

**MINUTES**  
**of the Meeting of the Board of Directors**

November 19, 2008

No. 8

Moscow

The resolution of the Board of Directors of JSC IDGC Holding was approved by absentee voting (ballot).

The following members of the Board of Directors participated in the voting: V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov.

D. A. Askinadze, A. S. Voloshin, A. V. Dementiev, and V. B. Khristenko did not participate in the voting.

1. Issues of the committees under the Board of Directors of JSC IDGC Holding.

1.1. Members of, Regulations for and budget of the Evaluation Committee under the Board of Directors of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

1.1.1. As advised by I. A. Yuzhanov, Chairman of the Evaluation Committee under the Board of Directors of JSC IDGC Holding, the members of the Committee proposed by members of the Board of Directors of JSC IDGC Holding (Appendix 1) shall be approved.

1.1.2. The submitted version of the Regulations for the Evaluation Committee under the Board of Directors of JSC IDGC Holding (Appendix 2) shall be approved.

1.1.3. The expenditure budget of the Evaluation Committee under the Board of Directors of JSC IDGC Holding of twenty-seven million, two hundred seventy thousand (27,270,000) rubles shall be approved for the operational period from December 01, 2008 to December 31, 2009.

1.1.4. The monthly remuneration of one hundred twenty thousand (120,000) rubles, inclusive of taxes, shall be specified for the Chairman of the Evaluation Committee under the Board of Directors of JSC IDGC Holding.

1.1.5. The Chairman of the Evaluation Committee under the Board of Directors of JSC IDGC Holding shall send a written expenditure budget containing scheduled expenses divided into quarters of the Evaluation Committee to the Director General of the Company.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted "For."

Yu. M. Medvedev and G. S. Nikitin voted "Against."

Approved by a majority of votes.

1.2. Members of, Regulations for and budget of the Audit Committee under the Board of Directors of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

1.2.1. As advised by Seppo Remes, Chairman of the Audit Committee under the Board of Directors of JSC IDGC Holding, the following members of the Committee, being members of the Board of Directors of the Company except for the sole executive body and (or) members of the collegial executive body of the Company, shall be approved:

- Seppo Juha Remes – Chairman of the Committee;
- Ilya Arturovich Yuzhanov – member of the Committee;
- Vyacheslav Mikhailovich Kravchenko – member of the Committee.

1.2.2. The submitted version of the Regulations for the Audit Committee under the Board of Directors of JSC IDGC Holding (Appendix 3) shall be approved.

1.2.3. The expenditure budget of the Audit Committee under the Board of Directors of JSC IDGC Holding of twenty million, fifty thousand (20,050,000) rubles shall be approved for the operational period from October 01, 2008 to December 31, 2009.

1.2.4. The monthly remuneration of one hundred twenty thousand (120,000) rubles, inclusive of taxes, shall be specified for the Chairman of the Audit Committee under the Board of Directors of JSC IDGC Holding.

1.2.5. The Chairman of the Audit Committee under the Board of Directors of JSC IDGC Holding shall send a written expenditure budget containing scheduled expenses divided into quarters of the Audit Committee to the Director General of the Company.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted "For."

Yu. M. Medvedev and G. S. Nikitin voted "Against."

Approved by a majority of votes.

1.3. Members of, Regulations for and budget of the Personnel and Remuneration Committee under the Board of Directors of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

1.3.1. As advised by M. I. Buyanov, Chairman of the Personnel and Remuneration Committee under the Board of Directors of JSC IDGC Holding, the following members of the Committee shall be approved:

- Mikhail Ivanovich Buyanov – Chairman of the Committee;
- Ilya Arturovich Yuzhanov – member of the Committee;
- Denis Arkadyevich Askinadze – member of the Committee;
- Vadim Vadimovich Galka – member of the Committee;
- Vladimir Pavlovich Okeanov – member of the Committee.

1.3.2. The submitted version of the Regulations for the Personnel and Remuneration Committee under the Board of Directors of JSC IDGC Holding (Appendix 4) shall be approved.

1.3.3. The expenditure budget of the Personnel and Remuneration Committee under the Board of Directors of JSC IDGC Holding of eighteen million, six hundred fifty-six thousand (18,656,000) rubles shall be approved for the operational period from October 01, 2008 to December 31, 2009.

1.3.4. The monthly remuneration of one hundred twenty thousand (120,000) rubles, inclusive of taxes, shall be specified for the Chairman of the Personnel and Remuneration Committee under the Board of Directors of JSC IDGC Holding.

