With a view to preventing conflict of interest, refrain from participating in voting in the approval of terms and conditions of the agreements with members of the Management Board of the Company (for executive directors only).</p> <p>3.34. Give notice of the executed transactions involving shares in the Company to:</p> <ul style="list-style-type: none">- the Bank of Russia in accordance with the procedure and within the time limits specified in the laws of the Russian Federation concerning insider information;- the Company within 10 (Ten) business days of the date	
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		<p>3.34. Give notice of the executed transactions involving shares in the Company to:</p> <ul style="list-style-type: none"> - the Federal Financial Markets Service of Russia in accordance with the procedure and within the time limits specified in the laws of the Russian Federation concerning insider information; - the Company within 10 (Ten) business days of the date on which the relevant transaction involving the Company's securities is executed. The format of such notice shall be as specified in the internal documents of the Company. <p>3.36. –</p> <p>“JSC Inter RAO” throughout the text.</p>	<p>on which the relevant transaction involving the Company's securities is executed. The format of such notice shall be as specified in the internal documents of the Company.</p> <p>3.36. Notify the Board of Directors of the Company of the intent to occupy a position in the management bodies of other entities and immediately notify of election (appointment) to the management bodies of other entities (if any).</p> <p>“PJSC Inter RAO” throughout the text.</p>	
30.	Appendix 5 (form of notice of the upcoming meeting of the Board of	–	Full text of the notice form is provided in the draft Regulations on the Board of Directors.	<i>Aligned with paragraph 165 of the Corporate Governance Code.</i>

	Directors)			
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APPROVED BY

Annual General Meeting of Shareholders
of JSC “Inter RAO” as of __.05.2015
(minutes as of __.05. 2015 No. _)

**REGULATIONS
ON THE BOARD OF DIRECTORS
of Public Joint Stock Company
“Inter RAO UES”**

Moscow
2015

1. GENERAL PROVISIONS

1.1. This Provision is developed in accordance with the Civil Code of the Russian Federation, the Federal Law on Joint Stock Companies, other regulatory legal acts of the Russian Federation and Articles of Association of Public Joint Stock Company Inter RAO UES (hereinafter referred to as the "Company", PJSC Inter RAO).

1.2. This Provision is an internal document of the Company, defining the procedure for establishment, convening and holding of the meetings of the Board of Directors of the Company.

1.3. The Board of Directors is a managing authority of the Company that performs strategic management of the Company, defines the basics and approaches to arrangement in the Company of the risk management system and internal control, controls activities of executive authorities of the company, controls implementation of the decisions of the General Meeting of Shareholders of the Company in accordance with the requirements of the legislation of the Russian Federation, as well as implements other key functions.

1.4. The key goals and tasks of activities of the Board of Directors of the Company are as follows:

- to define development strategy for the Company, aimed at improvement of its market capitalization and investment appeal, achievement of the maximum level of profits and increase of assets of the Company;

- to ensure implementation and protection of shareholders' rights, and to assist in settlement of corporate conflicts;

- to ensure completeness, reliability and unbiased disclosure of the information on the Company for shareholders and other interested persons;

- to establish efficient internal control mechanisms;

- to ensure that executing authorities of the Company act in accordance with the approved development strategy and key areas of the Company activities;

- regular assessment of activities of executive authorities of the Company and work of the management.

To implement the said goals and tasks, the Board of Directors shall apply the following approaches:

- decision making on the basis of reliable information on activities of the Company;

- exclusion of restrictions on the rights of the shareholders to take part in management of the Company, receive dividends or information on the Company;

- due balance of interests of various groups of the shareholders and objective decisions of the Board of Directors in view of the interests of all the shareholders of the Company.

- regular analysis of compliance of corporate governance system and corporate values in the Company with the goals and tasks of by the Company, as well as the scale of its activity and risks.

1.5. In its activities, the Board of Directors applies the Federal Law On Joint Stock Companies, other regulatory legal acts of the Russian Federation, Articles of Association of the Company and this Provision.

2. BOARD COMPOSITION

2.1. The Board of Directors shall be formed in such a way that the balance is ensured in terms of professional level, knowledge, experience in order to ensure due performance by the members of the Board of Directors of respective obligations for the benefit of the Company in view of the development strategy of the Company.

In order to achieve the balance of interests the Board of Directors may include members of the Board of Directors who are acknowledged as:

- Executive Directors

- Non-Executive Directors/Independent Directors

2.2. A member of the Board of Directors is acknowledged as an Executive director, if such

member is an employee of the Company. The number of executive directors in the Board of Directors may not exceed 1/4.

2.3. To acknowledge a member of the Board of Directors as an independent director the Company applies provisions of the Code of Corporate Governance that is recommended for application by the Central Bank of the Russian Federation (the Bank of Russia).

2.4. A member of the Board of Directors is acknowledged as a Non-Executive director, if such member is not acknowledged as an Independent director or an Executive director.

2.5. For the purpose of application to the Company of the norms of Russian or foreign legislation, as well as standards adopted in the practice of trading organizers that provide for the criteria of independence of the members of the Board of Directors that differ from that provided for in in the Code of Corporate Governance that is recommended for application by the Central Bank of Russia, the status and number of Independent members of the Board of Directors for relevant purposes are defined in accordance with such criteria.

2.6. In certain cases that shall be of exceptional nature, the Board of Directors during the assessment may acknowledge a nominee (a member of the Board of Directors) as an independent one regardless of presence of any formal criteria of liaisons with the Company, substantial shareholder of the company, substantial counterparty or competitor of the company, if such liaisons causes no influence on ability of such person to make independent, unbiased and fair decisions.

The Board of Directors may acknowledge a nominee (an elected member of the Board of Directors) as an independent one in the following cases:

1) related person of the nominee (member of the Board of Directors) is an employee (except for employees provided with managerial authorities) of an enterprise controlled by the Company, or a legal person from the group of companies, to which a substantial shareholder of the company belongs (except for the company itself), or a substantial counterparty or competitor of the company, or a legal person that controls a substantial counterparty or competitor of the company, or companies controlled by the same;

2) liaisons of the nominee (member of the Board of Directors) and its related person are of such nature that they are unable to affect decisions made by the nominee;

3) the nominee (member of the Board of Directors) features a generally acknowledged, including by the investors, reputation that confirms their ability to independently define own position;

4) in other cases under decision of the Board of Directors.

2.7. The Board of Directors shall explain the reasons of its decision, if it acknowledges as an Independent director a member of the Board of Directors that fails to comply with the criteria, provided for in in the Code Corporate Governance that is recommended for application by the Central Bank of Russia and Russian and/or foreign organizers of trading on the securities market.

2.8. An independent director shall refrain from actions, as a result of which the independence may be affected. If after election of an independent director to the Board of Directors any circumstances occur, as a result of which they becomes dependent, such member of the Board of Directors shall notify on such circumstances the Board of Directors. The Board of Directors shall ensure disclosure of the information on loss by the member of the Board of Directors of the status of independent director.

2.9. In case of loss by a member of the Board of Directors of the status of independent director, such member of the Board of Directors is recommended to take all the measures to restore such status within their control.

2.10. Members of the Board of Directors of the Company shall feature spotless reputation. Any crimes in the area of economic activities or against the state authorities, interests of state service and service at local self-government authorities, as well as administrative offenses, primarily in the area of entrepreneurial activities, in the area of finances, taxes and duties, security market, are factors negatively affecting their reputation. The said facts shall be disclosed by nominee member of the Board of Directors or a member of the Board of Directors, if such acts were committed during performance of the obligations of the member of the Board of Directors of the

Company.

2.11. Members of the Board of Directors shall act in view of the interests of the Company and have no conflicts of interests with the Company. In particular, it is not recommended to suggest to the Board of Directors any persons who are members, director general (managing director), member of the management or an employee of a legal person, competing with the Company.

2.12. Members of the Board of Directors shall comply with the requirements of internal documents of the Company, including Code of Corporate Ethics of the Company, including provisions on submission of the information on respective incomes and obligations in accordance with the decisions of the committee for staff and bonuses.

2.13. Nominee members of the Board of Directors shall comply with one of the following criteria:

- to be acknowledged experts in the area of power industry, finance, law, strategic management, audit, risk management, human resource management, corporate governance, production modernization, innovations or investments;

- have experience in boards of directors or top managing positions in other joint stock companies, shares of which are included in quoting lists of organized trading sites (exchanges), including international companies.

2.14. For the purpose of efficient decision making it is recommended to suggest nominee members of the Board of Directors who are able to ensure diversification of the same, including in terms of gender.

2.15. A nominee member of the Board of Directors of the Company shall obtain consent of a relevant authority of another person, in which they hold management positions, for their election to the Board of Directors of the Company (if such consent is provided for in the legislation or the internal documents of the company), as well as consent of state authorities, if such consent is required in accordance with the legislation.

2.16. In case of suggestion of nominee members of the Board of Directors of the Company the shareholder that suggests a nominee, shall provide a Survey data sheet of the nominee to the Board of Directors in the form in accordance with Annex No. 1 to this Provision, as well as written consent of the nominee member of the Board of Directors for their suggestion and election to the Board of Directors under the form provided for in Annex No. 2 to this Provision. In case of absence of the said documents or the nominee's failure to comply with the criteria, provided for in clause 2.11 of this Provision, the Board of Directors refuses from inclusion of the nominee in the list of nominee members of the Board of Directors.

