

Approved  
by resolution of the annual General Shareholders'  
Meeting of JSC RusHydro (Minutes No. 7  
of 04.07.2011)

## PROVISION

On the Procedure for Calling and Holding meetings  
of the Board of Directors of JSC RusHydro

## **1. General provisions**

1.1. This Provision has been developed pursuant to Civil Code of the Russian Federation, Federal Law "On Joint-Stock Companies", other regulatory legal acts of the Russian Federation and Articles of Association of JSC RusHydro (hereinafter – Company).

1.2. This Provision is an internal document of the Company which specifies the procedure for calling and holding the Company's Board meetings.

1.3. The Board of Directors is a management body of the Company which performs general management of the Company's activities, control over execution of resolutions of the Company's General Shareholders' Meeting and enforcement of the rights and legitimate interests of the Company's shareholders pursuant to the requirements of law of the Russian Federation.

1.4. In its activity, the Board is governed by Federal Law "On Joint-Stock Companies", other regulatory legal acts of the Russian Federation, Company's Articles of Association and these Regulations.

## **2. Chairman and Deputy Chairman of the Company's Board of Directors**

2.1. Work of the Board is organized by the Company's Board Chairman.

2.2. The Chairman of the Board is elected by Company's Board members from among their number by majority of votes from total number of the elected members of the Board.

The person who is performing functions of the Company's Management Board Chairman can't be at the same time the Company's Board Chairman.

2.3. The Board of Directors may re-elect Chairman of the Board of Directors at any time by the majority of votes from total number of the elected members of the Board of Directors.

2.4. Chairman of the Board of Directors:

- 1) organizes the Board work;
- 2) calls the Board meetings;
- 3) determines the form of the Board meetings;
- 4) approves agendas of the Board meetings;
- 5) presides at the Board meetings;
- 6) signs the minutes of the Board meetings, requests for conduction of audit of the Company's financial and business activities and other documents on behalf of the Company's Board;

- 7) presides at Company's General Shareholders' Meetings, announces the agenda, informs of the forthcoming speeches and reports, and performs other functions of Chairman at the Company's General Shareholders' Meeting as provided for by Regulations on procedure for preparation and holding of the Company's General Shareholders' Meeting;

- 8) ensures that in the process of holding a Board meeting all requirements of the law of the Russian Federation, Company's Articles of Association, other internal documents of the Company and these Regulations have been met;

- 9) performs other functions stipulated by law of the Russian Federation, Company's Articles of Association and resolutions of the Company's Board.

2.5. In case of absence of the Board Chairman, his/her functions are performed by deputy Board Chairman elected from among the number of Board members by majority of votes from total number of the elected members of the Company's Board.

A Board member who is at the same time Chairman or member of Company's Management Board may not be elected as deputy Board Chairman.

### **3. Members of the Board of Directors, their rights, obligations and liability**

3.1. Board members, within the Board's competence, may:

- 1) obtain information on Company's activities, including that constituting trade secret of the Company, examine all constituent, regulatory, accounting, reporting, contractual and other documents of the Company pursuant to the law of the Russian Federation and Company's internal documents;
- 2) put forward written proposals on formation of the Board Work Plan;
- 3) according to the established procedure, bring in issues into the agenda of Board meetings;
- 4) require for calling a Company's Board meeting;
- 5) exercise other rights stipulated by law of the Russian Federation, Company's Articles of Association, other internal documents of the Company and these Regulations.

3.2. A Board member may send written requests for documents and information, as necessary for taking a decision on issues within the Board's competence, both directly to Company's Board Chairman and to Board Secretary.

Documents and information of the Company shall be provided to the Board member within 5 (five) working days from the date when request is received.

3.3. The Company shall procure to Board members, if necessary, translation of draft resolutions and materials on agenda issues, as well as provide for presence of interpreter at official meetings of the Board. The above-related costs shall be at the expense of the Company.

3.4. Board members may be paid remuneration and (or) reimbursed costs connected with execution by Board members of their duties under the procedure stipulated by Regulations on payment of remuneration and compensations to Board members, which is to be approved by Company's General Shareholders' Meeting.

3.5. In exercising their rights and obligations members of the Board of Directors shall act in the Company's interests, perform their rights and obligations in respect of the Company in a fair and reasonable manner.

