

APPROVED BY

Resolution of the Board
of directors JSC RusHydro
(minutes from August 1st 2011 No. 129)

**STATEMENT
ON INSIDER INFORMATION
of JSC RusHydro**

1. General Provisions

1.1. The present Statement on insider information of JSC RusHydro (hereinafter referred to as Statement) regulates relationship arising in JSC RusHydro (hereinafter referred to as Company) in connection with the use of information qualified as insider information.

1.2. This Statement is developed pursuant to the requirements of Russian law on insider information, including the Federal law of July 27th 2010 No. 224-FZ “On counteraction to illegal use of insider information and market manipulation and on the amendments to individual legislative acts of the Russian Federation”, regulatory legal acts of the federal executive body in the field of financial markets (hereinafter – FFMS of Russia), Company’s Charter, Company’s Corporate Code of Conduct and other local regulatory documents (acts) of the Company.

1.3. This Statement accounts for international practice of corporate management, including the requirements of Disclosure and Transparency Rules of the UK Financial Services Authority (hereinafter – FSA).

1.4. This Statement is adopted for the purposes of further improvement of the Company’s corporate management practice, bringing it to conformity with international standards and codes of corporate management, with recommendations of FFMS of Russia.

1.5. The principal tasks of this Statement are in prevention and suppression of incidents of the illegal use of the Company’s insider information, which is not publicly available and disclosure of which may influence the market cost of the Company’s financial instruments and goods – electric energy and power (hereinafter referred to as the Company’s goods), which are permitted for trade in the organized tenders, or in which respect an application for permit of trade in the mentioned tenders has been filed.

1.6. This Statement is a local regulatory document (act) of the Company, defining the procedure and criteria of information attribution to insider information, procedure of access to the Company’s insider information, rules for protection of its confidentiality and limitation of its use, responsibility for unlawful use of the Company’s insider information, control of compliance with requirements of Russian law on the Company’s insider information.

1.7. The approval of the List of the Company’s insider information, procedure for maintaining the list of persons having access to insider information (hereinafter – List of the Company’s insiders), appointment of an officer who is responsible for exercising control of compliance with the requirements of Russian law on insider information and the Company’s local regulatory documents (acts) adopted pursuant to it, and who is accountable to the Company’s Board of directors, is to be carried out by the Company’s Board Chairman.

2. Purposes of this Statement

2.1. The purposes of this Statement are:

2.1.1. Execution by Company of the requirements of Russian law on the issues of counteraction to illegal use of insider information and market manipulation.

2.1.2. Protection of rights and proprietary interests of the Company’s shareholders and other owners of Company’s securities.

2.1.3. Assurance of the Company’s economic security.

2.1.4. Control over activity of persons allowed access to the Company’s insider information (hereinafter referred to as Insiders).

2.1.5. Establishment of general codes for protection of the data constituting the Company’s insider information.

2.1.6. Disallowance of manipulation with prices for the Company’s financial instruments and goods.

2.1.7. Protection of Company’s reputation and increasing the level of trust towards Company on the part of shareholders, creditors, potential investors of the Company, professional participators of the stock market, governmental authorities, participants of the international insurance and reinsurance markets, and other interested parties.

3. Company's Insider Information

3.1. For the purposes of this Statement, insider information is deemed to be accurate and specific information which was not distributed or furnished (including the data constituting commercial, official and other secret protected by law), in case such distribution or furnishing may have material influence on the prices of the Company's financial instruments and goods, and which relates to the information included in the relevant insider information list.

3.2. The Company shall make a List of the Company's insider information which, apart from the information approved by regulatory legal acts of FFMS of Russia, may include any other information which distribution or furnishing, in the Company's opinion, may have material influence on the price of the Company's financial instruments and goods.

3.3. List of the Company's insider information is made in Russian and English languages.

3.4. List of the Company's insider information is published on the Company's official web-site at www.rushydro.ru (information in Russian) and www.eng.rushydro.ru (information in English) (hereinafter – Company's official web-site).

