

16.5. Approval of the transactions between JSC Inter RAO and GPB (JSC), and/or JSC AB ROSSIYA, and/or Vnesheconombank, and/or JSC VTB Bank, and/or JSC Sberbank of Russia (hereinafter referred to each taken separately as the Counterparty) as the transaction (several related transactions), which constitutes an interested party transaction and which may be closed in future in the course of Inter RAO ordinary business activity.

When carrying out its ordinary business activity JSC Inter RAO shall need to close various transactions including but not limited by the following:

- letters of credit opening (including with no cover provided) with the fee to be paid;
- provision of services by the Counterparties on arrangement of information transfer systems in an electronic form and electronic settlement systems including those, which stipulate acceptance from and transfer to the Counterparties of the electronic payment documents for debit transactions on the accounts, receipt of electronic statements of account, other electronic document management with the services to be paid for in accordance with the tariffs of the relevant Counterparty effective at the date the service is provided;
- placement of deposits by the Company (including those with conversion) with interest to be paid;
- opening of the accounts by the Counterparties for Inter RAO upon fixed conditions and conducting of the transaction on such accounts with the fee to be paid by the Company for the relevant bank transactions at the tariffs of the relevant Counterparty effective at the date of transaction; grant of the rights to the Counterparty for undisputable and acceptance-free write-off of funds from Inter RAO opened by such Counterparties; maintenance of the minimum balance on the accounts opened by the Counterparties with interest payable by the Counterparty (Counterparties) to the Company;
- issue of bank guarantees with no limit of number thereof in order to ensure fulfillment of its obligations by the Company with the fee payable by the Company;
- foreign currency sale and purchase;
- loans granting to Inter RAO (receipt thereof by Inter RAO) in a form of overdraft with interest for loan use and fees to be paid;
- sale and purchase of derivative financial instruments (including foreign currency swaps), the underlying asset of which is foreign currency;
- conclusion of interest swap transactions with receipt of and payment of the regular payments by the Company calculated using the floating and fixed interest rates.

Scope and term of transactions proposed for approval shall be conditioned by the need of the Company related to ordinary economic activity. Tariffs, cost of services, interest rates and fees shall be determined by the financial markets environment and calculated on the basis of the existing contracts and agreements.

The general list of banks – potential counterparties in transactions is determined by existing experience of work with Inter RAO Group enterprises and other companies in the electric energy sector. Currently the Company has established relations with more than 20 credit institutions. Transactions are carried out in accordance with the limits on transactions with financial institutions established in Inter RAO. In case of need to enter into a particular transaction the Company shall forward requests to the potential counterparties and consolidate indicative proposals received. Upon results of the comparative analysis of the price quotations the Company shall select the bank that offered the most favorable conditions for the specific transaction. In this case the selection shall be made both from among the counterparties, the transactions with which show the signs of interested party transactions, and the counterparties, the transactions with which don't show the same.


As per article 81 of the Federal Law on Joint Stock Companies the transactions submitted for approval are classified as interested-party transactions. The interested parties are:

- Member of the Board of Directors, the Chairman of the Management Board of the Company B. Yu. Kovalchuk as his father Yu. V. Kovalchuk holds more than 20% of voting shares in the JSC AB ROSSIYA.

- Member of the Board of Directors of the Company V. A. Dmitriev as he is the Chairman of the State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank).

According to clause 3, Article 49 of the Federal Law "On Joint-Stock Companies", the resolution of the General Meeting of Shareholders on approval of the interested party transactions may be adopted at the suggestion of the Board of Directors only.

According to clause 7, Article 83 and Article 77 of the Federal Law "On Joint-Stock Companies" when the interested party transaction is subject to the approval by the General Meeting of Shareholders the price of such transaction shall be determined by the Board of Directors.

 Recommendations to the Annual General Meeting on the approval of these transactions were made at the meeting of the Board of Directors on April 07, 2015 (Minutes dated April 09, 2015 № 138), as well as the price (monetary value) of the property (funds) under the transactions was determined in the following amounts:

→ *Under the transaction (several interrelated transactions), concluded between JSC Inter RAO and GazPromBank (JSC), and / or JSC AB ROSSIYA and / or Vnesheconombank, and / or JSC VTB Bank and / or JSC Sberbank of Russia (hereinafter referred to each taken separately as the Counterparty), in conclusion of which there is any concernment, in the following amount (for all transactions with each Counterparty without limitation to the total number of transactions with one or more (with all) of the Counterparties, but on the understanding that the sum of the prices (monetary values) of assets or obligations under all transaction in force at the same time, united below on the basis of the type of the transaction in a separate sub-clause and concluded with any one of the Counterparties, shall not exceed the values set out in the corresponding sub-clause):*