3.6. Members of the Board of Directors are liable before the Company for losses inflicted upon Company by their faulty actions (failure to act), unless other grounds and scope of responsibility are not determined by federal laws.

Herewith, no responsibility shall be borne by members of the Board of Directors who voted against the decision which has led to the Company's losses, or who did not take part in voting.

### **4. Company's Corporate Secretary**

4.1. Corporate secretary performs the functions of organization and information support of the Company's Board work.

4.2. Corporate secretary is elected by members of the Company's Board by majority of votes of its members taking part in a meeting.

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

A candidate for Corporate Secretary is nominated by Company's Management Board Chairman in agreement with the Board Chairman.

4.3. The duties of Corporate Secretary shall include:

1) preparation and organization of signing the agenda of a regular Board meeting in accordance with the Board Work Plan and proposals submitted from Board members, Audit Commission, Company's Auditor, Management Board and Company's Management Board Chairman;

2) provision for preparation and dispatch of documents (materials) required for organization and holding of a Board meeting (notice on meetings, draft resolutions on Meeting agenda issues, drafts of documents for preliminary examination etc.);

3) organization of preparation and submission of documents (information) by requests of the Board members;

4) preparation of requests and replies to letters on behalf of the Company's Board;

5) collection of poll sheets filled in by Company's Board members;

- 6) execution of minutes of the Board meetings and extracts from minutes of the Board meetings;
- 7) distribution of documents approved by Board of Directors;
- 8) development and maintenance of file register of the Board of Directors;
- 9) organization of control over due fulfilment of resolutions of the Company's Board and General Shareholders' Meeting;
- 10) preparation of requests for provision of information (materials), in respect of agenda issues addressed at Board meetings, to Company's subdivisions;
- 11) control over reliability of submitted information and correct execution of documents which are put forward for consideration and approval by Board;
- 12) organization of keeping the record of Board meetings' process, including, by consent of all present members, with the use of magnetic media;
- 13) performance of other duties stipulated by these Regulations and instructions of the Company's Board Chairman and members.

4.4. Corporate secretary ensures well-coordinated and expeditious work of the Board members with Company's shareholders and their representatives, with executive bodies of the Company as well as directors and employees of the Company's subdivisions in order to guarantee the efficient activity of the Board of Directors.

4.5. The Board may approve separate Regulations on the Company's Corporate Secretary, to regulate the procedure of his/her election and activities.

## **5. Organization of the Board work**

5.1. Board meetings are held pursuant to the approved Board Work Plan, and as often as necessary but at least once in a quarter.

If necessary the Board Chairman may take decision on holding of a non-scheduled Board meeting.

5.2. The Board Work Plan.

5.2.1. The Board Work Plan is formed based on proposals made by members of the Board, Audit Commission, Auditor, Management Board and Company's Management Board Chairman in the following principal directions:

- strategic development of the Company;
- mid-term and current planning of the Company's activities;
- organization of the Board activity;
- control over fulfilment of resolutions made by the Board and General Shareholders' Meeting.

Meeting.

5.2.2. The Board Work Plan shall include:

- 1) issues to be addressed at the Company's Board meetings during the current corporate year;
- 2) time-schedule and form of the Board meetings;
- 3) list of persons (Company's management bodies) responsible for preparation of issues to be addressed at the Company's Board meetings.

5.3. The first meeting of a newly elected Board shall be called by one of the Company's Board members by way of sending a notice on meeting to all the other members of the Board, and to the Company, addressed to Board Chairman.

The Board Chairman shall provide assistance and all necessary information for organization of the first meeting of a newly elected Board.

The first Board meeting shall resolve the following:

- election of the Chairman of the Board of Directors;
- election of the Deputy Chairman of the Board of Directors;
- approval of the Board Work Plan for the period until the next annual General Shareholders' Meeting of the Company.

5.4. The Board meeting is called by the Board Chairman (or deputy Board Chairman subject to provisions of these Regulations) in accordance with the approved Board Work Plan, by its own initiative or by request of the Company's Board member, Audit Commission, Auditor, Management Board Chairman and Management Board.

