

APPROVED BY:
The AGSM of Interregional Distributive Grid
Company of Urals, OAO

Protocol #3 dd. 17.06.2011
AGSM Chairperson

_____ P.V. Golubev

REGULATIONS
on the Procedure for GSM Convention and Arrangement
at IDGC of Urals, OAO
(new revision)

1. General Provisions

1.1. The present Regulations have been developed pursuant to the Civil Code of the Russian Federation, the Federal Law "On Joint-Stock Companies", other regulatory documents of the RF and the Charter of Open Joint-Stock Company Interregional Distributive Grid Company of Urals (hereinafter referred to as the Company) to specify the procedure for GSM convention and arrangement.

1.2. General Shareholder Meeting shall be the superior governing body of the Company.

1.3. In its scope the GSM shall be guided by the Russian legislation, the Charter and the present Regulations.

2. GSM Convention and Arrangement

2.1. A resolution to convene a GSM shall be adopted by the Board of Directors of the Company.

2.2. Arranging a GSM in cases stipulated by item 3.1. hereof other persons shall adopt the following resolutions on:

a) convention and determination of a GSM type;

b) determination of date, place and time of a GSM, time when registration for persons participating in a GSM starts (in case a GSM is arranged in the form of compresence), or the deadline for the acceptance of the filled-in voting papers as well as mail address where the voting papers are to be forwarded to (in case a GSM is arranged in the form of absentia voting);

c) determination of a GSM agenda;

d) determination of the date when the list of persons entitled to participate in a GSM is prepared;

e) determination of a type (types) of preferred shares the owners of which are entitled to vote on GSM agenda issues;

f) determination of the list of information (materials) distributed among shareholders during GSM arrangement and procedure for familiarization of shareholders with the information;

g) approval of form and text of the GSM voting papers;

h) determination of date when voting papers are forwarded to persons entitled to participate in a GSM (in case a GSM is arranged in the form of absentia voting as well as a GSM is arranged in the form of compresence if, according to the Federal Law on Joint-Stock Companies or the Charter, voting papers should be forwarded (handed in) to persons entitled to participate in a GSM prior to the GSM);

i) determination of the procedure for informing shareholders on a GSM arrangement, including approval of the form and text of the message;

j) election of the GSM Secretary as well as, in cases when the number of shareholders owning voting papers does not exceed 100 (One hundred) and the counting commission is not established, determination of a person functioning as the counting commission;

k) approval of GSM expenses.

2.3. The sole executive body of the Company shall execute resolution of the BoD regarding GSM preparation and arrangement, including the following:

- ensuring timely forwarding of a request to the Company's registrar on the preparation of the list of persons entitled to participate in a GSM as of the date determined by the BoD;

- ensuring preparation of voting papers according to the form and text approved by the BoD;

- ensuring forwarding of voting papers to the shareholders and acceptance of filled-in voting papers in case of a GSM in the form of absentia voting or in case when a GSM in the form of compresence allows to vote by forwarding filled-in voting papers to the Company;

- ensuring notification of shareholders on a GSM in procedure and terms stipulated by a BoD resolution and the Charter;

- performing other actions to implement BoD resolutions.

3. Peculiarities of EGSM Convention

3.1. An EGSM shall be convened by the Audit Commission, the auditor as well as a shareholder (shareholders) owning at least 10 (Ten) percent of voting shares of the Company in case the Board of Directors has not adopted a resolution on an EGSM convention or has adopted a resolution to refuse to arrange it within 5 (Five) days since their request to arrange such a EGSM.

3.2. Persons, who convened an EGSM in the procedure stipulated by item 3.1. of the present Regulations, arrange an EGSM on their own behalf.

4. GSM Information Support

4.1. Notification on GSM arrangement and information materials on GSM agenda issues, besides other means, shall be posted on the corporate website not later than the scheduled deadline for GSM notification.

It is recommended to post the above-mentioned notification and materials in English.

4.2. A GSM protocol shall be posted on the corporate web-site within 5 (Five) days since the signing.

It is recommended to post a GSM protocol in English.