1.3.5. M. I. Buyanov, Chairman of the Personnel and Remuneration Committee under the Board of Directors of JSC IDGC Holding, shall send a written expenditure budget containing scheduled expenses divided into quarters of the Personnel and Remuneration Committee to the Director General of the Company.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Yu. M. Medvedev and G. S. Nikitin voted “Against.”

Approved by a majority of votes.

2. Development of the model Regulations for the Committee for Technological Electric Grid Connection under the Boards of Directors of Interregional Distribution Grid Companies (IDGCs).

IT WAS RESOLVED AS FOLLOWS:

2.1. The need for establishment of committees for technological electric grid connection under the Boards of Directors of Interregional Distribution Grid Companies (IDGCs) shall be agreed upon.

2.2. The Director General of JSC IDGC Holding shall be instructed:

2.2.1. to develop a submit for consideration of the Board of Directors of JSC IDGC Holding in December 2008 the model Regulations for the Committee for Technological Electric Grid Connection under the Boards of Directors of IDGCs, including without limitation the following provisions:

- mandatory election of the Chairman of the Committee from among independent directors;
- periodicity of holding meetings of the Committee;
- competence of the Committee, including as related to consideration of claims on the technological electric grid connection issues;

2.2.2. by results of approval of the model Regulations for the Committee for Technological Electric Grid Connection under the Boards of Directors of IDGCs to ensure approval of similar provisions by the Boards of Directors of IDGCs in December 2008 – January 2009.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

M. I. Buyanov “Abstained.”

Approved by a majority of votes.

3. Amendment of the terms and conditions of the labor contract with the Director General of the Company and determination of the person authorized to sign a supplementary agreement to the labor contract with the Director General of the Company.

IT WAS RESOLVED AS FOLLOWS:

3.1. The terms and conditions of the labor contract with Alexander Ivanovich Kazakov, Director General of the Company, shall be amended in accordance with Appendix 5.

3.2. V. M. Kravchenko, Chairman of the Board of Director, shall be authorized to sign the supplementary agreement to the labor contract with the Director General of the Company on behalf of the Company.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Yu. M. Medvedev voted “Against.”

G. S. Nikitin “Abstained.”

Approved by a majority of votes.

4. Approval of the Regulations for Internal Control Procedures of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

The Regulations for Internal Control Procedures of JSC IDGC Holding (Appendix 6) shall be approved.

V. M. Kravchenko, A. I. Kazakov, K. G. Androssov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

5. Approval of the Regulations for Insider Information of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

The Regulations for Insider Information of JSC IDGC Holding (Appendix 7) shall be approved.

V. M. Kravchenko, A. I. Kazakov, K. G. Androssov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

6. Restated version of the Articles of Association of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

6.1. The restated draft version of the Articles of Association of JSC IDGC Holding (Appendix 8) shall be approved.

6.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the restated version of the Articles of Association.

V. M. Kravchenko, A. I. Kazakov, K. G. Androssov, M. I. Buyanov, M. Yu. Kurbatov, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Yu. M. Medvedev and G. S. Nikitin voted “Against.”

Approved by a majority of votes.

The position of G. S. Nikitin, member of the Board of Directors of JSC IDGC Holding, on the issue is attached (Appendix 18).

7. Drafts of internal documents governing operations of the bodies of JSC IDGC Holding.

7.1. Draft Regulations for the Preparation and Holding Procedure for the General Meeting of Shareholders of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

7.1.1. The draft Regulations for the Preparation and Holding Procedure for the General Meeting of Shareholders of JSC IDGC Holding (Appendix 9) shall be approved.

7.1.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the Regulations for the Preparation and Holding Procedure for the General Meeting of Shareholders of JSC IDGC Holding.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted "For."

Approved unanimously.

7.2. Draft Regulations for the Convening and Holding Procedure for the Meetings of the Board of Directors of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

7.2.1. The draft Regulations for the Convening and Holding Procedure for the Meetings of the Board of Directors of JSC IDGC Holding (Appendix 10) shall be approved.

7.2.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the Regulations for the Convening and Holding Procedure for the Meetings of the Board of Directors of JSC IDGC Holding.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted "For."

Approved unanimously.

7.3. Draft Regulations for the Management Board of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

7.3.1. The draft Regulations for the Management Board of JSC IDGC Holding (Appendix 11) shall be approved.

7.3.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the Regulations for the Management Board of JSC IDGC Holding.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted "For."

Approved unanimously.