4. Company's Insiders

4.1. For the purposes of this Statement, insiders are deemed to be natural and legal entities having the right of access to insider information on the grounds stipulated by law of the Russian Federation, employment and civil agreements with the Company, local regulatory documents (acts) of the Company and job descriptions.

4.2. The Company shall make a List of the Company's insiders which shall include:

4.2.1. Members of the Company's Board of directors.

4.2.2. Members of Committees under the Company's Board of directors.

4.2.3. Members of the Company's Board.

4.2.4. Chairman of the Company's Board.

4.2.5. Members of the Company's Review Committee.

4.2.6. Company's employees having the right of access to insider information due to their official duties exercised.

4.2.7. The Company's auditor (auditor organizations), assessors, professional participators of the stock market, credit institutions, insurance organizations and other legal entities, with which the abovementioned parties have executed agreements, and any other parties which received access to insider information on the basis of the agreements entered into with the Company.

4.2.8. Information agencies which disclose or furnish information to the Company from time to time.

4.2.9. Persons who assign credit ratings to the Company and the Company's securities (hereinafter referred to as the Rating agencies).

4.2.10. Other persons included in the List of the Company's insiders in accordance with the law requirements of the Russian Federation.

4.3. Insiders may not:

4.3.1. Using insider information for performing operations with the Company's financial instruments and (or) goods which are concerned by the Company's insider information, at their own expense or at the expense of a third party, except for the operations performed for the purposes of executing an obligation of purchase or sale of the Company's financial instruments and (or) goods, which falls due for execution, if such obligation arose as the result of operation performed before such person became aware of the corresponding insider information.

4.3.2. Communicate the Company's insider information to any other person, except for the communication of this information to a person included in the List of the Company's insiders, relating to performance of duties as established by federal laws, or in connection with the execution of official duties or of an agreement.

4.3.3. Give recommendations to third parties, bind or otherwise incite them towards acquirement or sale of the Company's financial instruments and (or) goods.

4.3.4. It is forbidden to perform any actions relating, pursuant to clause 5 of the Federal law of July 27th 2010 No. 224-FZ "On counteraction to illegal use of insider information and market

manipulation and on the amendments to individual legislative acts of the Russian Federation”, to market manipulation.

4.4. Obligations of Insiders in respect of the Company’s insider information terminate on the date of disclosure of the Company’s relevant insider information, under the procedure contemplated by this Statement and other local regulatory documents (acts) of the Company.

5. Maintenance, Disclosure and Furnishing of the List of the Company’s Insiders

5.1. Maintenance, disclosure and furnishing of the List of the Company’s insiders is carried out by the Company’s structural subdivision specified in accordance with the local regulatory documents (acts) of the Company.

5.2. The List of the Company’s insiders may contain the following information:

5.2.1. Surname, first name, patronymic, number of the principal identity document, data on the date of issue and the issuing authority of the specified document, TIN (if any), postal address – for natural persons included in the List of the Company’s insiders.

5.2.2. Full company’s name, TIN, information on the state incorporation (OGRN, date of assignment of OGRN, name of registration authority), postal address – for natural persons included in the List of the Company’s insiders.

5.2.3. Date upon which the List of the Company’s insiders was created or changed.

5.2.4. Date of Insider inclusion in the List of the Company’s insiders.

5.2.5. Ground for Insider inclusion in the List of the Company’s insiders.

5.3. List of the Company’s insiders is made in Russian and English languages.

5.4. List of the Company’s insiders shall be amended within the terms established by the regulatory legal acts of FFMS of Russia.

5.5. Legal and natural persons included in/excluded from the List of the Company’s insiders shall be notified on entry (deletion) of a relevant record in terms established by the regulatory legal acts of FFMS of Russia. Notice on inclusion of a person in the List of the Company’s insiders, or exclusion therefrom (Appendix 1 to the present Statement), shall be given against signature directly to the Insider or forwarded to the last-mentioned address of such person that the Company knows of, in the way allowing confirmation of the fact of receipt of this notice by such person.

