

APPROVED

by the decision of the Board of Directors of  
Joint Stock Company

“Moscow Region Electric Grid Company”

as of December 10<sup>th</sup>, 2009

(minutes No. 98 as of December 11<sup>th</sup>, 2009)

**REGULATIONS**  
**on Reliability Committee under the Board of Directors**  
**of Joint-Stock Company**  
**“Moscow Region Electric Grid Company”**

## **1. GENERAL PROVISIONS**

1.1. Regulation on Reliability Committee under Board of Directors of Joint-Stock Company “Moscow Region Electric Grid Company” was worked out in accordance with legislation of Russian Federation and Charter of Joint-Stock Company “Moscow Region Electric Grid Company” and Regulation on the order of convening and carrying out of the meetings of the Board of Directors of Joint-Stock Company “Moscow Region Electric Grid Company”

1.2. Reliability Committee under Board of Directors of Joint-Stock Company “Moscow Region Electric Grid Company” (hereinafter referred to as the Committee) is established by the decision of the Board of Directors of the Company and is an advisory body, providing productive implementation by the Company’s Board of Directors the functions of general management of the Company’s activities.

The Committee is not the Company’s body and is not authorized to act on behalf of the Company.

The Committee’s resolutions are of recommendation nature for the Board of Directors of the Company.

1.3. In its activities the Committee is guided by Federal Laws, other RF normative and legal documents, Charter of the Company, Regulations on the order of convening and carrying out of the Company’s Board of Directors meetings, resolutions of the Company’s Board of Directors, and present Regulations.

## **2. GOALS AND OBJECTIVES OF THE COMMITTEE**

2.1. Main goal of the Committee’s establishment is providing of the productive operation of the Company’s Board of Directors in dealing with the problems referred to its competence.

2.2. Objectives of the Committee are:

2.2.1. Drawing up and presentation of recommendations (conclusions) to the Company’s Board of Directors concerning following trends of the Board of Directors’ work:

1) Expert examination of investment programs and plans concerning power units repairs, analysis of their implementation in terms of providing complex reliability requirements;

2) Evaluation of completeness and sufficiency of activities aimed at managing the consequences of damages and major technological failures, including control of their implementation;

3) Control and evaluation of operation of technical services of the Company concerning:

– providing complex operational reliability of grids and generation equipment and units;

– ensuring normal condition of capital assets and informing of predicted risks and their operational reliability;

4) Analysis of activities aimed at implementation of contractual and economical mechanisms of reliability management.

2.2.2. Quarterly reports to the Company’s Board of Directors including report on status of capital assets of power units of the Company.

## **3. COMMITTEE’S COMPETENCE**

The Committee’s competence includes preliminary consideration, analysis and drawing up recommendations (conclusions) concerning the following problems of the Board of Directors on priority directions of activities:

1) Analysis of production activities concerning evaluation of:

- autumn-winter operability of the Company;
  - organization of labor protection system;
  - organization of production safety management system;
  - level of exploitation maintenance of power units;
  - organization of operative and dispatch services;
  - implementation of controlling and inspective bodies' instructions;
  - status of contractual (economical) mechanisms of reliability management.
- 2) Evaluation of technical status, level of exploitation and repairs of power units, concerning:
- implementation of the plans of the Company's power units repairs;
  - implementation of the activities, aimed at increase of level of exploitation of the Company's power units.
- 3) Planning and analysis of the activities aimed at renovation of the Company's power units.
- 4) Evaluation of operation of the Company's technical services and their heads.
- 5) Other activities, connected to the stated issues (excluding those referred to the competence of other Committees under the Company's Board of Directors).

#### **4. COMMITTEE'S RIGHTS**

- 4.1. For realization of the entrusted functions the Committee is entitled with the following rights:
- to carry out research work concerning problems referred to its competence;
  - to inquire and receive from the Company's officials information and documents necessary for its activities; it can also inquire information from outside organizations with the help of Board of Directors Chairman or Company's General Director;
  - receive professional services from outside organizations or attract (on contract basis) third persons as experts (advisers), having specific knowledge on the problems referred to its competence;
  - attract colleagues, management of the Company, members of other Committees under the Company's Board of Directors and other people for participating in Committee's meetings;
  - in case of necessity to draw up and present for approval of the Company's Board of Directors projects of amendments to the present Regulations.
- 4.2. The Committee has other rights, stated in the present Regulations.