4.3. When nominating candidates to the BoD shareholders shall submit the following information about the nominees:

4.3.1. Last name, first name, patronymic;

4.3.2. Citizenship;

4.3.3. Address (country, city);

4.3.4. Education;

4.3.5. Job;

4.3.6. Primary employment;

4.3.7. Work record for the previous five years;

4.3.8. Information about the possession of shares issued by the Company/its SACs (quantity of owned shares);

4.3.9. Whether a person is a member of the BoD, collegial executive body or other collegial executive body of another legal entity;

4.3.10. Whether a person is an officer of another company that nominated another officer as a BoD candidate.

4.3.11. Whether a person is a spouse, parent, son, daughter, brother, sister of an officer (managing director) of the Company (officers of the managing company);

4.3.12. Whether a person is bound in liabilities with the Company according to which a candidate can purchase property (receive money) which costs ten and more percent of the aggregate annual revenue, except for the BoD remuneration;

4.3.13. Whether a person is (shall be following the election to the BoD) a representative of a state, i.e. a person that is (shall be following the election to the BoD) a representative of the Russian Federation or its constituent parts in BoD of joint-stock companies regarding which there is a privileged-right resolution («golden share») and persons who are obliged (shall be obliged following the election to the BoD) to vote on the basis of written instructions (guidelines, etc.) of the RF constituent parts or municipal authorities;

4.4. Submission of the information stipulated by items 4.3.2-4.3.13 hereof by the shareholders shall be of recommendatory character. Failure to submit the information by the shareholders shall not be the reason to refuse to include a corresponding candidate into the list of candidates to the BoD.

4.5. The information about BoD candidates, specified in item 4.3., shall be accessible for all the shareholders alongside with other information materials on GSM agenda issues.

4.6. The executive bodies of the Company, prior to the GSM, shall implement the information policy of the Company in such a way that it shall be aimed at the election of BoD candidates meeting the requirements of the Russian regulators and trading institutions.

5. Arranging GSM in the form of compresence

GSM arrangement in the form of compresence lies in direct participation of the shareholders in a GSM to discuss agenda issues and adopt resolutions on the issues under voting.

5.1. Registration of persons entitled to participate in a GSM.

5.1.1. Persons, entitled to participate in a GSM shall be registered by the Counting Commission or another person functioning as the counting commission at the GSM premises stipulated in a GSM notification.

Registration of persons entitled to participate in a GSM shall begin at the time stipulated in a GSM notification.

5.1.2. Persons entitled to participate in a GSM are subject to registration for participation in a GSM.

In case voting on agenda of a GSM arranged in the form compresence shall be allowed by forwarding filled-in voting papers to the Company, persons whose voting papers were received later than 2 days prior to a GSM shall not be registered.

5.1.3. In order to register a shareholder (her/his representative, beneficiary) shall submit her/his passport or other identifying document.

Beneficiaries and representatives of persons from the list of persons entitled to participate in a GSM during their registration shall also submit documents confirming their powers to the Counting Commission or to another person performing the function of the Counting Commission.

The list of documents confirming the powers of beneficiaries and representatives of persons from the list of persons entitled to participate in a GSM shall be prepared pursuant to the current legislation.

In case of a failure to submit the listed documents, beneficiaries and representatives shall have no right to participate in a GSM.

5.1.4. Persons entitled to participate in a GSM shall be registered provided that persons who came to participate in a GSM are identified by comparing the data from the list of persons entitled to participate in a GSM with the data from the documents they submit.

5.1.5. Upon registration a person entitled to participate in a GSM shall receive voting papers on agenda issues.

In case during a GSM shareholders can vote by forwarding filled-in voting papers to the Company, upon the request of the persons registered for a GSM and whose voting papers were not received by the Company or were received later than 2 (two) days prior to the meeting, such persons shall receive voting papers containing a note on reissue.

5.1.6. The registration of persons entitled to participate in a GSM shall end when the GSM Chairperson announces the end of the discussion on the final GSM agenda issue, with the quorum reached.

5.2. GSM Opening.

5.2.1. A representative of the Counting Commission or other person performing the function of the Counting Commission shall announce whether there is a quorum on the agenda issues at the time which, according to the AGSM notification, is the time when a GSM commences.

5.2.2. A GSM shall be legitimate (reach quorum) in case shareholders owning more than 50% of the outstanding voting shares participate in it.

In case the agenda includes issues with voting by different membership of the voters, the quorum for such resolutions shall be determined separately.

Herewith, lack of quorum on the issues with voting by one voting membership shall not prevent from adopting resolution on the quorum-reached issue with voting by another voting membership.

To adopt resolution on an issue regarding the approval of an interested-party transaction, the quorum shall be reached by the shareholders – owners of voting shares, with no interest in the transaction, possessing more than 50% of votes from holders of voting shares with no interest in the transaction.