7.4. Draft Regulations for the Internal Audit Commission of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

7.4.1. The draft Regulations for the Internal Audit Commission of JSC IDGC Holding (Appendix 12) shall be approved.

7.4.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the Regulations for the Internal Audit Commission of JSC IDGC Holding.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

7.5. Draft Regulations for Remuneration and Compensation for Members of the Board of Directors of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

7.5.1. The draft Regulations for Remuneration and Compensation for Members of the Board of Directors of JSC IDGC Holding (Appendix 13) shall be approved.

7.5.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the Regulations for Remuneration and Compensation for Members of the Board of Directors of JSC IDGC Holding.

M. I. Buyanov, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Yu. M. Medvedev and G. S. Nikitin voted “Against.”

V. M. Kravchenko, A. I. Kazakov, and K. G. Androsov “Abstained.”

M. Yu. Kurbatov did not participate in the voting.

**The resolution was not approved** (a majority of votes of the voting members of the Board of Directors was not secured).

7.6. Draft Regulations for Remuneration and Compensation for Members of the Internal Audit Commission of JSC IDGC Holding.

IT WAS RESOLVED AS FOLLOWS:

7.6.1. The draft Regulations for Remuneration and Compensation for Members of the Internal Audit Commission of JSC IDGC Holding (Appendix 14) shall be approved.

7.6.2. It shall be proposed to the General Meeting of Shareholders of JSC IDGC Holding to approve the Regulations for Remuneration and Compensation for Members of the Internal Audit Commission of JSC IDGC Holding.

A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

V. M. Kravchenko “Abstained.”

Approved by a majority of votes.

8. Approval of the movable property hire (hire-purchase) contract by and between JSC IDGC Holding and OAO FGC UES, which is a related party transaction.

IT WAS RESOLVED AS FOLLOWS:

The movable property hire (hire-purchase) contract by and between JSC IDGC Holding and OAO FGC UES, which is a related party transaction, shall be approved on the following conditions:

- Parties to the transaction: Lessor – OAO FGC UES, Lessee – JSC IDGC Holding;

- Subject of the transaction – OAO FGC UES shall deliver for temporary possession and use followed by purchase, and JSC IDGC Holding shall accept the movable property (Appendices 15 and 16);

- Payment for the use of the property – monthly rental payment of eight hundred eighty-eight thousand, five hundred twenty-two (888,522.33) rubles and 33 kopecks plus VAT (18%) of one hundred fifty-nine thousand, nine hundred thirty-four (159,934.02) rubles and 02 kopecks in accordance with the calculation (Appendix 17);

- The lease term shall be from July 01, 2008 to December 31, 2008.

V. M. Kravchenko, K. G. Androsov, M. I. Buyanov, G. S. Nikitin, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

A. I. Kazakov, member of the Board of Directors of JSC IDGC Holding, being the Director General of JSC IDGC Holding and not recognized an independent director in this regard, and M. Yu. Kurbatov, Yu. M. Medvedev, A. N. Rappoport, and S. Remes, members of the Board of Directors of JSC IDGC Holding, recognized related parties, did not participate in the voting.

Approved by a majority of votes of independent directors not related to the transaction.

9. Determination of the position of JSC IDGC Holding (representatives of JSC IDGC Holding) on the issues on the agendas of the General Meetings of Shareholders and meetings of the Boards of Directors of subsidiaries and dependent companies of JSC IDGC Holding.

9.1. Determination of the position of JSC IDGC Holding (representatives of JSC IDGC Holding) related to the issues on the agenda of the meeting of the Board of Directors of OAO Center and Volga Region IDGC.

IT WAS RESOLVED AS FOLLOWS:

9.1.1. Representatives of JSC IDGC Holding shall be instructed to vote “For” approval of participation of OAO Center and Volga Region IDGC in the Association of Employers of the Kirov Region, while voting on the issue on the

agenda of the meeting of the Board of Directors of OAO Center and Volga Region IDGC “*Participation of the Company in the Non-Profit Organization – the Association of Employers of the Kirov Region “Council of Economic Managers” (Association of Employers of the Kirov Region)*”, on the following terms:

- membership fee amount for 2008 – sixteen thousand (16,000) rubles;
- membership fee payment form – in cash;
- membership fee payment procedure – shall be defined in accordance with the constituent documents and resolutions of the General Meeting of the Association of Employers of the Kirov Region;
- the annual membership fee amount and payment procedure in the future shall be specified by a resolution of the General Meeting of the Association of Employers of the Kirov Region.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