#### **5. COMMITTEE'S OBLIGATIONS**

- 5.1. The Committee is obliged to:
- 1) implement entrusted functions in accordance with the present Regulations, requirements of the legislation of the Russian Federation, the Charter and internal documentation of the Company;
  - 2) introduce to the Board of Directors economically efficient and legally grounded recommendations (statements) on the problems, included into agenda of the Company's Board of Directors meeting, referred to the Committee's competence;
  - 3) give timely information to the Company's Board of Directors on technical risks the Company is subjected to;

4) not to disclose information on the Company, making up a commercial and/or official secret.

## **6. PROVIDING OF THE COMMITTEE'S OPERATION**

6.1. The Committee is financed in accordance with the Committee's budget for a certain year, approved by the Company's Board of Directors introduced by the Committee Chairman. The budget project encloses resolution of the Company's sole executive body on possibility to finance the presented budget in the projected volumes.

6.2. For providing of the Committees' operation it is necessary to consider at expenses part of the Company's budget a separate expenses clause. The Committee's expenses among others cover remunerations of the Committee's Chairman, Committee's members, Committee's Secretary including those not being members of the Company's Board of Directors.

6.3. For carrying out the Committee's meetings the sole executive body of the Company according to the application of the Committee's Chairman must provide a place and free access to the place of the people, enlisted in the presented application and implement other activities for carrying out Committee's meetings.

## **7. COMPOSITION AND PROCEDURE OF THE COMMITTEE'S FORMATION, RIGHTS OF THE COMMITTEE'S MEMBERS**

7.1. Number of the Committee's members is fixed by a Resolution of the Company's Board of Directors as not less than 3 (three) and not more than 9 (nine) members.

7.2. Individuals entering the Committee's composition are elected by the Company's Board of Directors from the number of candidates, suggested by the Company's Board of Directors.

7.3. Each member of the Company's Board of Directors is entitled to suggest not more than 3 (three) candidates for the members of the Committee.

7.4. Members of the Committee are elected for the period before the first meeting of the Company's Board of Directors in its new structure.

7.5. Only a physical person can become a member of the Committee. Members of the Committee are not necessarily members of the Company's Board of Directors.

7.6. The power of any member of the Committee or of all the Committee's members can be early terminated by the Resolution of the Company's Board of Directors.

The Committee's Chairman as well as a its members are entitled to resign through presenting an application to the Chairman of the Company's Board of Directors and Chairman of the Committee in term not later than 15 days before suggested resignation from the Committee.

If the power of the Committee's member is considered withdrawn, the vote of the Committee's member is not considered any more at checking the quorum and at summing up the results of the voting from the date fixed in the application; in case the date is not fixed – from the date of consideration of the application by the Chairman of the Company's Board of Directors.

7.7. In case the number of the Committee's members becomes less than the number of the Committee's members fixed by the Resolution of the Company's Board of Directors, the Company's Board of Directors by-elects the necessary number of the Committee's members.

7.8. The Committee's members according to the Committee's competence are entitled to:  
1) with the necessary notice to the Committee's Chairman in written form to inquire the documents or information necessary for making decisions on the problems within the Committee's competence directly from collective and/or sole executive body of the Company and heads of the Company's departments as well as through the Committee's Secretary;

- 2) introduce written suggestions on planning of the Committee's work;
  - 3) adopt agenda of the Committee's meetings according to the procedure fixed by the present Regulations;
  - 4) call the Committee's meetings.
- 7.9. The Committees' members during the realization of their rights and responsibilities shall act for the sake of the Company; carefully and reasonably realize their rights and responsibilities.

## **8. COMMITTEE'S CHAIRMAN**

8.1. Management of the Committee and organization of its activities is realized by the Committee's Chairman.

8.2. The Chairman of the Committee is elected by the Company's Board of Directors from the number of elected members of the Committee by the majority vote of the total number of the Company's Board of Directors members.

8.3. The Committee's Chairman can not be the person acting as the sole executive body of the Company or people acting as members of Collective executive body or representatives of the management bodies of the Company's Managing Organization.