2.17. Upon election of a member of the Board of Directors the Company in the person of the President sends the member of the Board of Directors a notification on such election that contains respective rights and obligations under the form, provided for in Annex 3 to this Provision, and the member of the Board of Directors shall accept conditions of such Notification by way of its execution.

2.18. All the members of the Board of Directors of the Company who are elected for the first time shall undergo introductory program within the coordinated time limits after election.

2.19. In order to ensure continuity and consistency of the work of the Board of Directors on the annual basis and subject to recommendations of the committee for staff and benefits compiles and revised (according to the results of assessment of the activities of the Board of Directors) the continuity plan for the Board of Directors that takes into account rotation of independent directors and ensures maintenance of the right balance of qualifications and experience of the members of the Board of Directors and consistent renewal of its members.

2.20. the Board of Directors in view of recommendations of the committee for staff and benefits and in view of the information provided by the nominee assessed independence of the nominee members of the Board of Directors and provides opinion on independence of the nominees, as well as performs regular analysis of compliance of the independent members of the Board of Directors with the independence criteria and ensures immediate disclosure of the information on detection of any circumstances, due to which a director is no longer independent, as

well as makes a decision on which members of the Board of Directors are Executive, Non-Executive or Independent directors.

3. CHAIRMAN OF THE BOARD OF DIRECTORS. SENIOR INDEPENDENT DIRECTOR

3.1. Work of the Board of Directors is arranged by the Chairman of the Board of Directors of the Company.

3.2. A Chairman of the Board of Directors shall be elected by and among members of the Board of Directors by a substantiality of votes of the total number of members thereof.

The person performing the functions of the President of the Company may not be simultaneously the Chairman of the Board of Directors of the Company.

3.3. The Board of Directors may at any time re-elect the Chairman of the Board of Directors and their deputy by substantiality of votes of the members of the Board of Directors of the Company that take part in the meeting.

3.4. The Chairman of the Board of Directors:

1) arranges operation of the Board of Directors; convenes meetings of the Board of Directors and preside at them;

3) defines the form of the meeting of the Board of Directors;

4) approves the agenda of the meetings of the Board of Directors;

5) implements development of the most efficient decisions on the items of the agenda and, if necessary, ensures free discussion of such items, as well as constructive atmosphere of the meetings;

6) defines list of the materials (information) on the items of the agenda of the meetings, provided to the members of the Board of Directors;

7) takes every measure for timely provision to the members of the Board of Directors of the information, required for decision making on the items of the agenda, takes initiative during formulation of draft decisions on relevant issues;

8) defines the List of persons, invited for participation in discussion of certain items of the agenda of the meetings of the Board of Directors;

9) executed the minutes of the meetings of the Board of Directors, requirements on inspection (revision) of economic activities of the Company and other documents in the name of the Board of Directors of the Company;

10) arranges development of the Work plan of the Board of Directors and implements control of implementation of the Work plan of the Board of Directors, as approved by the Board of Directors;

11) represents the Board of Directors in liaisons with the shareholders of the Company, authorities, public institutions, Media;

12) implements communications of the Board of Directors with the shareholders, executive authorities and employees of the Company, and other companies;

13) chairs the General Meetings of Shareholders of the Company, announces the agenda, notifies on upcoming presentations and reports, as well as implements other functions of the Chairman of the General Meeting of Shareholders of the Company, provided for in in the Provision on the General Meeting of Shareholders of the Company;

14) arranges in the name of the Board of Directors control of performance of the decisions of the General Meeting of Shareholders and the Board of Directors, officially assigns control of performance of the decisions of the Board of Directors and removes control of implementation of the decisions of the Board of Directors;

15) ensures in course of the meeting of the Board of Directors compliance with the requirements of the legislation of the Russian Federation, Articles of Association of the Company, other internal documents of the Company and this Provision;

16) ensures efficient work of the committees of the Board of Directors, including takes initiative

to suggest members of the Board of Directors as members of certain committees, on the basis of professional and personal qualities and in view of the offers of the members of the Board of Directors on the members of such committees;

17) ensures in course of the meetings of the Board of Directors compliance with the requirements of the legislation of the Russian Federation, Articles of Association of the Company and this Provision

18) implements other functions, provided for in in the legislation of the Russian Federation, Articles of Association of the Company and decisions of the Board of Directors of the Company.

3.5. in case absence of the Chairman of the Board of Directors of the Company, deputy Chairman (Chairmen) of the Board of Directors of the Company their functions are implemented by a person, elected from the members of the Board of Directors by the substantiality of votes of the members of the Board of Directors of the Company.

Deputy Chairman of the Board of Directors cannot be a member of the Board of Directors who is simultaneously the President of the Company or a member of the Management Board of the Company.

3.6. If the Board of Directors includes over 3 independent directors, the Board of Directors elects a Senior independent director from them.

3.7. Senior independent director:

- acts as a counselor of the Chairman of the Board of Directors, promotes efficient arrangement of work of the Board of Directors;

- ensures support to the Chairman of the Board of Directors in achievement of the goals of respective activities;

- interacts with the Chairman of the Board of Directors, members of the Board of Directors of the Company, ensures efficiency of communication channels in the Board of Directors and in liaisons with the shareholders of the Company;

- coordinates interaction of independent directors, including arrangement meetings of independent directors when necessary and chairs the same;

- assesses activities of the Chairman of the Board of Directors;

- monitors liaisons of the Chairman of the Board of Directors and the President;

- in case of a conflict (e.g., in case of material disputes within the Board of Directors or in case, when the Chairman of the Board of Directors fails to pay attention to issues, consideration of which is requested by certain members of the Board of Directors or shareholders of the company that may address the Board of Directors) Senior independent director takes measures to settle such conflict by way of interaction with the Chairman of the Board of Directors, other members of the Board of Directors and shareholders of the company in order to ensure efficient and stable work of the Board of Directors;

- chairs committee of the Board of Directors for staff and bonuses.

4. POWERS AND DUTIES OF DIRECTORS

4.1. Members of the Board of Directors within the framework of the competence of the Board of Directors have the right to:

- 1) obtain information on activities of the Company, including that constituting trade secret of the Company, revise any constituent, regulatory, accounting, reporting, contracting and other documents of the Company in accordance with the legislation of the Russian Federation and the internal documents of the Company;

- 2) submit written offers on development of the Work plan of the Board of Directors;

- 3) under the established procedure submit issues to the agenda of the meetings of the Board of Directors;

- 4) request holding of a meeting of the Board of Directors of the Company;

- 5) effect other rights, provided for in in the legislation of the Russian Federation, Articles of Association of the Company, other internal documents of the Company and this Provision.

4.2. Member of the Board of Directors may request in writing documents and information, required for decision making on the items within the competence of the Board of Directors, either immediately from the President of the Company (other person, performing functions of a sole executive authority of the Company), or via the Secretary of the Board of Directors of the Company.

4.3. Documents and information of the Company shall be provided to the member of the Board of Directors within 5 (five) business days from the moment of receipt of relevant request.

4.4. The members of the Board of Directors can be paid remuneration and/or their expenses associated with performance by the members of the Board of Directors of respective functions can be compensated under the procedure, established in the Provision on payment of remunerations and compensations to the members of the Board of Directors, as approved by the General Meeting of Shareholders of the Company.

4.5. Members of the Board of Directors in course of performance of respective rights and obligations shall act in view of the interests of the Company and the shareholders, make decisions in compliance with the standards of environmental protection and social standards, effect respective rights and obligations as regards to the Company in a faithful and reasonable way.

4.6. Members of the Board of Directors are responsible before the Company for damages inflicted to the Company by its faulty actions (or omission) in accordance with the applicable law.

4.7. At the same time, members of the Board of Directors who had voted against resolutions which caused losses to the Company, or those who had not participated in such voting, shall not bear the responsibility.

4.8. Members of the Board of Directors shall quarterly within 15 (fifteen) days from commencement of a quarter, as well as each time in case of any changes within 5 (five) days from such changes provide the Company to the name of the President with information in accordance with Annex 1 to this Provision in writing.

4.9. Rights and obligation of the Company are defined in the legislation, Articles of Association of the company and this Provision.

4.10. The Company on the basis assessment (self-assessment) of activities of the Board of Directors arranges trainings for the members of the Board of Directors in accordance with the Program for training and development.

5. SECRETARY OF THE BOARD OF DIRECTORS

5.1. Technical (information, documentary, minutes, secretary) support to current activities of the Board of Directors implements the Secretary of the Board of Directors of the Company (the Secretariat of the Board of Directors), acting on the basis of Articles of Association of the Company, of this Provision, provisions on the Secretary of the Company (the Secretary and/or the Secretariat of the Board of Directors), other internal documents of the Company and in accordance with the instructions of the Chairman of the Board of Directors.

5.2. The Secretary of the Board of Directors is elected by the members of the Board of Directors of the Company by the substantiality of votes of the members, taking part in the meeting, upon suggestion of the President.

The Board of Directors may at any time re-elect the Secretary of the Board of Directors of the Company.

The Secretary of the Board of Directors is an employee of the Company.

In order to ensure efficient work of the Secretary of the Board of Directors of the Company under decision of the Board of Directors the Company may establish Secretariat of the Board of Directors, employees of which are staff of the Company.