5.6. The Company, under the procedure and in terms established by the regulatory legal acts of FFMS of Russia and internal documents of the trade organizers, by means of which the operations with the Company’s financial instruments and goods are performed (hereinafter – Trade organizers), shall forward the List of the Company’s insiders and changes thereto to Trade organizers.

The Company shall also forward the List of the Company’s insiders to FFMS of Russia and FSA, subject to their demand, in order stipulated by the Company’s Charter and regulatory legal acts of FFMS of Russia and FSA.

6. Notification by Insiders on the Operations Performed by Them

6.1. Insiders are obliged to notify the Company and FFMS of Russia on the operations with the Company’s securities performed by them and (or) on execution of agreements constituting the derivative financial instruments, with these securities as the basic asset thereof, and (or) on the operations with the Company’s goods performed by them, within 10 working days from the date of performance of the relevant operation in form according to the recommended sample (Appendix 2 to the present Statement).

6.2. Notices contemplated by clause 6.1 of this Statement shall be forwarded by means ensuring confirmation of receipt thereof, including by way of presenting at mailroom of the Company and forwarding of certified mail.

7. Procedure of Access to Insider Information

7.1. The Company discloses and furnished information relating to insider information in accordance with the requirements established by regulatory legal acts of FFMS of Russia and

FSA.

7.2. The Company implements disclosure of information relating to insider information in the following ways:

7.2.1. Publication in the newswire of the authorized information agencies Interfax (information in Russian) and RNS (information in English) at: www.e-disclosure.ru and <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html> (hereinafter – the Newswire). Therewith the Company endeavours towards synchronous disclosure of insider information in both Newswires. In case if one of the Newswires is not working by reason of official week-end or public holiday, the Company discloses information on the next working day for both Newswires.

7.2.2. Publication at the Company's Official web-site.

7.3. If a longer period is not contemplated by regulatory legal acts of FFMS of Russia, access to the texts of messages on insider information at the Company's Official web-site is provided during at least one year from the date of publication thereof.

7.4. The texts of messages on insider information and copies of documents containing insider information are provided by request of the interested party, within 7 days from the date on which the Company received a corresponding request at the latest, unless other terms are stipulated by law of the Russian Federation, and for payment not exceeding costs for making thereof.

8. Rules for Protection of Insider Information Confidentiality and Control of Compliance with the Law Requirements of the Russian Federation

8.1. The Company may introduce special procedures aimed at protection of insider information from illegitimate use, including but not limited to:

8.1.1. Restrict the rights of access to Company's insider information for Company's employees.

8.1.2. Specify places and sources for storage of the Company's insider information and permit access to Company's insider information in certain places, from certain carriers or in certain access sources.

8.1.3. Use the systems for protection of information and technical systems securing from loss of insider information and unauthorized access to such information.

8.2. Members of the Company's Board of directors, members of the Company's Board, the Company's Board Chairman, members of the Company's Review Committee (hereinafter – members of the Company's management and control bodies) have the right of access to insider information without limitations.

8.3. The Insiders, not mentioned in clause 8.2 of this Statement, have the right of access to Company's insider information as may be necessary for fulfillment of their obligations stipulated by law of Russian Federation, employment or civil agreements with the Company, local regulatory documents (acts) of the Company and job descriptions.

8.4. Members of the Company's management and control bodies, Company's employees having, due to exercise of their official duties, the right of access to insider information, within the limits of their authority and powers provided under established procedure, are obliged to take all measures within their control for protection and disallowance of the illegal use of insider information.

8.5. In case of conclusion of the employment or civil agreements stipulating the Company's employee's or counterparty's right of access to insider information, such agreement shall include:

8.5.1. Covenant on non-disclosure and disallowance of illegal use of the Company's insider information.

8.5.2. Covenant on provision by counterparty of a list of persons who will receive access to insider information due to the agreement performance, on provision of Consents, as well as confirmation of the fact that the mentioned persons have taken the obligation of compliance with Russian law on counteraction to illegal use of insider information and market manipulation, and with this Statement.

8.5.3. Covenant on obligation of notification on transactions performed by Insiders, pursuant to the law requirements of Russian Federation and this Statement.