5.2.3. In case there is a quorum at least on one of the agenda issues the Chairperson shall announce the opening of a GSM.

5.2.4. A GSM that opened with the quorum only on several agenda issues shall not be closed if, by the end of the registration, persons providing quorum for adopting resolutions on other agenda issues have registered.

5.2.5. If, by the opening of a GSM there is not quorum on any agenda issue, the Chairperson shall announce that the GSM is postponed by 2 (two) hours.

GSM postponement shall not be allowed more than once.

In case after 2 (two) hours following the postponement announcement persons forming the quorum at least on one of the issues are not registered, the Chairperson shall announce that the meeting fails.

In case after 2 (two) hours following the postponement announcement persons forming the quorum at least in one of the issues are registered, the Chairperson shall announce that the meeting is opened.

5.2.6. If there is no quorum to arrange a GSM, a repetitive GSM with the same agenda shall be arranged.

If there is no quorum to arrange an EGSM, a repetitive GSM with the same agenda may be arranged.

5.3. Discussion of GSM agenda issues

5.3.1. Speakers shall adhere to the following time limits:

Report on agenda issues – up to 30 min,

Co-report – up to 20 min,

Debates – up to 5 min,

Questions, references – up to 2 min.

The Chairperson shall be entitled to prolong the specified terms.

5.3.2. A shareholder intending to debate over agenda issues shall submit a written request to the GSM Secretary.

Such a request shall contain the last name, first name, patronymic (or company name) of a shareholder (representative) and agenda issue proposed for debate as well as shall be signed by the shareholder.

A question shall be forwarded to the Secretary in writing; besides the wording of the question a shareholder (representative) shall include her/his last name, first name, patronymic (company name of a legal entity) and signature.

5.3.3. The Secretary of the General Meeting of Shareholders shall forward the requests and questions s/he receives from shareholders to the Chairperson.

If, by the opening of a GSM there was the quorum on separate agenda issues, a representative of the Counting Commission or other person performing the function of the Counting Commission shall announce whether there is presence/absence of the quorum in other issues when the last of the above-mentioned issues is discussed.

5.3.4. When the discussion of the agenda issues having the quorum ends, the Chairperson shall announce the end of the agenda issue discussion and registration of GSM participants.

5.4. Voting at General Shareholder Meeting.

5.4.1. Shareholders during a GSM in the form of compresence shall vote according to the procedure established by the Federal Law "On Joint-Stock Companies", other regulatory documents and the Charter, present Regulations.

5.4.2. The agenda voting shall be carried out by voting papers.

5.4.3. Persons registered to take part in a GSM in the form of compresence shall be entitled to vote in all the agenda issues since the opening of the GSM and up to the count.

5.4.4. When the last agenda issue is discussed (last issue with the quorum) persons who still have not voted shall be given 30 (thirty) minutes to vote.

5.4.5. At the end of this time the Chairperson shall announce the vote count.

5.5. Results of the agenda voting at the General Meeting of Shareholders. Closing the General Meeting of Shareholders.

5.5.1. Vote count and tally shall be performed by the Counting Commission or other person performing the function of the Counting Commission pursuant to current legislation.

5.5.2. Voting results and GSM resolutions shall be announced at the GSM.

5.5.3. If voting results and GSM resolutions are not announced at the GSM, they shall be announced within 10 (ten) days following the protocol on voting results to persons from the list of persons entitled to participate in a GSM alongside with voting results according to the procedure on GSM notification stipulated by the Charter unless otherwise stated.

5.5.4. After the voting results on agenda issues are announced, provided they are announced at the GSM, the Chairperson shall close the GSM.

6. Arranging GSM in the form of absentia voting

6.1. Voting on absentia-GSM agenda issues shall be carried out by voting papers.

6.2. Filled-in voting papers shall be received by the Company prior to the acceptance deadline according to GSM convention and arrangement resolution adopted according to the Federal Law On Joint-Stock Companies and present Regulations.

If the acceptance deadline falls on a day-off, the deadline shall be transferred to the following business day.

The acceptance deadline shall expire at the time when business day ends to the set internal rules.

6.3. Filled-in voting papers shall be sent to the Company by registered mail, handed over to a person performing the function of the sole executive body of the Company against her/his signature, a person authorized to receive correspondence addressed to the Company as well as to the Registrar (if s/he performs the functions of the Counting Commission).