1. *About opening of letters of credit (including those without coverage) up to RUB 10 billion (ten billion) or its equivalent in USD or EUR, with payment of commission remuneration at the rate of not more than 3.5% per annum in RUB / USD / EUR.*

2. *About provision of services for organization of information transfer systems in electronic form and electronic payment systems, including those which provide for acceptance from the Counterparties or transfer to the Counterparties of electronic payment documents for execution of debit transactions on accounts, acceptance of electronic statements of accounts, execution of other electronic flow of documents – the remuneration shall be paid according to the tariffs of the corresponding Counterparty in force at the time of the service provision.*

3. *About placement by the Company of deposits and investments (including those with conversion) in amount of not more than RUB 20 billion (twenty billion) or its equivalent in USD or EUR with payment of interest of at least 0.1% per annum in the corresponding currency.*

4. *About opening of an account (accounts) of the Company and execution of transactions on such accounts – according to the tariffs of the corresponding Counterparty in force at the time of the service provision on such accounts; about granting to the Counterparties of the right for acceptance-free debiting of funds from the accounts of the Company, opened by the Counterparties, as well as about maintenance on the accounts of the Company, opened by the Counterparties, of a minimum required balance on the maximum amount of not more than RUB 20 billion (twenty billion) or its*

equivalent in USD or EUR with payment by the corresponding Counterparty of interest at the interest rate of at least 0.1% per annum in the corresponding currency.

5. About issuance of bank guarantees without limitation to their numbers in order to ensure the fulfillment of obligations of JSC Inter RAO to third parties at the total maximum amount of RUB 40 billion (forty billion) or its equivalent in USD or EUR with payment of commission remuneration for the issuance of bank guarantees at the rate of no more than 4% per annum in RUB / USD / EUR from the amount of the bank guarantee issued.

6. About purchase and sale of foreign currency at the total maximum amount of RUB 10 billion (ten billion) or its equivalent in USD or EUR at the exchange rate for foreign currency sale by the Company of not less than that set by the Bank of Russia on the date of the transaction and at the exchange rate for foreign currency purchase by the Company of not higher than that set by the Bank of Russia on the date of the transaction and increased 1.1 times.

7. About provision to JSC Inter RAO (obtaining by JSC Inter RAO) of loans in the form of an overdraft at the total maximum amount of not more than RUB 20 billion (twenty billion) or its equivalent in USD or EUR with the loan period for each transaction of not more than 90 (ninety) days, with the effective period of the contract of no more than 2 (two) years, with payment of interest on loans and fees for loans in RUB at the rate of not more than 20% per annum, for loans in USD and EUR - at the rate calculated on the base of the rate of not more than LIBOR / EURIBOR + 7% per annum.

8. With derivative financial instruments of purchase and sale of foreign currency (including currency swaps) at the total maximum amount of the underlying asset of up to RUB 20 billion (twenty billion) or its equivalent in a foreign currency of not less than the rate set by the Bank of Russia on the date of the transaction, in case of sale of foreign currency, and not higher than the rate set by the Bank of Russia on the date of the transaction multiplied by 1.1, in case of purchase of foreign currency.

9. About interest rate swaps, cross-currency interest rate swaps, under which the Counterparty pays to JSC Inter RAO periodic payments at the rate of MOSPRIME / LIBOR / EURIBOR, and JSC Inter RAO pays to the Counterparty periodic payments at the rate of 20% per annum (for interest rate swaps in RUB) and of not more than 10% per annum (for interest rate swaps in USD and EUR) for the total maximum amount of the underlying asset of RUB 20 billion (twenty billion) or its equivalent in USD or EUR for a period of not more than 10 (ten) years.

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

16.5. Approve the transactions concluded between JSC Inter RAO, on the one hand, and GazPromBank (JSC), and / or JSC AB ROSSIYA and / or Vnesheconombank, and / or JSC VTB Bank and / or JSC Sberbank of Russia (hereinafter referred to each taken separately as the Counterparty), on the other hand, as the transaction (several interrelated transactions), in conclusion of which there is any concernment, and which may be made in the future within ordinary business of JSC Inter RAO upon the following conditions (the conditions shall be established for all transactions with each Counterparty without limitation to the total number of transactions with one or more (with all) of the Counterparties, but on the understanding that the sum of the prices (monetary values) of assets or obligations under all transaction in force at the same time, united below on the basis of the type of the transaction in a separate sub-clause and concluded with any one of the Counterparties, shall not exceed the values set out in the corresponding sub-clause):

16.5.1. Transactions on opening of letters of credit (including those without coverage) for a total maximum amount of the letters of credit of RUB 10 billion (ten billion) or its equivalent in USD or EUR, with payment of commission remuneration at the rate of not more than 3.5% per annum in RUB / USD / EUR with a validity period of each letter of credit of no more than 10 (ten) years.