8.6. Non-compliance, by Company's employee or counterparty, with the requirements of clause 8.5 under present Statement may serve the ground for non-execution and (or) early termination of the employment or civil agreements entered into with them, and for indemnification to the Company.

9. The Company's Officer Responsible for the Company's Compliance with Law Requirements of the Russian Federation on Insider Information

9.1. An Officer specified by the Company's Board Chairman, by prior agreement with the Company's Board of directors, whose official duties shall include performing control of compliance with the law requirements of Russian Federation on insider information and with this Statement (hereinafter – Company's Officer), shall exercise his/her activities relating to:

9.1.1. Counteraction to illegal use by the Company's Insiders of insider information and manipulation with the Company's securities market and (or) goods' market.

9.1.2. Control over the Company's compliance with the law requirements of Russian Federation on insider information and this Statement.

9.1.3. Organization and conduction of control, expert and analytical and other measures with the purpose of checking the Company's compliance with the law requirements of Russian Federation on insider information and this Statement.

9.1.4. Detection and informing the Audit Committee under the Company's Board of directors about violations of the law requirements of Russian Federation and this Statement on insider information.

9.1.5. Other functions provided for by job description of the Company's Officer.

9.2. Company's Officer may:

9.2.1. Require, from the Company's employees, submission of any documents related with the activity of exercising control over compliance with the requirements of Russian law on insider information and this Statement, and inspect their contents.

9.2.2. Require from the Company's Insiders and employees to present information necessary for performance of functions by the Company's Officer.

9.2.3. Require from the Company's Insiders and employees to present written explanations on the issues arising in the course of fulfillment by them of their duties.

9.2.4. Interact with other officers of the Company regarding the issues within his/her capacity.

9.2.5. Inform the Audit Committee under the Company's Board of directors about compliance and (or) non-compliance of Company with the law requirements of Russian Federation on insider information and this Statement.

9.3. Requirements of Company's Officer, within the limits of rights granted to him/her by this Statement, are binding for all Insiders.

9.4. Company's Officer is obliged to:

9.4.1. Exercise efficient control over the Company's compliance with the law requirements of Russian Federation on insider information and this Statement.

9.4.2. Comply with the law requirements of Russian Federation on insider information, including regulatory legal acts of the federal executive body in securities market.

9.4.3. Observe requirements of this Statement and Company's local regulatory documents (acts).

9.4.4. Appropriately fulfill his/her official duties contemplated by clause 9.1 of this Statement.

9.4.5. Keep official secret in respect of the received insider information.

9.5. The Company's Officer may have rights and bear obligations not contemplated by clauses 9.2 and 9.3 under this Statement but established by his/her job description and not contradicting with the legislative requirements of Russian Federation.

9.6. Company's Officer prepares and presents a quarterly report, for consideration of the Audit Committee under the Company's Board of directors, on execution by Company of legislative requirements of Russian Federation on counteraction to illegal use of insider information and market manipulation and this Statement, within not later than 45 days from completion of the reporting quarter.

9.7. Audit Committee under the Company's Board of directors includes, in the annual report to Company's Board of directors on its activities, information about execution by Company of legislative requirements of Russian Federation on counteraction to illegal use of insider information and market manipulation and of this Statement.

9.8. Audit Committee under the Company's Board of directors may request, from Insiders and professional participants of the stock market, additional information about transactions consummated with the Company's financial instruments and goods.

10. Responsibility

10.1. Company's Insiders bear responsibility for illegitimate use of insider information pursuant to the law of Russian Federation.

10.2. Any person which illegitimately used insider information or distributed deliberately false information does not bear responsibility for illegitimate use of insider information and (or) manipulation in the market of financial instruments and (or) goods of the Company, if the mentioned person did not know or wasn't supposed to know that such information is the insider information, and such distributed information is deliberately false.

10.3. Any persons which incurred losses, as the result of illegal use of the Company's insider information and (or) manipulation with the market of the Company's financial instruments and (or) goods, may claim indemnification from those parties whose actions caused the incurring of such losses.