8.4. The Company's Board of Directors is entitled to reelect the Committee's Chairman at any time.

8.5. In the absence of the Committee's Chairman his/her power is transferred to the Deputy Chairman of the Committee. The Deputy Chairman of the Committee is elected by the Committee's members from their number by the majority vote from the total number of the elected Committee's members. The Deputy Chairman of the Committee must follow the restrictions stipulated by paragraph 8.3. of the present Regulations.

8.6. The Committee's Chairman:

8.6.1. Calls scheduled and emergency meetings of the Committee, providing in particular informing the Committee's members of the coming meeting according to the procedure, stipulated by the present Regulations, adopts the agenda and type of the meeting (open/secret vote) in case the type of the meeting was not fixed by the previous decision of the Committee or plan of its operation, supervises the process of the Committee's meetings carried out by means of a secret vote.

8.6.2. Acts as a Chairman at the Committee's meetings:

- 1) according to the data of the Committee's Secretary, states the quorum or its absence at the meeting, including that for making decision on the corresponding problem;
- 2) takes measures for changing the date of the meeting in case of absence of quorum and organizes informing of the absent members of the committee of the decision made;
- 3) puts to the vote coming projects of decisions suggested by the Committee's members at the meeting and/or in the process of its preparation; organizes voting on the stated project of decision;
- 4) announces at the open meeting on the decision made by the Committee (on results of the voting);
- 5) organizes drawing up of the minutes of the Committee's meeting;
- 6) organizes activities of the Committees' Secretary;
- 7) signs the report of the Committee's meeting as the Chairman of the meeting.

8.6.3. Carries out control of implementation of the Committee's plan of operation.

8.6.4. Represents the Committee in relations with Company's Board of Directors, Company's executive bodies, other bodies, organizations and officials.

8.6.5. Organizes the official correspondence of the Committee, signs letters, inquiries of the information and other documents on behalf of the Committee regarding the rights of the Committee's members.

8.6.6. Controls meeting of the requirements stated in the present Regulations.

8.6.7. Resolves on attraction of the outside organizations for carrying out professional services or third persons as experts (advisors) having specific knowledge on the problems referred to the Committee's competence within the Committee's budget.

The stated activities may be realized by the Committee's Chairman only on the basis of a Letter of Attorney, drawn up in accordance with the valid RF legislation.

8.6.8. Realizes other activities according to the present regulations.

## **9. COMMITTEE'S SECRETARY**

9.1. The Committee's Secretary is assigned by the Committee on suggestion of the Committee's Chairman. The Committee's Secretary is accountable to the Committee's Chairman, is not a member of the Committee and carried out the following functions:

9.1.1. Provides organizational, informational and documentary basis for the Committee's activities concerning preparation and carrying out of the meetings as well as in the period between the Committee's meetings, including:

1) on the instructions of the Committee's Chairman informs all the Committee's members of the coming scheduled and emergency meetings;

2) delivers to the members of the Committee documents and materials necessary for carrying out the meetings;

3) registers the correspondence addressed to the Committee and/or Committee's members (including inquiries, demands, applications) and organizes preparation of the corresponding replies, explanations and Committee's reactions at the correspondence in other forms; delivers to the members of the Committee the correspondence received by the Committee and renders the necessary assistance to the Committee's members in preparation of the replies to the letters, inquiries, applications, etc.

4) organizes making notes on the reports of the Committee's meetings (drawing up minutes or reports);

5) renders technical and organizational assistance to the Committee's members in preparation of a corresponding problem for a scheduled or emergency Committee's meeting;

6) provides printing, duplicating, translation and delivery to the corresponding members of the documents and materials including editing of projects of the Committee's documents and materials;

7) provides presence of the individuals invited to the Committee's meeting and controls the compliance of the actual presence at the meeting of the invited individuals with the considered item on the agenda;

8) provides preparation for the carrying out of the coming open Committee's meetings (place, materials, free access to the corresponding place of the Committee's members and invited individuals, delivery of the new materials, secretary services, etc.)

9.1.2. Provides drawing up and delivery of the questionnaires to the Committee's members, their summing up and processing.

9.1.3. Organizes voting procedure at the Committee's meetings.

9.1.4. Provides drawing up minutes the Committee's meetings within 2 (two) working days after the meeting.

9.1.5. Organizes cooperation with the sole executive body and Management Board of the Company for keeping archives and storing of all the documents and materials pertaining to the Committee's activities.