9.1.2. Representatives of JSC IDGC Holding shall be instructed to vote “For” approval of participation of OAO Center and Volga Region IDGC in the Chamber of Commerce and Industry of the Nizhni Novgorod Region (CCI NNR), while voting on the issue on the agenda of the meeting of the Board of Directors of OAO Center and Volga Region IDGC “*Participation of the Company in the Chamber of Commerce and Industry of the Nizhni Novgorod Region (CCI NNR)*”, on the following terms:

- membership fee amount – seventy-five thousand (75,000) rubles;
- membership fee payment form – in cash;
- membership fee payment procedure – by bank transfer into the settlement account of CCI NNR within one (1) month after the invoice is made out;
- membership fee amount and payment procedure for 2009 – seventy-five (75,000) rubles, shall be paid for by bank transfer into the settlement account of CCI NNR within one (1) month after the invoice is made out;
- the annual membership fee amount and payment procedure in the future shall be specified by the Management Board of CCI NNR.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

9.1.3. Representatives of JSC IDGC Holding shall be instructed to vote “For” approval of participation of OAO Center and Volga Region IDGC in the Regional Association of Employers “Association of Employers and Manufacturers of the Vladimir Region, while voting on the issue on the agenda of the meeting of the Board of Directors of OAO Center and Volga Region IDGC “*Participation of*

*the Company in Association of Employers and Manufacturers of the Vladimir Region (ROR ARiT VO)*”, on the following terms:

- membership fee amount – twenty-three thousand (23,000) rubles;
- membership fee payment form – in cash;
- membership fee payment procedure – by bank transfer into the settlement account of ROR ARiT VO within the period specified by the Presidium of ROR ARiT VO;
- membership fee amount and payment procedure for 2009 – one hundred ten thousand (110,000) rubles, shall be paid for by bank transfer into the settlement account of ROR ARiT VO within the period specified by the Presidium of ROR ARiT VO;
- the membership fee amount and payment procedure in the future shall be specified by the Regulations for Payment of Membership and Annual Membership Fees of Members of the Association of Employers and Manufacturers of the Vladimir Region approved by the Presidium of ROR ARiT VO.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

9.1.4. Representatives of JSC IDGC Holding shall be instructed to vote “For” approval of participation of OAO Center and Volga Region IDGC in the Vyatka Chamber of Commerce and Industry, while voting on the issue on the agenda of the meeting of the Board of Directors of OAO Center and Volga Region IDGC “*Participation of the Company in the Vyatka Chamber of Commerce and Industry*”, on the following terms:

- membership fee amount – ten thousand, six hundred fifty (10,650) rubles;
- membership fee payment form – in cash;
- membership fee payment procedure – by bank transfer into the settlement account of VCCI within the period specified by resolutions of the Management Board (Presidium of the Management Board) of VCCI;
- the annual membership fee amount and payment procedure in the future shall be specified by resolutions of the Management Board (Presidium of the Management Board) of VCCI.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. I. Buyanov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

Approved unanimously.

9.2. Determination of the position of JSC IDGC Holding (representatives of JSC IDGC Holding) related to the issue on the agenda of the meeting of the Board of Directors of OAO Tyvaenergobyt.

IT WAS RESOLVED AS FOLLOWS:

Representatives of JSC IDGC Holding shall be instructed to vote “For” approval of participation of OAO Tyvaenergobyt in NP Market Council, while voting on the issue on the agenda of the meeting of the Board of Directors of OAO Tyvaenergobyt “*Participation of the Company in Market Council for organization of the Efficient System of Wholesale and Retail Sale of Electric Power and Capacity (Non-Profit Partnership) (NP Market Council)*”, on the following terms:

- membership (lump-sum) fee amount – five million (5,000,000) rubles;
- membership (lump-sum) fee payment form – in cash;
- membership (lump-sum) fee payment procedure – by bank transfer in accordance with the procedure specified by the Articles of Association of NP Market Council;

- current (regular) membership fee payment amount for Q4 2008 – one hundred thousand (100,000) rubles;

- the current (regular) membership fee amount and payment procedure in the future shall be specified by the Supervisory Board of NP Market Council.

V. M. Kravchenko, A. I. Kazakov, K. G. Androsov, M. Yu. Kurbatov, Yu. M. Medvedev, G. S. Nikitin, A. N. Rappoport, S. Remes, Ya. M. Urinson, and I. A. Yuzhanov voted “For.”

M. I. Buyanov “Abstained.”

Approved by a majority of votes.

Ballots attached.

V. M. Kravchenko,  
Chairman  
of the Board of Directors

A. Yu. Katina,  
Secretary  
of the Board of Directors