10.4. Performance of operations, accompanied with the use of Company's insider information and (or) representing manipulation on the market of Company's financial instruments and (or) goods, shall not serve the ground for annulment thereof.

11. Final Provisions

11.1 This Statement, with any amendments thereto, is approved by Company's Board of directors by presentation of the Company's Board.

11.2. The issues unregulated by this Statement shall be regulated by Russian law, Company's Charter and other local regulatory documents (acts) of the Company.

11.3. In case if, resulting from the change of Russian law, some clauses of this Statement come into contradiction with the Russian law, they become void and, until the date of introducing amendments to the present Statement, the Company is governed by laws and subordinate regulatory legal acts of the Russian Federation.

NOTICE
on inclusion of a person into the List of the Company's insiders
(on exclusion of a person from the List of the Company's insiders)

No.	Information on the Company	
1.1	The Company's full business name	
1.2	The Company's TIN	
1.3	The Company's OGRN	
1.4	Registered office of the Company	
1.5	The Company's postal address	
1.6	The Company's contact phone	
1.7	The Company's fax	
1.8	The Company's E-mail address	

No.	II. Information on the person included in the List of the Company's insiders (excluded from the List of the Company's insiders)	
	For insider representing a legal entity	
2.1	The insider's full business name	
2.2	Insider's TIN	
2.3	Insider's OGRN	
	For insider representing a natural person	
2.1	Insider's surname, name, patronymic	
2.2	Insider's birthdate	
2.3	Insider's birthplace	

No.	III. Information about the ground for filing a notice	
3.1	The ground of notice filing ("inclusion in the List of the Company's insiders" or "exclusion from the List of the Company's insiders")	
3.2	Date of inclusion in the List of the Company's insiders (exclusion from the List of the Company's insiders)	
3.3	The ground for inclusion of a person in the List of the Company's insiders (for exclusion from the List of the Company's insiders)	

Please note that, from the moment of inclusion of a person in the List of the Company's insiders, in respect of such person as an insider:

1. **Restrictions** are introduced, as contemplated by clause 4.3 of the Statement on the Company's insider information¹ and article 6 of the Federal law from July 27th 2010 No. 224-FZ "On counteraction to illegal use of insider information and market manipulation and on the amendments to individual legislative acts of the Russian Federation" (hereinafter – Federal law):

¹ You may find Statement on insider information of JSC RusHydro on the official web-site of JSC RusHydro at www.rushydro.ru

Insiders may not:

– Perform operations with the Company’s financial instruments and (or) goods which are concerned by the Company’s insider information, at their own expense or at the expense of a third party, except for the operations performed for the purposes of executing an obligation of purchase or sale of the Company’s financial instruments and (or) goods, which has fallen due for execution, if such obligation arose as the result of an operation performed before such person became aware of the insider information.

– Communicate insider information to any other person, except for the communication of this information to a person included in the List of the Company’s insiders, in relation to performance of duties established by federal laws, or in connection with the execution of official duties or of an agreement.

– Give recommendations to third parties, bind or otherwise incite them towards acquisition or sale of the Company’s financial instruments and (or) goods.

Insiders are forbidden to perform any actions relating to, pursuant to article 5 of the Federal law, market manipulation.

2. **Responsibility** is specified, in accordance with clause 10. of the Statement on the Company’s insider information, article 7 of the Federal law and clause 15.21.¹ of the Russian Code of administrative offences of Dec 30th 2001 No. 195-FZ and article 185.3.² of the Russian Criminal Code of June 13th 1996 No. 63-FZ.

3. **Obligations** are vested, as stipulated by clause 6 of the Company’s Statement on insider information and article 10 of the Federal law and concerning notification of JSC RusHydro and FFMS of Russia on the operations with the Company’s securities performed by them and (or) on execution of agreements representing derivative financial instruments, with these securities as the basic asset thereof, and (or) on the operations with the Company’s goods performed by them, within 10 working days from the date of performance of the relevant operation as specified in Appendix 2 to the Company’s Statement on insider information.