Management of activities of the Secretariat of the Board of Directors is implemented by the Secretary of the Board of Directors of the Company.

5.3. Functions of the Secretary of the Board of Directors of the Company include the following:

1) development and submission to the Chairman of the Board of Directors of draft agenda of

ordinary meetings of the Board of Directors in accordance with the Work plan of the Board of Directors and offers, received from the members of the Board of Directors, the President of the Company, members of the Management Board, Revision committee, auditor of the Company.

2) preparation and sending of the documents (materials), required for arrangement and holding of the meeting of the Board of Directors (notification on holding of the meetings, draft decisions on the items of the agenda of the meeting, draft documents for preliminary revision etc.);

3) organisational and technical support to voting at the meeting of the Board of Directors;

4) arrangement of liaisons of the Board of Directors and executive management authorities, committees of the Board of Directors and structural units of the Company;

5) arrangement preparation and submission of the documents (information) on requests of the members of the Board of Directors;

6) preparation of requests and answers to the letters in the name of the Board of Directors of the Company under control of the Chairman of the Board of Directors;

7) collection of Survey data sheets, filled in by the members of the Board of Directors of the Company;

8) formalisation of the minutes of the meetings of the Board of Directors and formalisation and execution of extracts from the minutes of the meetings of the Board of Directors;

9) sending of the documents, approved by the Board of Directors;

10) development and introduction of nomenclature of cases of the Board of Directors;

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

12) arrangement of control of implementation of the decisions of the Board of Directors;

13) preparation of requests on provision of the information (materials) on the items of the agenda of the meetings of the Board of Directors addressed to the units of the Company;

14) control of reliability of the information provided and correct formalisation of the documents, submitted for consideration and approval by the Board of Directors;

15) preparation under instructions of the Chairman of the Board of Directors (deputy Chairman of the Board of Directors) of draft documents and decisions of the Board of Directors, including draft of the Work plan of the Board of Directors;

16) arrangement of registration of the meetings of the Board of Directors, including, subject to consent of the members present, with the use of magnetic media;

17) preparation of answers to the questions of the members of the Board of Directors on materials, sent to them for decision making on the items of the agenda of the meeting of the Board of Directors, such answers (additional information, explanations) are sent to all the members of the Board of Directors.

18) performance of other functions, provided for in in this Provision, instructions of the Chairman and the members of the Board of Directors of the Company.

5.4. The Secretary of the Board of Directors of the Company ensures coordinated and fast work of the members of the Board of Directors with the shareholders of the Company and respective representatives, with the executive authority of the Company, managers and employees of the units of the Company in order to ensure efficient activities of the Board of Directors.

The Secretariat of the Board of Directors is meant for technical support to efficient activities of the Board of Directors, provides every type of support to activities of the committees, commissions and task forces of the Board of Directors;

5.5. The Secretary of the Board of Directors of the Company may request and obtain information, required for work of the Board of Directors, including in accordance with requests of the members of the Board of Directors of the Company, from the units of the executive system of the Company.

5.6. The Secretary of the Board of Directors may receive correspondence sent to the Company that pertains to activities of the General Meeting of Shareholders and the Board of Directors, including, without limitation: offers of the shareholders on inclusion of items in agenda of the General Meeting of Shareholders or on nominee members of management and control authorities of the Company.

5.7. the Secretary of the Board of Directors of the Company is responsible for the following:

- timely sending to the members of the Board of Directors of notifications on meeting of the Board of Directors and materials for meetings;
- quality of formalisation and reliability of information, contained in the minutes of the meetings of the Board of Directors;
- timely sending of the minutes to the members of the Board of Directors.

5.8. Authorities and officials of the Company shall support the Secretary of the Board of Directors of the Company in performance of respective functions.

5.9. An agreement may be signed with the Secretary of the Board of Directors of the Company for performance of the functions of the Secretary of the Board of Directors of the Company.

Terms and conditions of the agreement with the Secretary of the Board of Directors of the Company, including in terms of remuneration to the Secretary of the Board of Directors of the Company for performance of respective obligations, are defined by the Board of Directors of the Company or a person, authorised by the Board of Directors of the Company.

5.10. The costs of implementation of activities of the Secretariat of the Board of Directors and payments to its employees are paid at the expense of the Company within the limits of the budget, approved by decision of the Board of Directors on suggestion of the Secretary of the Board of Directors of the Company.

6. PROCEEDINGS OF THE BOARD OF DIRECTORS

6.1. Work of the Board of Directors is arranged by the Chairman in accordance with the legislation of the Russian Federation, Articles of Association of the Company, this Provision, other internal documents of the Company and in accordance with the Work plan approved by the Board of Directors.

6.2. If necessary, the Chairman of the Board of Directors may make a decision on extraordinary meeting of the Board of Directors, or change the date of a planned meeting of the Board of Directors.

6.3. The Work plan of the Board of Directors.

6.3.1. The Work plan of the Board of Directors may cover the following key areas:

- strategic development of the Company;
- mid-term and short-term planning of activities of the Company;
- proceedings of the Board of Directors;
- control of performance of the decisions of the Board of Directors and of the General Meeting of Shareholders.

6.3.2. The Work plan of the Board of Directors shall include the following:

1) issues, subject to consideration at the meetings of the Board of Directors of the Company in current year (quarterly), including issues that are subject to consideration at the meetings in form of joint presence;

2) schedule of the meetings of the Board of Directors;

3) list of persons (authorities of the Company), responsible for preparation of the items for consideration at the meetings of the Board of Directors (members of the Board of Directors, President, other persons).

6.3.3. the Work plan of the Board of Directors is formed on the basis of the offers of the Chairman and the members of the Board of Directors, the Revision committee of the Company, the President and members of the Management Board of the Company, auditor of the Company in compliance with the requirements, provided for in paragraphs 1 and 2 clause 6.4. of these Regulations.

The said offers are sent to the Chairman of the Board of Directors in writing with simultaneous sending of a copy of the offers to the Secretary of the Board of Directors of the Company.

6.4. For more detailed consideration by the members of the Board of Directors of the most important issues pertaining to activities of the Company the Board of Directors tends to hold meetings in form of joint presence at least 4 times a year.

In particular, meetings in form of joint presence are meant for consideration of the following issues (unless otherwise decided by the Chairman of the Board of Directors, in particular, if the issues considered are exclusively formal):

6.4.1 determination of priority areas of business of the Company, including consideration of strategic priorities of the Company's development and reports of the strategy implementation

6.4.2 to convene the annual and the extraordinary General Meetings of shareholders of the Company; preliminary approval of Company's annual report; election of the Chairperson of the Board of Directors;

6.4.5 approval of transactions (including several interrelated transactions) that result or potentially result in obligations of the Company in the amount, equal to or exceeding 5 (five) per cent of the balance cost of the assets of the Company according to the financial statements as of the last reporting date (unless other decision is made by the Chairman of the Board of Directors);

6.4.6 determination of position of the Company (representatives of the Company) on the following item of the agenda of the Management Board authorities of legal persons controlled by the Company that are of substantial importance for activities of the Company, (hereinafter referred to as controlled persons), except for executive authorities of controlled persons: on approval of transactions (including several interrelated transactions) that result or may result in obligations of a controlled person in the amount equal to or exceeding the equivalent of RUB 3 000 000 000 (three billion) (or an equivalent amount in the currency of the country of registration of the controlled person);

6.4.7 consideration of recommendations as regards to voluntary or obligatory offer received by the Company in accordance with the Federal Law On Joint Stock Companies;

6.4.8 requesting the listing of the Company's shares and (or) issue-grade securities convertible into shares of the Company;

6.4.9 increase in authorised stock capital of the Company by way of placement with the use of open subscription of additional shares of the Company from declared shares, as well as bonds, convertible into shares, and other equity securities, convertible into shares, the total amount of which is below 25% of all the placed shares of the Company;

6.4.10 Proposing to the General Meeting of the following issues:

6.4.10.1. increase in authorised stock capital of the Company by way of increase in the nominal value of the shares or by way of distribution of additional shares among the shareholders of the Company at the expense of its property;

6.4.10.2. increase in authorised stock capital by way of placement of additional shares (equity securities, convertible into shares of the Company) with the use of closed subscription, as well as by way of placement of ordinary shares of the Company (equity securities, convertible into ordinary shares of the Company) that constitute over 25% of previously placed ordinary shares of the Company with the use of open subscription;

6.4.10.3. making an application concerning delisting of Company shares and (or) the Company issue-grade securities, convertible into shares of the Company;

6.4.10.4. reorganization of the Company; The Company's liquidation, appointment of the Liquidation Committee and approval of interim and final liquidation balance sheet.