9.1.6. Realizes the orders of the Committee's Chairman within the competence of Committee's Chairman.

9.1.7. Realizes other activities according to the present Regulation.

## **10. COMMITTEE'S MEETINGS**

10.1. Committee's meeting is called by the Committee's Chairman according to the plan of operation (scheduled meetings) approved at a Committee's meeting and in other cases, stipulated by the present Regulations.

10.2. Plan of the Committee's operation is drawn up by the Committee's Chairman in accordance with the plan of operation of the Company's Board of Directors and with the suggestions of the Chairman of the Company's Board of Directors, Committee's members and resolutions of the Company's Board of Directors.

10.3. Plan of the Committee's operation is approved at the Committee's meeting that must be carried out not later than 20 (twenty) days after the meeting of the Company's Board of Directors, where the plan of operation of the Company's Board of Directors was approved or within a month after the establishment of the Committee.

10.4. At calling the committee's meeting the Committee's Chairman states the date, time, place and type of the meeting, agenda and list of the individuals invited for the participation in the Committee's meeting.

10.5. Agenda of the scheduled meeting is established by the Committee's Chairman in accordance with the approved plan of operation of the Committee, resolutions of the Company's Board of Directors, and suggestions of the Chairman of the Company's Board of Directors.

10.6. Emergency meetings of the Committee are carried out:

- in accordance with the notice of the Secretary of the Company's Board of Directors on calling of the Company's Board of Directors meeting with the agenda including a issue (issues), referred by the present Regulations to the competence of the Committee;
- by the suggestion of the Committee's Chairman;
- by a resolution of the Company's Board of Directors or by the Committee's resolution;
- by the demand of the Chairman of the Company's Board of Directors or by a Committee's member.

10.7. Demand of the Chairman of the Company's Board of Directors or by a Committee's member must be sent to the Committee's Chairman in written form not later than 7 (seven) working days before the date of the meeting and must contain formulation of problem, grounds for the necessity of considering of the problem at the meeting, project of the Committee's resolution, corresponding materials and information.

Demand on calling of the Committee's meeting must be signed by the person, who sent the demand. At the same time a copy of the demand on calling of the Committee's meeting with all enclosures must be sent to the Committee's Secretary.

10.8. Within 1 (one) working day since the date of making the demand on calling of the Committee's emergency meeting the Committee's Chairman resolves on carrying out of the Committee's emergency meeting, settles a date, time and place of the Committee's meeting (deadline for the questionnaires reception in case of secret vote) or resolves on denial of carrying out of the Committee's emergency meeting. Motivated decision on denial of carrying out of the

Committee's emergency meeting is sent to the person or body of the Company, demanding calling of such meeting not later than on the following day since the date of the Committee's Chairman's resolution on the denial of carrying out of the meeting.

10.9. Decision of the Committee's Chairman on denial of carrying out of the Committee's emergency meeting may be made in the following cases:

1) the issue (issues) suggested for putting on the agenda are not referred by the Regulations on the Committee to its competence;

2) the item on agenda, stated in the demands on calling of the Committee's emergency meeting is already put on agenda of the coming scheduled meeting, called in accordance with a resolution of the Committee's Chairman made before receiving of the mentioned demand or was considered by the Committee earlier;

3) form, procedures or terms of making demands on calling of the meeting fixed by 10.8. of the present regulations were not met.

10.10. The Committee's Chairman is entitled to put items suggested in the demand on calling of the Committee's emergency meeting on the agenda of the coming scheduled meeting of the Committee.

10.11. According to the decision of the Committee's Chairman problems, suggested by the members of the Committee may be put on agenda of a scheduled or extraordinary meeting of the Committee.

10.12. Notice on carrying out of a Committee's meeting with its agenda must be drawn up by the Committee's Secretary and delivered to the people, participating in the meeting not later than 5 (five) working days before the date of the meeting. Materials and information on the items on the agenda must be delivered to the people, participating in the meeting not later than 3 (three) working days before the date of the meeting.

10.13. Materials (information) on the items on the agenda may be delivered to the members of the Committee personally, via fax message or e-mail, in this case notice of carrying out of the Committee's meeting must be delivered to the members of the Committee via fax message or in the original.