(position held by the Company’s
authorized person)

(signature)

(initials, last name)

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¹ “Illegal use of insider information, if this action does not contain a criminally punishable act, – entails imposition of administrative fine on citizens in the amount from three thousand to five thousand rubles; on the officials – from thirty thousand to fifty thousand rubles, or disqualification for a period from one year to two years; on legal entities – in the amount of excessive income or amount of losses, which a citizen, an official or a legal entity avoided resulting from illegal use of insider information, but not less than seven hundred thousand rubles.”

² “Market manipulation i.e. willful distribution through mass media, including electronic and information/telecommunication networks of common use (including “Internet” network), of deliberately false information or performance of operations with financial instruments, foreign currency and (or) goods, or other willful acts prohibited by law of Russian Federation on counteraction to illegal use of insider information and market manipulation, if, resulting from such illegal acts, the price, demand, offer or volume of trade in financial instruments, foreign currency and (or) goods deviated from the level or balanced at a level considerably different from that level which would have formed without account for the above-mentioned illegal acts, and such acts incurred heavy damage to citizens, organizations or state, or are associated with derivation of excessive income or avoidance of losses at large scale, –

are punished by fine in the amount from three hundred thousand to five hundred thousand rubles or in the amount of wage or other income of the convict for the period from one year to three years, or by deprivation of liberty for the period up to four years with fine in the amount up to fifty thousand rubles or in the amount of wage or other income of the convict for the period of up to three months, or without such fine, with deprivation of the right to hold certain job positions or engage in certain activities for up to three years, or without such deprivation.

2. Acts contemplated by part one under this clause and performed by organized group or which incurred especially heavy damage to citizens, organizations or state, or associated with derivation of excessive income or avoidance of losses on especially large scale, – are punished by fine in the amount from five hundred thousand to one million rubles or in the amount of wage or other income of the convict for the period from two to five years, or by deprivation of liberty for the period up to seven years with fine in the amount up to one hundred thousand rubles or in the amount of wage or other income of the convict for the period of up to two years or without such fine, with deprivation of the right to hold certain job positions or engage in certain activities for up to five years, or without such deprivation.”

**NOTICE
on performance of an operation with a financial instrument or goods of JSC RusHydro**

1. Full name of an insider – natural person /Full business name of an insider – legal entity	
2. Type and requisites of the document certifying the identity of an insider – natural person /TIN, OGRN of an insider – legal entity	
3. Place of registration of an insider – natural person /Location of an insider – legal entity	
4. Full business name of an entity which list of insiders contains the insider	
5. Date of operation	
6. Type of transaction (operation)	
7. Amount of transaction (operation)	
8. Place of transaction closing (name of trade organizer or over-the-counter market)	
9. Category (type) and series of security (specified for transactions with securities)	
10. Full business name of security issuer (specified for transactions with securities)	
11. State registration number of security issue (specified for transactions with securities)	
12. Price per security (specified for all transactions with securities, except repurchase agreements)	
13. Purchasing and selling price per security under repurchase agreement (for repurchase agreements)	
14. Quantity of securities (specified for transactions with securities)	
15. Type of agreement being a derivative financial instrument (specified for transactions with derivative financial instruments)	
16. Name (identification) of the agreement which is a derivative financial instrument as adopted by trade organizer in securities market (specified for transactions with derivative financial instruments)	
17. Price per agreement representing a derivative financial instrument (bonus rate by option) (specified for transactions with derivative financial instruments)	
18. Quantity of agreements representing derivative financial instruments (specified for transactions with derivative financial instruments)	

19. Price for execution of an agreement being a derivative financial instrument (specified for transactions with derivative financial instruments)	
20. Type of goods (specified for operations with goods)	
21. Quantity of goods (specified for operations with goods)	
22. Price per unit of goods (specified for operations with goods)	

For insider representing a natural person:

_____ (date) _____ (signature) _____ (initials, last name)

For insider representing a legal entity:

_____ (position held by the Company's
authorized person) _____ (signature) _____ (initials, last name)

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