6.4.11. Determination of the status of the members of the Board of Directors of the Company, as well as consideration of the results of annual self-assessment of the Board of Directors and results of independent assessment of the efficiency of the Board of Directors;

6.4.12. determination of the amount of remunerations and compensations, paid to the President and the members of the Management Board of the Company (unless other decision is made by the Chairperson of the Board of Directors);

6.4.13. Approval of internal documents of the Company including the Dividend Policy, except the internal documents, the approval of which falls within the competence of the General Meeting of Shareholders, and also other internal documents, the approval of which falls within the competence of the executive bodies of the Company;

6.4.14. placement by the Company of additional shares, into which preferred shares of certain type placed by the Company are converted that are convertible into common shares or preferred shares of other types, if such placement is not associated with increase in authorised stock capital of the Company, as well as placement by the Company of bonds or other equity securities, except for shares;

6.4.15. purchase of shares placed by the Company, bonds and other securities in cases specified by these Articles of Association and the Federal Law On Joint-Stock Companies or other federal laws;

6.4.16. consideration of reports of the Management Board on activities of the Company, on implementation of the decisions of the General Meeting of Shareholders and the Board of Directors of the Company;

6.4.17. approval of a business plan (adjusted business plan) and report on the results of its implementation, including approval, modification, supplement of the investment program of the Company;

6.4.18. approval of the target values (adjusted values) of key performance indices (KPI) and control indices (CI) for the President of the Company and the members of the Management Board of the Company and reports on implementation of the same, as well as methods for calculation and assessment of implementation of the same;

6.4.19. approval of policies in the area of risk management and internal control, approval of critical risk maps and action plans for critical risk management, as well as annual consideration of reports on functioning of the systems of risk management and internal control;

6.4.20. approval of the programme (adjusted programme) of cost management of the Company and reports on its performance;

6.4.21. establishment of the committees of the Board of Directors of the Company;

6.4.22. participation and termination of participation of the Company in other companies (including by way of founding of such companies, including preliminary approval of decision on establishment, approval of Articles of Association of the company and election of the management and control members), changes in the share of participation (amount of shares, size of shares), encumbrances on the shares.

6.5. In order to maintain confidentiality of insider information, ensure timely and free access for the members of the Board of Directors to materials of the meetings of the Board of Directors, as well as for maintenance of document management it is possible to use special SW means, including that enabling remote participation of the members of the Board of Directors in the meetings and voting on the items of the agenda with the use of electronic digital signature.

7. CONVENING DIRECTORS' MEETINGS

7.4. The first meeting of the newly elected Board of Directors is convened by one of the members of the Board of Directors of the Company by way of sending of notification on convening of the meeting to other members of the Board of Directors, as well as to the Company to the name of the President of the Company, and is held within reasonable time limits from the date of election of the Board of Directors.

The President of the Company shall provide support and provide any information, required for arrangement of the first meeting of the newly elected Board of Directors.

At the first meeting of the Board of Directors the following issues shall be considered:

8. election of the Chairperson of the Board of Directors;

9. election of deputy Chairperson of the Board of Directors;

10. election of the Secretary of the Board of Directors;

11. establishment of the committees of the Board of Directors;

12. determination of the status of the members of the Board of Directors of the Company;

13. election of Senior independent director (subject to the conditions provided for in clause 3.5. of this Provision).

13.4. Subsequent meetings of the Board of Directors are convened by the Chairperson of the Board of Directors (except for the case provided for in clause 3.5. of this Provision):

14. in accordance with the approved Work plan of the Board of Directors;

15. at own initiative of the Chairperson of the Board of Directors of the Company;

16. on written request of the member of the Board of Directors, of the Revision committee of the Company, the President or members of the Management Board of the Company, auditor of the Company.

16.4. The notice on holding the meeting of the Board of Directors shall contain the following information:

- 1) indication of the initiator of the meeting;
- 2) wording of the agenda items;
- 3) reasons for submission of the items of the agenda;
- 4) information (materials) on the items of the agenda;
- 5) draft resolutions concerning the item on the agenda.

16.5. The requirement on holding of the meeting of the Board of Directors shall be formalised in writing and signed by a person that requests the meeting.

Requirement of the Revision committee of the Company on holding of the meeting of the Board of Directors is signed by the Chairperson of the Revision committee.

Requirement on holding of the meeting of the Board of Directors with the attachment of all required materials (information) is sent to the Chairperson of the Board of Directors with simultaneous sending of a copy of the offers to the Secretary of the Board of Directors of the Company. Offers of the members of the Management Board of the Company are sent to the Chairperson of the Board of Directors with the signature of the President of the Company, or independently if the President of the Company fails within 7 (seven) business days to send relevant letter to the Chairperson of the Board of Directors.

16.6. The Chairperson of the Board of Directors shall consider the requirement on holding of an extraordinary meeting of the Board of Directors of the Company and make a decision on such meeting, on refusal from the same or on inclusion of the items contained in the requirement in the agenda of a scheduled (in accordance with the approved Work plan of the Board of Directors) meeting of the Board of Directors within 5 (five) business days from the moment of receipt of relevant requirement. Meeting of the Board of Directors for consideration of the item(s), contained in the requirement, shall be held within 30 calendar days from the moment of receipt by the Chairperson of the Board of Directors of relevant requirement.

A reasonable decision of the Chairperson of the Board of Directors on refusal from holding of an extraordinary meeting of the Board of Directors is sent to a person, requesting such meeting within 3 (three) business days from the moment of such decision.

Failure to observe the requirements provided for in clauses 16.4, 16.5 of this Provision, may constitute grounds for refusal from fulfillment of the requirements on holding of a meeting of the Board of Directors.

16.7. The notice on holding the meeting of the Board of Directors is prepared by the Secretary of the Board of Directors in the form in accordance with Annex No. 5 to this Provision and executed by the Chairperson or the Secretary of the Board of Directors under instructions of the Chairperson of the Board of Directors. Notification on holding of a meeting of the Board of Directors is sent by the Secretary of the Board of Directors to each member of the Board of Directors in writing within 15 (fifteen) days before the date of the meeting of the Board of Directors (deadline for submission of Survey data sheets for voting), except for the cases provided for in this Provision.

16.8. Simultaneously with notification on holding of a meeting of the Board of Directors the members of the Board of Directors are sent materials (information) on the items of the agenda of the meeting.

Materials (information) on the items of the agenda of the meeting include the following:

17. draft decisions of the Board of Directors on the items, included in the agenda of the meeting of the Board of Directors;

18. explanatory note to draft decisions of the Board of Directors on the items, included in the agenda of the meeting of the Board of Directors;

19. draft documents that are submitted for approval or coordination by the Board of Directors;

20. minutes of the meetings of the management authorities, decisions (recommendations) of the committees of the Board of Directors and other specially established authorities and commissions of the Company for preliminary consideration of the items (if any);

21. materials, confirming information, presented in draft decisions and explanatory notes;

22. other information materials on the items, included in the agenda of the meeting of the Board of Directors.

22.4. materials (information) on the items of the agenda can be provided to the members of the Board of Directors of the Company personally, by fax, e-mail or with the use of special SW means (clause 6.5 of this Provision) Documents and information of the Company shall be provided to the member of the Board of Directors within 5 (five) business days from the moment of receipt of relevant request.

22.5. In case of inclusion in the agenda of a meeting of the Board of Directors of items that in accordance with the Provision on the Management Board of the Company and/or provisions on of the committees of the Board of Directors shall be preliminary considered by the Management Board and/or relevant committee of the Board of Directors, notification on the meeting of the Board of Directors and materials on the said items are provided by the Secretary of the Board of Directors of the Company to the Management Board and/or relevant committee under the procedure and within the time limits provided for in clauses 6.6. and 6.8. of these Regulations.

Decisions (recommendations) of the Management Board of the Company and/or of the committee of the Board of Directors are sent by the Secretary of the Board of Directors of the Company to the members of the Board of Directors in case of its receipt by the Board of Directors at least 3 (three) calendar days before the date of the meeting of the Board of Directors. If decisions (recommendations) of the Management Board and/or relevant committee are not provided (or provided in violation of the above time limits) – the Board of Directors may make a decision on relevant issue regardless of such decisions (recommendations).

22.6. The Chairperson of the Board of Directors may subject to coordination with the initiator of submission for consideration by the Board of Directors of the issue that in accordance with the provision on committee of the Board of Directors shall be preliminary considered by relevant committee of the Board of Directors, once change the date of consideration of such issue if the committee fails to provide required decisions (recommendations) and the Chairperson of the committee sends a letter with a reasonable request for such change of the date.

22.7. In cases provided for in the legislation of the Russian Federation, as well as clause 6.2 of this Provision, under decision of the Chairperson of the Board of Directors the time limits for sending to the members of the Board of Directors of notification on holding of a meeting of the Board of Directors and provision of the materials (information) can be reduced.

23. PROCEDURES DURING MEETINGS OF DIRECTORS COMMITTEE

23.4. Meeting of the Board of Directors is opened by the Chairperson of the Board of Directors.

23.5. Meetings of the Board of Directors are attended by the members of the Board of Directors of the Company, as well as persons, invited to the meeting on each of the issues considered, in accordance with the list approved by the Chairperson of the Board of Directors.

23.6. The Secretary of the Board of Directors of the Company defines, where the quorum is present for holding of a meeting of the Board of Directors and notifies those present on presence of the quorum for holding of the meeting.

23.7. A quorum at the meeting of Company's Board of Directors shall make at least a half of the elected members of the Company's Board of Directors. Participation in a meeting of the Board of Directors held by means of electronic (telephone) communication shall constitute presence in person.