5.5. Request on calling of the Board meeting shall include:

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

5.6. A request for calling the Board meeting shall be made in writing and signed by the person requesting for its calling. Request of the Audit Commission on calling of a Board meeting shall be signed by the Audit Commission Chairman and request of the Management Board – by Company's Management Board Chairman.

A request on calling of the Board meeting with attachment of all necessary materials (information) shall be delivered to Company's office, and copies of all documents shall be sent to Company's Board Chairman and Corporate Secretary.

5.7. Members of the Board, Audit Commission, Management Board and Company's Management Board Chairman or Auditor may put forward proposals for the Board meeting agenda items.

The said proposals are submitted to Board Chairman in writing with simultaneous dispatch of their copies by facsimile communication to Company's Board Chairman and Corporate Secretary.

The Board Chairman is entitled to include the submitted proposals into the agenda of a regular Board meeting or convene a non-scheduled meeting.

5.8. Control over the term for submission of proposals on inclusion of issues in the Board agenda (including draft resolution of the Board and supporting materials), as well as over compliance of the form of the Board draft resolution to the existing standards (formats) for submission of information, shall be executed by Corporate Secretary.

5.9. The Corporate Secretary shall inform the Board Chairman about violation of terms for submission of proposals on inclusion of issues in the Board agenda (including draft resolution of the Board and supporting materials).

5.10. Notice on holding of the Board meeting shall be prepared by the Board Corporate Secretary and signed by Board Chairman or deputy Chairman (subject to the provisions of these Regulations).

Notice on convention of the Board meeting shall include:

- the Company's full business name;
- statement of the agenda issues;
- form of meeting (joint presence, absentee voting);
- date and place of meeting (final date and time for acceptance of poll sheets for absentee voting).

5.11. A written notice on holding of a Board meeting shall be forwarded by Corporate Secretary to each member of the Board not later than 11 (Eleven) working days before the date of Board meeting (final date for acceptance of voting poll sheets).

Simultaneously with the notice on Board meeting, materials (information), including draft resolutions on the agenda issues, are forwarded to the Board members.

5.12. By decision of the Board Chairman, the term for forwarding of a notice on Board meeting and submission of materials (information) to Board members may be reduced.

## **6. Procedure for Board meeting**

6.1. The Board meeting is opened by the Board Chairman.

6.2. Corporate Secretary determines presence of quorum for conduction of the Board meeting.

The quorum for holding a Board meeting shall be not less than a half of all elected members of the Company's Board of Directors.

6.3. The Board Chairman informs those present that the quorum is met for conduction of the Board meeting and announces the agenda of the Board meeting.

6.4. The Board meeting includes the following stages:

- 1) speech of a Board member or an invited person with report on an agenda issue;

- 2) discussion of an agenda issue;
- 3) proposals in respect of the wording of resolution on the agenda issue;
- 4) voting on the agenda issue;
- 5) counting of votes and summary of the voting results;
- 6) announcement of voting results and decision made upon the agenda issue.

6.5. Decisions at the Company's Board meeting are taken by majority of votes of those members present at the Board meeting, except as otherwise provided by law of the Russian Federation and Company's Articles of Association.

6.6. In determining voting results regarding the agenda issues, a written opinion of the member of the Company's Board, who was absent at the Company's Board meeting, is to be accounted for.

6.7. For resolution of issues put at the Board meeting, each member of the Board has one vote.

When the votes are equally divided, the vote of the Chairman of the Board of Directors shall be the casting vote.

Transfer of a vote by one member of the Company's Board to another member of the Company's Board or to some other person is not allowed.

6.8. The Board meetings may be attended by members of the Audit Commission, Company's Auditor, Company's employees and other persons.

## **7. Procedure for decision-making by absentee voting**

7.1. Resolution of the Company's Board on the issues within its competence may be made by absentee voting (by way of poll).

7.2. In order for the Board to make decision by way of absentee voting (poll), a notice on conduction of absentee voting in respect of the agenda issues, with enclosure of the relevant draft resolutions and materials (information) on the issues included in the agenda shall be forwarded to each member of the Board not later than 11 (Eleven) working days before the final date for acceptance of absentee voting poll sheets.

7.3. Members of the Board may forward their proposals and (or) comments to draft resolutions proposed by the Board in respect of issues put to absentee vote not later than 5 (Five) days before the final date for acceptance of absentee voting poll sheets which is specified in the notice on absentee voting.