10.14. In case the items put on agenda of an emergency Committee's meeting require urgent consideration, terms of the emergency meeting and delivering of the materials concerning agenda of such meeting may be shortened by a resolution of the Committee's Chairman.

At the Committee's meeting, carried out with total presence on unanimous agreement of all the present Committee's members it is possible to consider problems not put on the agenda.

10.15. At receiving from the Secretary of the Company's Board of Directors a notice on meeting of the Company's Board of Directors with the agenda including items, referred by the present Regulations to the Committee's competence, the Committee's Chairman must take measures to provide timely carrying out of the Committee's meetings for working out of recommendations (statements) on the stated problems on the agenda of the meeting of the Company's Board of Directors and their delivery to the Board of Directors in accordance with the approved Regulations on the rules of calling and carrying out of the Company's Board of Directors meetings.

## **11. RULES FOR CARRYING OUT OF THE COMMITTEE'S MEETINGS**

11.1. The Committee's meeting is opened by the Committee's Chairman or Committee's Deputy Chairman in the absence of the Committee's Chairman.

11.2. Members of the Committee and individuals invited to the meeting according to the list approved by the Committee's Chairman participate in the Committee's meeting.

11.3. Secretary of the Committee states the quorum for carrying out of the meeting of the Committee.

Chairman of the meeting informs the participants of the presence of quorum for carrying out of the meeting of the Committee and announces agenda of the meeting.

11.4. The Committee's meeting is considered authorized (has quorum) if at least a half of the elected members of the Committee participated in it.

In case of the absence of quorum the meeting is considered not authorized. Under such circumstances the Chairman makes one of the following decisions:

1) after consultation with the present participants appoints new time for the beginning of the meeting;

2) appoints date for another meeting with the same agenda;

3) puts issues which were to be considered at the Committee's meeting that did not take place on the agenda of the following scheduled Committee's meeting.

11.5. Decisions at the Committee's meetings are made by the majority voting from total number of the elected members of the Committee.

In the process of considering issues at the meeting each member of the Committee has one voice. In case of equal voting the vote of Committee's Chairman is the casting vote.

Transfer of a vote from one member of the Committee to another member or other person is not admissible.

11.6. Committee's meetings can be carried out with total presence of the Committee's members or by secret vote.

Information on the type of the Committee's meeting is included in the notice on carrying out of the meeting.

11.7. In case of carrying out of the meeting with total presence of the Committee's members, with presence of at least a half of the Committee's members in the process of summing up the results of the voting on the problems on agenda it is necessary to consider written notes of the Committee's members, absent at the meeting according to the procedure, stipulated by the present Regulations.

11.7.1. On the day of carrying out of the Committee's meeting the Secretary of the Committee on results of the voting draws up a questionnaire, later signed by Committee's Chairman, and sent in the original or via fax to the members of the Company's Committee, who were absent at the meeting.

11.7.2. On filling out of the questionnaire a Committee's member must leave uncrossed only one of the suggested variants of the voting ("for", "against,", "abstained"). The filled out questionnaire must be signed by the Committee's member and have his/her last name and initials.

Filled out and signed questionnaire must be presented by the Committee's member not later than the following day from the date of the meeting to the Committee's Secretary in the original or via fax with later sending of the original questionnaire to the address, stated in the questionnaire.

11.7.3. Questionnaire, filled out and presented with the violation of the requirements and terms, stated in 10.8.2. of the present Regulations is considered invalid and is not considered in the poll and in summing up the results of the voting.

11.7.4. Results of the voting on the problems on agenda of the meeting are summed up with consideration of the results of the voting at the meeting and filled out and signed by the Committee's members questionnaires, timely received by the Secretary of the Committee.

11.8. Decision on carrying out of the Committee's meeting in the form of secret vote is made by the Committee's Chairman.

11.8.1. In case of carrying out of the meeting in the form of secret vote the Committee's members have a right to present their suggestion and (or) remarks on the presented project of the

Committee's decisions on the problems considered by the secret vote not later than 2 (two) working days before the deadline of the reception of the questionnaires for the voting, stated in the notice on carrying of the secret vote.