23.8. The Chairperson of the Board of Directors announces the agenda of the meeting of the Board of Directors.

23.9. In absence of the quorum the meeting is declared invalid. The Chairperson of the Board of Directors makes one of the following decisions:

1) by way of consultation with the present members of the Board of Directors defines time for delayed commencement of the meeting, but in any case no later than within 2 hours;

2) defines the date of a new meeting, held instead of the failed meeting, with the previously approved agenda;

holding of a new meeting instead of a failed meeting is possible at least after 20 days after relevant decisions of the Chairperson of the Board of Directors on this issue;

3) includes issues of the agenda of the failed meeting in the agenda of the next scheduled meeting of the Board of Directors.

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

6) presentation of a member of the Board of Directors or an invited person with a report on an issue of the agenda;

7) discussion of the agenda item:

8) offers on decision on the agenda item: voting on the agenda item;

10) calculation of the votes and summarizing of the results of voting;

11) declaration of the results of voting and decision, made on relevant item of the agenda.

23.11. at the meeting of the Board of Directors, held by way of joint presence of the members, information of the Secretary of the Board of Directors of the Company on implementation of previously made decisions of the Board of Directors shall be presented.

23.12. Decisions at the meeting of the Board of Directors of the Company are made by the substantiality of votes of the members of the Board of Directors present at the meeting, except for the cases provided for in the legislation of the Russian Federation and Articles of Association of the Company.

23.13. While solving issues at a Board of Directors meeting, every member of the Board of Directors shall have one vote. In case of equality of votes, the Chairperson of the Board of Directors shall have a casting vote. No member of the Company's Board of Directors may assign his/her right to vote to other member of the Company's Board of Directors.

23.14. In case of presence at the meeting of less than a half of the members of the Board of Directors (taking into account participation of the members of the Board of Directors in the meeting with the use of phone or electronic means of communications) for the purpose of determination of the results of voting on the items of the agenda written opinions of the members of the Board of Directors of the Company, absent at the meeting of the Board of Directors, are taken into account under the procedure, established in this Provision.

23.15. A signed written opinion shall be at least 2 (two) hours before the meeting sent by a member of the Board of Directors to the Secretary of the Board of Directors in original, with the use of fax or e-mail, with subsequent sending of the original written opinion to the address of the Company.

23.16. written opinion, received by the Secretary of the Board of Directors after the deadline indicated in clause 23.15, is not taken into account when counting the votes and summarizing the results of voting.

23.17. on the basis of the results of voting at the meeting and opinions received from the members of the Board of Directors in writing the Secretary of the Board of Directors of the Company

summarizes results of voting on the items of the agenda and formalizes the minutes of the Board of Directors under the procedure, established this Provision.

23.18. In course of the meetings of the Board of Directors the Secretary of the Board of Directors keeps and stores, along with the minutes, audio recordings of the meetings.

23.19. written opinions of the members of the Board of Directors of the Company, absent at the meetings of the Board of Directors, are attached to the minutes of the meetings of the Board of Directors.

23.20. Special opinions of the members of the Board of Directors are attached to the minutes of the meetings of the Board of Directors and constitute integral part of the same.

23.21. if an item of the agenda of the Board of Directors is subject to preliminary consideration by the committee of the Board of Directors, recommendation of the relevant committee is included in the minutes of the meeting of the Board of Directors.

23.22. if at the meeting of the Board of Directors in the form of joint of presence a decision is made that contradicts recommendations of the relevant committee of the Board of Directors, the Board of Directors substantiates the reasons, why recommendations were not taken into account. Such substantiation is included in the minutes of the meeting of the Board of Directors.

23.23. In case of consideration of the items, pertaining to delisting of securities of the Company, the Board of Directors ensures full transparency of decision making, including notification of the owners of relevant securities on the grounds for such decision of the General Meeting of Shareholders and risks for the owners of the securities, pertaining to delisting, as well as ensures protection of respective rights in connection with the procedure of delisting.

24. RESOLUTION ADOPTED BY ABSENTEE VOTING

24.4. Decisions of the Board of Directors of the Company on the items of the agenda of the meeting can be made by way of absentee voting (by way of a survey).

24.5. For decision making by the Board of Directors by way of absentee voting (by way of survey) each member of the Board of Directors is sent a notification on holding of absentee voting on the items of the agenda, draft decisions on the same and materials (information) on the items, included in the agenda, under the procedure and within the time limits provided for in clauses 7.6. – 22.7 of this Provision.

24.6. Notification on holding of absentee voting shall contain the following:

- full commercial name of the Company and its location; wording of the agenda items;
- indication of holding of absentee voting by way of filling in of Survey data sheet;
- date and time of the deadline for submission of Survey data sheets for absentee voting;
- list of the information (materials), provided to the members of the Board of Directors.

24.7. members of the Board of Directors may submit respective offers and/or comments on draft decisions of the Board of Directors offered in draft Survey data sheet on the items, presented for absentee voting, at least 5 (five) calendar days before the deadline for submission of Survey data sheets for voting, as indicated in notification on absentee voting.

24.8. In view of the offers and/or comments submitted on the draft decisions offered on the items of the agenda of the meeting the Secretary of the Board of Directors subject to coordination with the Chairperson of the Board of Directors compiles a final version of Survey data sheet for absentee voting (in the form in accordance with Annex No. 3).

24.9. final version of Survey data sheet for absentee voting is sent to the members of the Board of Directors at least 3 (three) calendar days before the deadline for submission of Survey data sheets, as indicated in notification on absentee voting.

Along with the Survey data sheet the members of the Board of Directors are sent decisions (recommendations) of relevant committees (in case is these are obtained by the Secretary of the Board of Directors of the Company).

24.10. When filling in of Survey data sheet for absentee voting members of the Board of Directors shall leave uncrossed only one of the possible variants of voting (for, against, abstained) for each draft decision on each of the items. Filled in Survey data sheet shall be signed by the member of the Board of Directors with the indication of surname and initials. In case of use of SW means in accordance with clause 6.5 of this Provision, Survey data sheet can be signed with electronic digital signature.

24.11. Survey data sheet, filled in with violations of the requirements, indicated in this Article, is deemed void (in case of violation of the requirements for filling in of the variants of voting it is deemed void only within the limits of relevant item) and takes no part in determination of the quorum, required for decision making by absentee voting, and not taken into account for the purpose of vote calculation.

24.12. A filled in and signed Survey data sheet shall be submitted by the member of the Board of Directors within the time limits, indicated in the Survey data sheet, to the Secretary of the Board of Directors in original or with the use of fax or e-mail with subsequent sending of the original Survey data sheet to the address, indicated in the Survey data sheet. In case of signing of a Survey data sheet with electronic digital signature original of Survey data sheet is not to be provided, and Survey data sheets signed with electronic digital signature is attached to the minutes.

Members of the Board of Directors are deemed to take part in absentee voting, if respective Survey data sheets were obtained by the Secretary of the Board of Directors in original, by fax or e-mail, as well as with the use of SW by the deadline for submission of Survey data sheets, as indicated in notification.

Survey data sheet, received by the Company after the deadline, indicated in the Survey data sheet, is not taken into account for the purpose of calculation of the votes and summarization of the results of absentee voting.

24.13. Results of voting on the items of the agenda of the meeting, held as absentee voting, are summarized on the basis of Survey data sheets filled in and signed by the members of the Board of Directors, received by the Company within the time limits provided for in notification on holding of absentee voting.

24.14. on the basis of Survey data sheets received the Secretary of the Board of Directors formalizes the minutes of the Board of Directors under the procedure, established in this Provision.

25. MINUTES OF THE BOARD OF DIRECTORS

25.4. At the meeting of the Board of Directors the Secretary of the Board of Directors of the Company keeps the minutes.

25.5. Minutes of the meeting of the Board of Directors of the Company shall be made no later than 3 (Three) days after the date of the meeting (summarization of the results of absentee voting).

25.6. The minutes of the meeting shall contain:

- The full trade name of the Company: Form of the Meeting;
- location and time of the meeting (summarization of the results of voting);
- members of the Board of Directors, present at the meeting (participating in absentee voting), as well as persons invited;
- information on presence of the quorum of the meeting;
- agenda of the meeting; issues put to vote and voting results; adopted resolutions. The minutes of the meeting of the Board of Directors of the Company are signed by the Chairperson of the meeting and the Secretary of the Board of Directors of the Company that are responsible for correctness of the minutes.

25.7. Decisions made by the Board of Directors, are notified to the members of the Board of Directors by way of sending by the Secretary of the Board of Directors of the Company of copies of the minutes of the meeting of the Board of Directors within 3 (three) days from the moment of signing of the minutes of the meeting of the Board of Directors or by way of use of special SW means.

25.8. The Company shall keep the minutes of the meetings of the Board of Directors at location of the executive authority of the Company or at another location that is known and accessible to relevant interested parties.

25.9. The minutes of the meetings of the Board of Directors of the Company shall be accessible by any shareholder of the Company, member of the Board of Directors, member of the Revision committee, auditor of the Company, President of the Company, official representatives of federal control authorities at location of the executive authority of the Company or another location, as defined by the Board of Directors of the Company.

25.10. Audit committee of the Board of Directors of the Company ensures preliminary assessment of the possible actions and draft decisions of the Company that may result in corporate conflicts. A document, containing assessment of the audit committee, is included in the materials for the meeting of the Board of Directors of the Company, on which relevant issue is considered.