7.4. The poll sheet for absentee voting shall be drawn by Corporate Secretary, subject to received proposals and (or) comments to draft resolution proposed by the Board in respect of issues put to absentee vote, according to the form attached in the Appendix to these Regulations.

7.5. The poll sheet for absentee voting shall be forwarded to members of the Board not later than 2 (Two) working days before the final date for acceptance of poll sheets as specified in the notice on absentee voting.

7.6. During filling in of the poll sheet for absentee voting, a member of the Board should leave undeleted only one of the possible voting options ("for", "against", "abstained"). The filled out poll sheet shall be signed by member of the Board with indication of his/her second name and initials.

Poll sheet filled out in violation of the above requirements shall be considered void and won't take part in determination of the quorum required for making decision by way of absentee voting, and won't be accounted for in counting of votes.

7.7. The filled out and signed poll sheet is to be forwarded by member of the Board, within the term specified in the poll sheet, to Corporate Secretary in original or by facsimile communication or email (scanned poll sheet) with subsequent mailing of the original poll sheet to the address mentioned in the poll sheet.

Those members of the Board are considered to have taken part in the absentee voting whose poll sheets were received by Corporate Secretary in original or by fax or email up to the final date for acceptance of poll sheets as specified in the notice.

A poll sheet received by the Company beyond the specified date is not accounted for in the process of vote tabulation and summing up of absentee voting results.

7.8. The results of voting on the agenda issues at a meeting held in absentee form shall be summed up on the basis of poll sheets filled out and signed by members of the Board and received by Company within the term specified in the notice on absentee voting.

7.9. Based on the received poll sheets, the Corporate Secretary shall draw up the minutes of the Board of Directors under the procedure stipulated by these Regulations.

## **8. Minutes of the Company's Board meeting**

8.1. At the Board meeting the Board Secretary shall record the minutes.

8.2. The minutes of the Company's Board meeting shall be made not later than within 3 (Three) days after holding of the meeting (summing up of absentee voting results).

8.3. The minutes shall contain:

full business name and location of the Company;

form of the meeting;

place and time of the meeting (summing up of the voting results);

members of the Board of Directors present at the meeting (that took part in the absentee voting), as well as invitees;

information on presence of quorum at the meeting;

agenda of the meeting;

issues put to vote and individual voting results;

summarized communication of reports and speeches by the meeting participants;

decisions made.

The minutes of the Company's Board meeting shall be signed by Chairman of the meeting and Corporate secretary who are responsible for correctness of the minutes.

8.4. Decisions made by the Company's Board of Directors are reported to their executors in the form of extracts from the minutes of the meeting, for each matter separately.

Extracts from the minutes of the Board meeting shall be documented, signed by the Corporate secretary and sent to their executors within 2 (Two) days from the date of the minutes signing.

8.5. The Company shall keep the minutes of the Board meetings at the location of the Company's executive body or in another place known and accessible to all interested parties.

**THE BOARD OF DIRECTORS  
of Open Joint-Stock Company  
Federal Hydro-Generating Company**

**POLL SHEET**

**for absentee voting on the meeting agenda issues  
of the Board of Directors of JSC RusHydro**

**Final date for acceptance of poll sheets** \_\_\_\_\_

**Issue 1:**

\_\_\_\_\_

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**Decision:**

\_\_\_\_\_

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\_\_\_\_\_

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<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
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*(leave your reply option uncrossed)*

**Issue 2:**

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**Decision:**

\_\_\_\_\_

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<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
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*(leave your reply option uncrossed)*

Filled out and signed voting poll sheet shall be sent by fax \_\_\_\_\_ or by e-mail  
\_\_\_\_\_, or in original to at the latest on \_\_\_\_\_.  
*/e-mail address/* */date, time/*

A poll sheet received by the Company beyond the specified date is not accounted for in the  
process of vote tabulation and summing up of the absentee voting results.

The original poll sheet shall be sent to the following address:

\_\_\_\_\_.

Member of the Board of  
Directors of JSC RusHydro

\_\_\_\_\_  
*/signature/* */full name/*

**THIS POLL SHEET IS NOT VALID WITHOUT THE SIGNATURE OF A MEMBER OF THE BOARD OF DIRECTORS**