11.8.2. The Secretary of the Committee draws up a questionnaire for the secret vote with consideration of the received suggestions (new formulations) and/or remarks on suggested projects of the Committee's decisions on the problems on the agenda.

Changing of the formulation of the projected decision, stated in the questionnaire must be approved by all members of the Committee.

11.8.3. Questionnaire for a secret vote must be sent to the members of the Committee not later than 1 (one) working day before the deadline of the reception of the questionnaires for the voting, stated in the notice on carrying of the secret vote.

11.8.4. On filling out of a questionnaire for secret vote the Committee's member must leave uncrossed only one of the suggested variants of the voting ("for", "against", "abstained"). The filled out questionnaire must be signed by the Committee's member and have his/her last name and initials.

Filled out and signed questionnaire must be presented by the Committee's member not later than on the date stated in the questionnaire to the Committee's Secretary in the original or via fax with later sending of the original questionnaire to the address, stated in the questionnaire.

11.8.5. Results of the voting on the problems on agenda of the meeting, carried out in the form of secret vote, are summed up with consideration of the questionnaires filled out and signed by the Committee's members, received by the Secretary of the Committee. Questionnaire, received by the Secretary with violation of the requirements and terms, stated in paragraph 11.8.4. of the present Regulations is not considered in stating of quorum and in summing up the results of the voting.

11.9. Not later than 2 (two) working days after the meeting of the Committee in the form of total presence of secret vote the Secretary of the Committee draws up Minutes of the meeting.

11.10. Minutes of the Committee's meeting is signed by the Committee's Chairman and the Committee's Secretary. The Minutes are drawn up in two original copies one of which within 1 (one) working day after signing is sent by the Committee's Secretary to the Company's Board of Directors with enclosed prepared materials and recommendations and the other one is kept in the achieve of the Committee. All members of the Committee receive a copy of the Minutes, prepared materials and recommendations.

11.11. The Committee's Chairman and the Committee's Secretary are responsible for drawing up of the Minutes. The Committee's Secretary is responsible for keeping of the Minutes, questionnaires, materials and recommendations of the Committee.

11.12. The Minutes of the Committee's meeting include:

- 1) date, place and time of carrying out of the meeting (of date of carrying out of the secret vote);
- 2) list of Committee's members, participated in consideration of the problems on the agenda with stating of the form of voting (open or though sending of the questionnaire), and list of other individuals present at the meeting;
- 3) agenda;
- 4) suggestions of the Committee's members on the items of agenda;
- 5) problems put to the voting and results of the voting including information on voting of each member of the Committee;
- 6) decisions made.

## **12. CONFIDENTIALITY**

12.1. In the period of acting as the Committee's Chairman, the Committee's Secretary, members of the Committee and other people, attracted to the Committee and in the period of 1 (one) year after resigning from the Committee, the stated people must meet the confidentiality requirements concerning information received by them and connected to their activities in the Committee, which is not accessible for everyone. Definition of the information concerning activities of the Company and not accessible for everyone and its composition is worked out by the Company's Board of Directors.

## **13. KEEPING AND USING OF THE COMMITTEE'S DOCUMENTATION**

13.1. Minutes of the Committee's meetings must be accessible for each member of the Committee or member of the Company's Board of Directors.

13.2. In the process of the Committee's operation the Committee's files are formed.

13.3. The Committee's files include:

- 1) minutes of the Committee's meetings;
- 2) enclosures to the Minutes of the Committee's meetings;
- 3) other informational material to the Minutes of the Committee's meetings;
- 4) questionnaires;
- 5) notices on carrying out the meetings;
- 6) other materials and documents.

13.4. Documents, included in the Committee's files must be stored in the Committee's building (with the sole executive body) together with the documents of the Company's Board of Directors. Storing is realized at the Company's costs.

13.5. Systematization and keeping the archives of documents and materials of the Committee is carried out by the Secretary of the Committee supervised by the Committee's Chairman. The Secretary of the Committee lists (registers) all the documents and materials of the Committee's files with on paper and electronic devices.

13.6. Members of the Committee have unrestricted access to the documents and materials of the Committee's files with the right of making copies.

13.7. In cases not considered by the present Regulations the access to information on problems discussed at the Committee may be presented only by permission of the Committee, the Committee's Chairman or individual, acting as Committee's Chairman.