**BOARD OF DIRECTORS/ MEMBER OF THE BOARD OF DIRECTORS
PJSC INTER RAO NOMINEE QUESTIONNAIRE**

Distributions Generally		
Full name		
Year of birth		
Nationality		
Place of residence (state, city)		
Information on education (level, specialization, educational institution, year of graduation)		
Principal employment		
Position		
Positions held over the last 5 years and at present in chronological order (including part time employment)		
Period	Company name	Position held
Current employments in managing bodies of other corporate persons		
Period	Company name	Position held
Information on ownership in shares of PJSC Inter RAO and subsidiaries of PJSC Inter RAO		
Share of participation in authorised stock capital of PJSC Inter RAO		
Share of participation in authorised stock capital of PJSC Inter RAO subsidiaries (indicate the number of shares)		
Other information on the nominee		
Connection to the Company		
1.	Is or during the last 3 years was a member of executive authorities or employees of the company, entity controlled by the Company and/or managing entity of the company.	Yes ⁵ /No
2.	Is a member of the Board of Directors of a legal person that controls the Company, or a controlled entity or managing entity of such legal person.	Yes/No
3.	During any of the last 3 years received remuneration and/or other financial benefits from the company and/or its controlled entities in the amount that exceeds half of the amount of annual fixed remuneration of the member of the Board of Directors of the company. No account is taken of payments and/or compensations that were obtained as remuneration and/or compensation of expenses for performance of the	Yes/No

⁵ If you choose the positive answer, it is necessary to provide explanations on the essence of the matter.

	obligations of the member of the Board of Directors of the company and/or its controlled entity, including that associated with insurance of respective responsibility as the members of the Board of Directors, as well as incomes and other payments, received from securities of the company and/or its controlled entity.	
4.	Owens shares or is a beneficiary under the shares of the company ⁶ that constitute over 1 per cent of the authorised stock capital or the total number of voting shares of the company or the market value of which more than 20 times exceeds the amount of the annual fixed remuneration of the member of the Board of Directors of the company.	Yes/No
5.	is an employee and/or a member of executive authorities of a legal person, if their remuneration is defined (considered) by the committee of the Board of Directors for remunerations (by the Board of Directors) of such legal person and a member of the said committee (the Board of Directors) is any employee and/or member of executive authorities of the company.	Yes/No
6.	Provides the Company, entity controlling the Company or legal persons controlled by the Company with consultancy services or is a member of management authorities of the entities, providing the Company or the said legal persons with such services, or an employee of such entities, immediately involved in provision of such services.	Yes/No
7.	During the last 3 years provided the Company or its controlled legal persons with services in the area of assessment activities, tax consulting, auditor services or services of accounting, or during the last 3 years was a the member of management authorities of entities providing such services to the said legal persons, or rating agency of the company, or was an employee of such entities or rating agency, immediately involved in provision of relevant services to the company.	Yes/No
8.	Held positions of a member of the Board of Directors of the company for over 7 years in total.	Yes/No
<i>Connection to substantial shareholder of the company⁷</i>		
9.	Is an employee and/or a member of executive authorities of substantial shareholder of the company (legal person from the group of entities, to which substantial shareholder of the company belongs).	Yes/No
10.	During any of the last 3 years received remuneration and/or other material benefits from substantial shareholder of the company (legal person from the group of entities, to which substantial shareholder of the company belongs) in the amount that exceeds a half of the amount of the fixed annual remuneration of the member of the Board of Directors of the company. No account is taken of the payments and/or compensations that were received as remuneration and/or	Yes/No

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Beneficiary under shares of the company means a natural person, that as a result of participation in the Company, on the basis of an agreement or otherwise receives financial benefit from ownership in the shares and/or votes, corresponding to the shares, that constitute the authorised stock capital of the company.

⁷ Major shareholder of the company means a person, that may directly or indirectly (via its controlled persons) independently or jointly with other persons, bounded with it by way of an agreement for fiduciary management of property, and/or simple partnership, and/or assignment, and/or shareholder agreement, and/or other agreement, the subject matter of which is implementation of the rights, proved by the shares of the issues, to dispose of 5 or more per cent of the votes, allocated to voting shares, that constitute the authorised stock capital of the company.

	compensation of expenses for performance of the obligations of a member of the Board of Directors (committee of the Board of Directors) of substantial shareholder of the company (legal person from the group of entities, to which substantial shareholder of the company belongs), including that associated with insurance of respective responsibility as members of the Board of Directors, as well as profits and other payments, received by the said persons from securities of substantial shareholder of the company (legal person from the group of entities, to which substantial shareholder of the company belongs).	
11.	Is a member of the Board of Directors in more than 2 legal persons, controlled by substantial shareholder of the company or a person that controls substantial shareholder of the company.	Yes/No
<i>Connection to substantial counterparty⁸ or competitor of the company</i>		
12.	Is an employee and/or a member of management authorities of the substantial counterparty or competitor of the company, as well as legal persons, controlling the substantial counterparty or competitor of the company or its controlled entities.	Yes/No
13.	Owns shares or is a beneficiary under shares of the substantial counterparty or competitor of the company that constitute over five per cent of the authorised stock capital or the total number of voting shares.	Yes/No
<i>Connection to state municipal entity</i>		
14.	Is or was during 1 year before election as a member of the Board of Directors of the company, state or municipal officer, a person, holding positions in state authorities, an employee of the Bank of Russia.	Yes/No
15.	Is a representative of the Russian Federation, constituent entity of the Russian Federation or municipal entity at the Board of Directors of the company, as regards which a decision is made on application of special right for participation in management (a golden share).	Yes/No
16.	Shall vote one or more items of the competence of the Board of Directors of the company in accordance with the regulation of the Russian Federation, constituent entity of the Russian Federation or municipal entity.	Yes/No
17.	Is or was during 1 year before election as a member of the Board of Directors of the company, a member of executive authority or other managing employee of an entity under control of the Russian Federation, constituent entity of the Russian Federation or municipal entity, employee of a state or municipal unitary enterprise or institution (except for employees of state or municipal educational or scientific institutions that perform educational or scientific activities and are not the persons, assigned (approved) on position of sole executive authority or other position in a state or municipal educational or scientific institution under decision or with agreement of state authorities (local self-government authorities), if the said person is offered for election as a member of the Board of Directors of the	Yes/No

⁸ Major counterparty of the company means a person, that is a party to an agreement (agreements) with the Company, the amount of obligations under which is 2 per cent or more of the balance cost of the assets or 2 per cent or more of the income (profits) of the company (including the group of entities, controlled by the Company) or the major counterparty of the company (group of entities, to which the major counterparty of the company belongs).

	company, in which over 20 per cent of authorised stock capital or voting shares of the company are under control of the Russian Federation, constituent entity of the Russian Federation or municipal entity.	
<i>Other information</i>		
18.	Information on suggestion of a nominee as a member of the Board of Directors or for election (assignment) to a position in other legal persons.	Yes/No (if Yes, indicate in annex No. 1)
19.	Information on related and affiliated persons ⁹ .	Yes/No (if Yes, indicate in annex No.2)
20.	Information on liaisons of the nominee with affiliated persons and substantial counterparties of PJSC Inter RAO, not listed in the above information.	Yes/No
21.	Information on any conflicts of interests, not listed in the above information.	Yes/No
22.	Information on the nature of liaisons with the Company, not listed in the above information.	Yes/No

(signature) EU HBM GmbH

_____ /full name/

_____, 20____

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Related persons of a natural person mean: spouse, parents, children, adopted parents, adopted children, siblings, grandparents, as well as other person, tat lives with the natural person and having common household with them.

Annex No. 1
to the Board of Directors of PJSC Inter RAO
nominee member questionnaire

**information on suggestion of the nominee member of the Boards of Directors or election
(assignment) to a position in other legal persons**

C/n No.	LE Name	Positions

Information on connected and related persons of the member of the Board of Directors

C/n No.	Full name (with the indication of the registration number)	Grounds for classification as related/connected person
connected persons		
Related parties		

Annex 2
to Regulations On the Board of Directors
of PJSC Inter RAO UES

To PJSC Inter RAO

WRITTEN CONSENT

I, _____ (passport _____
series _____ No. _____, issued by _____, date of issuance
_____) hereby confirm the following:

1. My consent to suggestion as a nominee member of the Board of Directors of Inter RAO OJSC.

2. My consent to election to the Board of Directors of Inter RAO OJSC.

3. My consent to processing, including publication of the following personal data in accordance with the requirements of the legislation of the Russian Federation and internal documents of Inter RAO OJSC:

full name, year of birth, citizenship, place of residence (city, state);

information on education;

information on the list of all positions held by me over the last 5 years and at present, including part time positions;

information on positions (membership), currently taken by me in management of legal persons;

information on my suggestion as a member of the Boards of Directors or for election (assignment) to a position in other legal persons;

information on related and connected persons;

information on liaison with JSC Inter RAO, its substantial shareholders, competitors or counterparties, state or municipal entity.

consent to processing of personal data is valid till expiry of the term of authorities as a member of the Board of Directors of JSC Inter RAO and can be revoked in accordance with the requirements of the legislation of the Russian Federation.

