

1. General Provisions

1.1. The Appraisal Committee under the Board of Directors of RAO UES of Russia (hereinafter referred to as the "Appraisal Committee") shall be a consultative and advisory body formed by the Board of Directors and guided by applicable law, the Company Charter, the Code of Corporate Governance of the Company, the Regulations for the Board of Directors, these Regulations and other by-laws of the Company.

1.2. These Regulations shall be the baseline document describing the legal status, purpose and objectives, powers and responsibilities of the Appraisal Committee.

2. Purpose and Objectives of the Appraisal Committee

2.1. The purpose of the Appraisal Committee shall be to render assistance to the Board of Directors of the Company in the development of the procedure of and control over the appraisal of market value of assets and businesses of RAO UES of Russia, its subsidiaries and affiliated companies (SAC) as well as any newly formed companies and other business entities involved in transactions during the restructuring period.

2.2. Major objectives of the Appraisal Committee shall be as follows:

2.2.1. Organization and accreditation of appraisal companies to perform the appraisal of assets of RAO UES of Russia and SAC.

2.2.2. Supervision over the appraisal of assets of RAO UES of Russia and SAC.

2.2.3. Engagement of independent companies for giving consultations on any issues arising in the course of assets appraisal during the period of restructuring RAO UES of Russia.

3. Powers of the Appraisal Committee

Subject to its objectives the Appraisal Committee shall exercise the following powers:

3.1. Conduct surveys of any matters within its terms of reference.

3.2. Obtain from the Company officers information and documents and obtain information and documents from SAC through a body or person authorized to represent the Company with SAC as shareholder thereof.

3.3. Request from outside entities information and documents relating to its terms of reference through the Company executive bodies.

3.4. When necessary, secure attendance at meetings of the Appraisal Committee of members of the Board of Directors, members of the Company executive bodies, managers of the Company divisions, other persons.

3.5. When necessary, engage outside advisers under contracts for purposes relating to appraisal.

4. Support of Activities of the Appraisal Committee

4.1. To support activities of the Appraisal Committee the Company budget expenditures shall contain a separate item. Expenses of the Appraisal Committee shall include inter alia remuneration of Chairman and members of the Committee including those who are not members of the Board of Directors, outside adviser fees and other expenses. The Appraisal Committee shall administer the funds required for its activities.

4.2. Upon resolution of the Appraisal Committee Chairman of the Appraisal Committee, Deputy Chairman of the Appraisal Committee, members of the Appraisal Committee may hold meetings on matters within their terms of reference with representatives of the investment community both within and outside the Russian Federation.

In case of such meetings members of the Appraisal Committee shall be:

- paid daily subsistence allowance at the rates established for employees of the Company executive bodies;
- compensated travelling expenses to and from the place of the meeting:
 - by air — in business class;
 - by railway — in "SV" class cars;
 - by motor transport (except taxi and rented cars) — at prevailing local rates;
- compensated the cost of hotel reservation and accommodation including extra services (insurance, refrigerator except mini-bar, TV set except pay-per-view TV programs) — at actual cost.

Daily subsistence allowances and compensations payable to members of the Appraisal Committee in connection with the meetings referred to above shall be charged to the relevant item of expenses of the Company budget within one month of the quarter during which such meetings were held.

Compensations payable to Chairman, Deputy Chairman and members of the Appraisal Committee being civil servants shall be duly transferred to the federal budget.

4.3. Remuneration of members of the Appraisal Committee shall be approved by the Appraisal Committee upon recommendation of Chairman of the Appraisal Committee.

4.4. Remuneration of Chairman of the Appraisal Committee shall be established by the Board of Directors of the Company.

5. Duties of the Appraisal Committee

The Appraisal Committee shall perform the following duties:

5.1. Develop regulations for the procedure of accreditation and deprivation of appraisal agencies of accreditation at RAO UES of Russia.

5.2. Accredite and deprive appraisal agencies of accreditation at RAO UES of Russia.

- 5.3. Develop regulations for monitoring the quality of accredited appraisal agencies' performance.
- 5.4. Exercise control over the quality of performance based on a quarterly review of information on comments to appraisal agencies' reports.
- 5.5. Determine the conditions and procedure of bidding by appraisal companies accredited at RAO UES of Russia.
- 5.6. Develop regulations for the cooperation of the Company divisions and SAC with appraisal companies.
- 5.7. Arrange and hold workshops on matters relating to appraisal.
- 5.8. Form and approve the composition of working teams under the Appraisal Committee appointed to discuss particular appraisal issues.
- 5.9. Develop any documents required to implement the Methodology of Appraisal of Business and Assets of RAO UES of Russia.
- 5.10. Select and approve consulting companies for the performance of specific appraisal-related tasks.
- 5.11. Handle other problems relating to the appraisal of market value of assets and businesses of RAO UES of Russia, its subsidiaries and affiliated companies.

6. Confidentiality

6.1. During the term of office of Chairman, Deputy Chairman and members of the Appraisal Committee and after expiry thereof any persons who are (were) members of the Appraisal Committee shall keep confidential any nonpublic information received by them in connection with their activities in the Appraisal Committee. The nature and scope of such nonpublic information in the context of the Company operations shall be determined by the Board of Directors.

7. Performance Reports

Chairman of the Appraisal Committee shall submit annual performance reports of the Appraisal Committee to the Board of Directors of the Company.