6.4. A person performing the function of the sole executive body of the Company shall collect, keep and transfer the voting papers to the Counting Commission or a person performing the function of the Counting Commission.

6.5. A shareholder (natural person) shall write down her/his last name and initial letters when filling-in a voting paper; a shareholder (legal entity) shall write down the full company name of her/his company.

6.6. A representative of shareholder (natural person) shall write down her/his last name and initial letters when filling-in a voting paper as well as the details of the power of attorney (other document confirming the power); a representative of shareholder (legal entity) shall write down her/his last name and initial letters, position as well as the details of the power of attorney (other document confirming the power).

6.7. The representative shall attach her/his power of attorney to the filled-in voting paper (or its notarized copy) or other documents s/he acts upon.

6.8. A GSM in the form of absentia voting shall be legitimate (have the quorum) if the Company receives voting papers from the shareholders owning more than a half of the placed voting shares prior to the acceptance deadline.

For adopting a resolution on an issue regarding the approval of an interested-party transaction, the quorum shall be constituted by the shareholders owning the voting shares of the Company with no interest in the transaction, having the majority of votes of shareholders with no interest in the transaction.

7. GSM Executive Bodies

7.1. The executive bodies of the General Meeting of Shareholders are:

a) the GSM Chairperson;

b) the Counting Commission;

c) the GSM Secretary.

7.2. The BoD Chairperson shall perform the function of the GSM Chairperson.

In case the BoD Chairperson is absent, her/his functions shall pass to the BoD Deputy Chairperson.

In case the BoD Chairperson and the Deputy Chairperson are absent, any BoD member shall head the GSM basing upon the resolution of the shareholders present at GSM.

7.3. The GSM Chairperson shall open and close the meeting, announce the agenda and the sequence of presentations and reports, end of agenda discussion as well as the beginning of vote count, shall ensure the observance of the GSM arrangement procedure stipulated hereof, shall sign the GSM protocol.

7.4. The functions of the Counting Commission shall be performed by a professional securities market participant who keeps the Company's register (the registrar).

If the number of shareholders owning the voting shares of the Company does not exceed 100 (one hundred), the functions of the Counting Commission can be performed by a person authorized by the Board of Directors.

7.5. The Counting Commission shall perform the following functions:

a) checking of the powers and registration of persons participating in a GGSM (shareholders, their representatives);

b) determination of the GSM quorum;

c) explanation of issues regarding voting rights of the shareholders (representatives) during the GSM;

d) explanation of the procedure for voting on agenda issues;

e) provision of the set voting procedure and shareholder rights for voting;

f) vote counting and tally;

g) preparation of the protocol on voting results;

h) informing shareholders on the voting results;

i) archivation of voting papers;

j) other functions stipulated by the Russian legislation, the Charter, the contract concluded between the Company and the Registrar (if it performs the functions of the Counting Commission).

7.6. The functions of the GSM Secretary shall be performed by the Company's Corporate Secretary, unless the persons who convene the GSM determine otherwise in cases stipulated by item 3.1., article 3 hereof.

If the Corporate Secretary is unable to perform the functions of the GSM Secretary, the Secretary shall be elected by the Board of Directors when deciding upon GSM-related issues or by the persons who convene the GSM in cases stipulated by item 3.1., article 3 hereof.

7.7. The GSM Secretary shall cover the following functions:

a) receipt of requests to debate over agenda issue from persons participating in the GSM as well as receipt of questions;

b) submission of requests and questions from shareholders to the Chairperson;

c) keeping records on the GSM progress (basic messages of the reports);

d) other functions stipulated by the present BoD and the Charter.

8. Financial Support During GSM Arrangement

8.1. GSM expenses shall be incurred by the Company according to the cost estimates approved by the Board of Directors and included into the budget.

8.2. The General Director shall submit the report on GSM expenses to the BoD within two months following the GSM.

8.3. If the EGSM is arranged by the persons demanding the convention, the expenses shall be incurred by the persons.

Upon the GSM decision document-supported expenses the expenses incurred by the abovementioned persons may be reimbursed by the Company.

9. Final Provisions

9.1. If due to changes in the legislation and regulatory documents of the Russian Federation certain statements hereof contradict them, these statements shall become void and the Company will be guided by the current and regulatory documents till change are introduced.

9.2. If all voting shares of the Company belong to one shareholder, the present Regulations do not apply; resolutions on issues belonging to the GSM competence shall be adopted by the shareholder (authorized management body of the shareholder), documented in writing and submitted to the Company.