_____/_____/

_____, 20__

**the Board of Directors
of PJSC Inter RAO UES**

S U R V E Y D A T A S H E E T

**for absentee voting on the items of the agenda of the meeting
of the Board of Directors of PJSC Inter RAO**

item 1:

Decision:

FOR

AGAINST

ABSTAINED

(leave your variant uncrossed)

item 2:

Decision:

FOR

AGAINST

ABSTAINED

(nominee member questionnaire)

The filled in and signed Survey data sheet for voting is sent by fax
_____ or in original by _____
/date, time/

Survey data sheet received by the Company after the above deadline is not taken into account
for the purpose of calculation of votes and summarization of the results of absentee voting.

Please send original Survey data sheet to the following address:

**Member of the Board of Directors of
PJSC Inter RAO**

_____ / _____
(signature) (full name)

**SURVEY DATA SHEET IS INVALID WITHOUT SIGNATURE OF THE MEMBER
OF THE BOARD OF DIRECTORS**

Annex No. 4
to the Regulations on the Board of
Directors
of Inter PJSC RAO UES

Dear Ms/Mr _____,

I am glad to inform you on your election to the Board of Directors of PJSC Inter RAO UES (hereinafter referred to as the Company, PJSC Inter RAO) and notify you on your key rights and obligations provided for in the legislation of the Russian Federation, Articles of Association and the internal documents of the Company.

1. Election

You are elected as a member of the Board of Directors of the Company in accordance with the decision of the General Meeting of Shareholders of the Company of __ _____ 20__ (minutes of _____ 20__ No. __) till the next annual General Meeting of Shareholders, unless your authorities are terminated earlier by decision of an extraordinary General Meeting of Shareholders.

This Notification contains material terms and conditions of your work as a member of the Board of Directors of PJSC Inter RAO, as provided for in the Federal Law On Joint Stock Companies, as well as Articles of Association and internal documents of the Company.

2. Rights of the member of the Board of Directors

In accordance with the provisions of the legislation of the Russian Federation and internal documents of the Company you may:

- 2.1 request holding of a meeting of the Board of Directors of the Company.
- 2.2 under the established procedure suggest issues of the agenda of the meetings of the Board of Directors and the Work plan of the Board of Directors of the Company.
- 2.3 request in writing documents and information, required for decision making on the items within the competence of the Board of Directors, either immediately from the President of the Company (other person, acting as a sole executive authority of the Company), or via the Secretary of the Board of Directors of the Company.
- 2.4 make written offers on establishment of the Work plan of the Board of Directors.
- 2.5 initiate discussion of the items, included in the agenda of the meeting of the Board of Directors of the Company.
- 2.6 revise the minutes of the meetings of the Board of Directors and other authorities of the Company and to obtain copies of the same.
- 2.7 obtain information on activities of the Company, including that constituting trade secret and insider information of the Company, revise all constitutive, regulatory, accounting, reporting and other documents of the Company in accordance with the legislation of the Russian Federation and the internal documents of the Company.
- 2.8 obtain remuneration and compensations, associated with performance of respective obligations in accordance with the regulatory legal acts of the Russian Federation, Provision on payment to the members of the Board of Directors of remunerations and

compensations and/or decisions of the General Meeting of Shareholders of the Company.

- 2.9 take part in discussion of the items of the agenda of the meeting of the Board of Directors, including make presentations, act as an opponent for the items of the agenda of the meeting of the Board of Directors of the Company.
- 2.10 submit respective suggestions and/or comments on draft decisions of the Board of Directors offered in draft Survey data sheet on the items, included in absentee voting, at least 5 (five) calendar days before the deadline for submission of Survey data sheets for voting, as indicated in notification on absentee voting.
- 2.11 ensure other rights provided for in the regulatory legal acts of the Russian Federation, Articles of Association and the internal documents of the Company.

3. Obligations of the member of the Board of Directors

You undertake to perform obligations of a member of the Board of Directors of the Company, as defined in the Federal Law of the Russian Federation On Joint Stock Companies of 26.12.1995 No. 208-FZ (hereinafter referred to as the Law On Joint Stock Companies), other legal acts of the Russian Federation, Articles of Association of the Company, Regulations on the Board of Directors of the Company and other internal documents of the Company, including the following:

Obligations associated with the procedure for decision making by the member of the Board of Directors, arrangement and holding of the meetings of the Board of Directors:

- 3.1. To faithfully, reasonably and efficiently perform respective obligations and authorities within the competence of the Board of Directors of the Company in accordance with the legislation of the Russian Federation and internal documents of the Company.
- 3.2. To assess the consequences of the decisions made in the long run.
- 3.3. When making decisions take into account the need to support business liaisons of the Company with suppliers, consumers and other persons, the impact of the Company activities on the environment, as well as the need for the Company to maintain the reputation of a company compliant with high standards of operations.
- 3.4. To duly prepare for the meetings of the Board of Directors, including:
 - 3.4.1 to revise in the agenda of the meeting of the Board of Directors;
 - 3.4.2 to timely revise materials, associated with the meetings, including with draft decisions and explanatory notes, attached to notification on the meetings of the Board of Directors, to ensure gathering and analysis of the required information, to prepare opinions, conclusions, recommendations, subject to such materials and information were provided to the member of the Board of Directors within the time limits provided for in the internal documents of the Company;
 - 3.4.3 in case of any difficulties in determination of position on items of the agenda to request from the Secretary of the Board of Directors additional documents, information and information such item of the agenda of the meeting before the date of the meeting.
- 3.5. To personally participate in the meetings of the Board of Directors of the Company, if such meetings are held inform of joint presence. To timely notify the Secretary of the Board

of Directors of the Company in advance on impossibility to participate in the meetings with substantiation of the reasons. To provide written opinion in case of absence at the meeting of the Board of Directors.

3.6. To attend the meetings of the Board of Directors, held in form of joint presence unless there are any good reasons.

3.7. To take active part in the voting at the meetings of the Board of Directors on all items of the agenda, including in discussion of the items of the agenda and in the voting on these items, except for the cases, when member of the Board of Directors in accordance with the requirements of the legislation of the Russian Federation takes no part in the voting.

3.8. Timely to provide Survey data sheets during decision making on the items of the agenda of the meeting of the Board of Directors, held in the form of absentee voting.

3.9 To take part in the work of the committees of the Board of Directors in accordance with the internal documents of the Company, regulating activities of the said authorities, if a member of the Board of Directors is elected as a member of the committee(s) of the Board of Directors.

3.10. To notify the Company and the Board of Directors of the Company any known cases of violation, committed by authorities of the Company, for the purpose of taking of the required measures, as well as to request elimination of the same.

3.11. To personally perform obligations of a member of the Board of Directors, as defined in the Law On Joint Stock Companies, other regulatory legal acts of the Russian Federation, Articles of Association of the Company, Regulations on the Board of Directors of the Company and this Agreement.

Obligations in the area of in the area of prevention of conflict of interests:

3.12. to act for the benefit of the Company, its shareholders and employees.

3.13. to perform respective duties, in view of the priority of the interests of the Company, and allow no impact of personal interests, as well as interests of respective families, friends and other personal liaisons on the process and result of decision making in activities of the Company.

3.14. in cases, when decisions of the Board of Directors may cause different consequences for various groups of the shareholders, to fairly treat all the shareholders.

3.15. to allow no financial or other dependence or liaisons that potentially result in conflict of interests.

3.16. to immediately notify on any personal, commercial or other interest (direct or indirect) in transactions, agreements, project, associated with the Company.

3.17. to refrain from any labor or civil liaisons with competitors of the Company, participation in competitors of the Company.

3.18. not to use property and opportunities of the Company for personal purposes.

3.19. in case of actual or potential conflict of interests to immediately notify the Company on the same, to allow no hiding of the fact of the conflict of interests.

In case occurrence of a conflict of to notify the Boards of Directors via its Chairperson or Secretary of the Board of Directors of the Company both on the fact of a conflict of

interests, and on the grounds for the same. Such notification shall be made before commencement of the discussion of the issue, for which such member of the Board of Directors has a conflict of interests, at the meeting of the Board of Directors or its committee with participation of such member of the Board of Directors.

3.20. to refrain from participation in decision making in case of a conflict of interests (to refrain from voting on the items, as regards to which the member of the Board of Directors has a conflict of interests).

3.21. to refrain from acceptance of any presents from the parties, interested in decision making, as well as from the use of any other direct or indirect benefits, provided by such persons (except for symbolical presents in accordance with generally accepted rules of politeness or souvenirs during official events).

3.22. For the purpose of exclusion of a conflict of interests to refrain from participation in the voting on approval of the terms and conditions of agreements with the members of the Management Board of the Company (only for executive directors).

3.23. to notify the Board of Directors, as well as the President of the Company information on obligations, potentially affecting work at current position and notify in writing the Board of Directors and of the President of the Company on any changes in such obligations.

3.24. Prior to execution of transaction with securities of the Company to obtain preliminary written consent of the Chairperson of the Board of Directors for the same. In case of consent to a transaction with securities of the Company, to execute the transaction immediately, however in view of the maximum time limits, equal to 2 (two) business days, from the moment of receipt of consent in writing.

3.25. In case of occurrence of any circumstances that prevent a member of the Board of Directors from performance of respective authorities, the member of the Board of Directors shall within 10 (ten) days notify the Company and the Board of Directors of the Company on the intent to discharge of the authorities of the member of the Board of Directors. Termination of performance of the obligations of the member of the Board of Directors commences from the moment of decision making by the General Meeting of Shareholders of the Company on termination of the authorities of current members of the Board of Directors.