16.5.2. Transactions under which JSC Inter RAO receives services from the Counterparties for organization of information transfer systems in electronic form and electronic payment systems, including those which provide for acceptance from the Counterparties or transfer to the Counterparties of electronic payment documents for execution of debit transactions on accounts, acceptance of electronic statements of accounts, execution of other electronic flow of documents, with

payment of services according to the tariffs of the corresponding Counterparty in force at the time of the service provision, with a validity period of services provision of not more than 10 years.

16.5.3. Transactions on placement of deposits and investments (including those with conversion) in amount of not more than RUB 20 billion (twenty billion) or its equivalent in USD or EUR for a period of not more than ten (10) years with payment of interest to the Company at the rate of at least 0.1% per annum in the corresponding currency.

16.5.4. Transaction, in accordance with which the Counterparties, based on the terms and conditions determined by them, open accounts to JSC Inter RAO and carry out operations on such accounts, with payment by the Company of remuneration for the relevant banking operations according to the tariffs of the corresponding Counterparty in force at the time of the transaction; agreements for granting to the Counterparties of the rights for acceptance-free debiting of funds from the accounts of JSC Inter RAO, opened by these Counterparties; transactions on maintenance on the accounts, opened by the Counterparties to the Company, of a minimum required balance on the maximum amount of not more than RUB 20 billion (twenty billion) or its equivalent in USD or EUR with payment by the corresponding Counterparty (Counterparties) to the Company of interest at the interest rate of at least 0.1% per annum in the corresponding currency for a period of not more than ten (10) years.

16.5.5. Transactions on issuance of bank guarantees without limitation to their numbers in order to ensure the fulfillment of the Company's obligations at the total maximum amount of RUB 40 billion (forty billion) or its equivalent in USD or EUR with payment by the Company of commission remuneration for the issuance of bank guarantees at the rate of no more than 4% per annum in RUB / USD / EUR with a validity period for each bank guarantee of not more than 10 (ten) years.

16.5.6. Transactions on purchase and sale of foreign currency at the total maximum amount of RUB 10 billion (ten billion) or its equivalent in USD or EUR at the exchange rate for foreign currency sale by the Company of not less than that set by the Bank of Russia on the date of the transaction and at the exchange rate for foreign currency purchase by the Company of not higher than that set by the Bank of Russia on the date of the transaction and increased 1.1 times.

16.5.7. Transactions on provision to JSC Inter RAO (obtaining by JSC Inter RAO) of loans in the form of an overdraft at the total maximum amount of not more than RUB 20,000,000,000 (twenty billion) or its equivalent in USD or EUR with the loan period for each transaction of not more than 90 (ninety) days, with the effective period of the contract of no more than 2 (two) years, with payment of interest on loans and fees for loans in RUB at the rate of not more than 20% per annum, for loans in USD and EUR - at the rate calculated based on the rate of not more than LIBOR / EURIBOR plus 7% per annum.

16.5.8. Transactions with derivative financial instruments of purchase and sale of foreign currency (including currency swaps) at the total maximum amount of the underlying asset of RUB 20 billion (twenty billion) or its equivalent in a foreign currency for a period of not more than 10 (ten) years, at the rate of not less than that set by the Bank of Russia on the date of the transaction, in case of sale of foreign currency, and not higher than that set by the Bank of Russia on the date of the transaction multiplied by 1.1, in case of purchase of foreign currency.

9.11.2.9. Transactions of interest rate swaps, cross-currency interest rate swaps, under which the Counterparty pays to JSC Inter RAO periodic payments at the rate of MOSPRIME / LIBOR / EURIBOR, and JSC Inter RAO pays to the Counterparty periodic payments at the rate of 20% per annum (for interest rate swaps in RUB) and of not more than 10% per annum (for interest rate swaps in USD and EUR) for the total maximum amount of the underlying asset of up to RUB 20 billion (twenty billion) or its equivalent in USD or EUR for a period of not more than 10 (ten) years.