3.26. Not to use property of the Company for personal purposes.

3.27. To observe the obligations in the area of confidentiality of the information:

3.28. To observe the rules and procedures provided for in the internal documents of the Company and associated with the safety regime of work with the information, as regards to which the requirement confidentiality is provided for.

3.29. Not to disclose, or discuss contents, not to provide any copies, not to publish or disclose in any other form to any third persons information, as regards to which the requirement confidentiality is provided for, without preliminary written consent of the Company, unless otherwise provided for in the legislation.

Obligations in the area of treatment of the insider information and market manipulation:

3.30. Not to use the insider information for any operations with financial instruments and/or goods of the Company, to which the insider information pertains, at their own

expense or at the expense of a third person, except for the cases, directly provided for in the legislation of the Russian Federation.

3.31. Not to transfer the insider information to any third parties, except for the persons, included in the List of insiders of the Company, and only in connection with the performance of the obligations provided for in the legislation or the internal documents of the Company, or in connection with performance of respective duties.

3.32. To provide no recommendations on the basis of the insider information to any third persons, not to oblige or motivate the same to purchase or sell financial instruments and/or goods of the Company, as well as to execute any agreements that constitute derivative financial instruments, the price of which depends on such securities and goods of the Company.

3.33. to commit no actions that are classified as market manipulations in accordance with the legislation of the Russian Federation.

3.34. To send Notifications on operations committed with the shares of the Company:

- to the Bank of Russia under the procedure and within the time limits provided for in the legislation of the Russian Federation on insider information;
- to the Company within 10 (ten) business days from the date of relevant operation with securities of the Company. The format of such Notification provided for in the internal documents of the Company.

Other obligations:

3.35. to provide the Company with information provided for in the Regulations on the Board of Directors of the Company, under the procedure and within the time limits provided for in the said Provision, including the updated questionnaire (quarterly).

3.36. To notify the Board of Directors of the Company on the intent to take a position within management authorities of other companies and immediately upon election (assignment) to management authorities of other companies - on such election (assignment).

3.37. To ensure continuous dialog with the shareholders of the Company within the framework of applicable information policy of the Company.

3.38. To timely and precisely perform decisions of the General Meeting of Shareholders and of the Board of Directors.

3.39. To make every possible effort to avoid any comments either in public, or outside of the public space that potentially negatively affect interests of the Company.

3.40. to perform other obligations provided for in the legislation of the Russian Federation, the internal documents of the Company and decisions of the General Meeting of Shareholders.

3.41. In course of performance of respective authorities to act within the limits the competence of the Board of Directors, as defined in the regulatory legal acts of the Russian Federation, Articles of Association of the Company, Provision on procedure for convening and holding of the meetings of the Board of Directors of the Company, other internal documents of the Company and this Agreement.

4. RIGHTS AND OBLIGATIONS OF THE COMPANY

4.1 RIGHTS OF THE COMPANY:

The Company may request from you faithful performance of respective obligations.

4.2 Obligations of the Company:

4.2.1 to provide you with conditions, required for due performance of respective obligations provided for in this Agreement.

4.2.2 to provide within 3 (three) business days on your written request information and documents on activities of the Company, required for performance of your obligations, including materials, required for decision making on the items of the agenda of the meetings of the Board of Directors.

4.2.3 to provide you with required support in performance of respective obligations at the Board of Directors of the Company provided for in the legislation of the Russian Federation and the internal documents of the Company.

4.2.4 to insure your responsibility as the member of the Board of Directors for any losses of to the Company caused by guilty actions (omissions) subject to compliance with corporate procedures.

4.2.5 To ensure your familiarization as a newly elected member of the Board of Directors with the structure and business of the Company and its Group, including provision of the materials on key issues of the Company activities, such as corporate governance system, development strategy, key risks, description of the regulatory environment of the Company activities, as well as to ensure orientation meeting with the executive management and key employees of the Company, with the Chairperson of the Board of Directors and with other directors outside of the meetings of the Board of Directors.

5. FEES AND COMMISSIONS

5.1 The Company undertakes in accordance with the regulatory legal acts of the Russian Federation, Provision on payment to the members of the Board of Directors of remunerations and compensations and/or decisions of the General Meeting of Shareholders of the Company timely and fully pay you remuneration and compensation for performance of the obligations of the member of the Board of Directors of the Company.

6. STRICTLY CONFIDENTIAL

6.1 you undertake not to disclose information, 3.1.28. as regards to which the requirement confidentiality is provided for that becomes known to you in connection with performance of the obligations of a member of the Board of Directors of the Company, to any persons that have no access to such information, not to use it for your own benefit or for the benefit of third persons.

6.2 you acknowledge the need to keep confidential information on the Company under conditions that ensure its safety and exclude unauthorized access to such information.

6.3 you undertake the obligation not to disclose provisions of this Notification, except for the cases provided for in the legislation of the Russian Federation.

7. Liability of the Parties

- 7.1 you are responsible under the procedure provided for in applicable legislation, before the Company or the shareholders for losses, caused through respective guilty actions (omissions), unless other grounds for responsibility are provided for in the federal laws.
- 7.2 As a member of the Board of Directors you are not responsible if you vote against the decision that results in any losses to the Company, or if you took no part in the voting.
- 7.3 you are responsible for illegal use of the insider information and can be brought to administrative, criminal or civil responsibility in accordance with the legislation of the Russian Federation.
- 7.4 if you commit illegal dissemination, transactions or other illegal use of the insider information, you will be responsible for such guilty actions and omissions in accordance with the legislation of the Russian Federation.
- 7.5 the Company and/or persons that suffer losses as a result of illegal use of the insider information, may request from the persons, guilty of illegal use and/or dissemination of the insider information, reimbursement of such losses.

8. Assessment of the efficiency of activities of the Board of Directors

- 8.1 the Board of Directors annually implements self-assessment in accordance with the approved Methodology for assessment of efficiency of the Board of Directors in the form of self-assessment.
- 8.2 Once in 3 years the Company involves an independent consultant for implementation of independent assessment of efficiency of the Board of Directors.

9. Introductory orientation program

- 9.1 If you are elected in the Board of Directors of the Company for the first time, within 1 month from the moment of your election, you will be provided with the possibility to undergo an introductory orientation program for new members of the Board of Directors of the Company.

10. ACEP

- 10.1 The Company arranges trainings for the members of the Board of Directors in accordance with the Program of training and development of the members of the Board of Directors of the Company. Certain instruments of advance training of the members of the Board of Directors may include participation in special trainings, conferences, round tables, forums, reading of special literature etc.

11. Insurance of director responsibility

- 11.1 the Company annually insures responsibility of the members of the Board of Directors and officials and intends to ensure such insurance throughout the term of your involvement as a member of the Board of Directors of the Company.

12. Changes in personal data

- 12.1 in case of any changes in the address or other personal data you shall within reasonable time notify on such changes the secretary of the Board of Directors.

13. Applicable law

13.1 your liaisons with the Company within the framework of work as a member of the Board of Directors of the Company are regulated and shall be construed in accordance with the legislation of the Russian Federation.

13.2 Unilateral change or supplement of provisions, presented in this Notification, is not permitted. Any changes or supplements to provisions of this Notification are formalised in writing and executed by both Parties.

Upon revision of the text of this Notification, please put your signature in the line on revision and return 1 (one) copy of the signed Notification to the Secretary of the Board of Directors to the following address: Russian Federation, 119435 Moscow, Bolshaya Pirogovskaya ul., 27, building 2.

This Notification is not an offer and is sent to you with the purpose to inform on the rights, obligations and responsibility of the member of the Board of Directors of PJSC Inter RAO and the Company provided for in the legislation of the Russian Federation, Articles of Association and internal documents of the Company.

Best regards,
[full name]
Chairman of Management Board
PJSC Inter RAO

(signature)

[signature date]

I have revised and agree with the text of this Notification. I hereby confirm receipt of 1 (one) copy of this Notification.

(signature)

[full name]
[signature date]

Annex 5
to the Regulations on the Board of
Directors
of PJSC Inter RAO UES

**to the members of the Board of Directors
of PJSC Inter RAO**

The form of the meeting of the Board of Directors

Dear members of the Board of Directors of PJSC Inter RAO!

You are hereby notified on holding of the meeting of the Board of Directors of PJSC Inter RAO by way of a survey (absentee meeting)/ in the form of joint presence. on _____.20__.

AGENDA:

1.	
2.	
3.	

[for meeting in the form of joint presence]:

Meeting of the Board of Directors of PJSC Inter RAO will be held at the following address:

the meeting will start at: _____.

[for absentee meeting]:

the voting will be implemented by way of filling in of Survey data sheets. Survey data sheets for voting will be provided 3 calendar days before the deadline for submission.

Filled in and signed Survey data sheet for voting is to be sent to the Secretariat of the Board of Directors by ____ (indicate time) _____.20__ (indicate the date) by fax (495) 664-88-41 with an indication for _____ or by e-mail: BoardSecretary@interrao.ru

originals of the filled in Survey data sheets are to be sent by the members of the Board of Directors by _____.20__ (indicate the date) to the following address: Russian Federation, 119435 Moscow, Bolshaya Pirogovskaya ul., 27, building 2.

position

(signature)

[full name]