

Annex No2
to minutes of the meeting
of the Board of Directors
of RAO "UES of Russia"
of October 29, 2005 No 1333pr/3

APPROVED:
The Board of Directors of Russian Public
Limited Company of Power Industry and Electrification
"UES of Russia"
Minutes of October 29, 2005 No1333pr/3

Chairperson of the Board of Directors
Signature
A.B. Chubais

**Alterations and Amendments to the Statute of the Public Limited Company
"Interregional Distribution Grid Company of Center and North Caucasus"**

In Article 8:

Paragraph 8.1. shall be interpreted as follows:

8.1. The Company shall set up a reserve fund in the volume of 5 (five) percent of the charter capital of the Company.

The amount of obligatory allocations to the reserve fund of the Company shall amount to not less than 5 (five) percent of the net profit of the Company until the reserve fund reaches the stated volume.

In Article 12:

4) approval of the decision on the emission of securities, emission prospectus of securities, a report on the results of the emission of securities and reports on the results of the acquisition of shares of the Company;

8) elections of the Director General of the Company and the early termination of his powers including the making decision on the early termination of the labor contract with him; subparagraph 14 of paragraph 12.1 shall be interpreted as follows:

"14) approval of the business-plan (corrected business-plan) and reports on its implementation, and approval (correction) of the Company's cash flow target value;"

18) determination of the credit policy of the Company on loans, concluding credit and loan contracts, issuing of guarantees, acquisition of liabilities on bonds, (issuing of an ordinary and transfer bond), pledging property and passing resolutions on the hereabove stated deals of the Company in cases when the procedure for the making decision on them is not determined by the credit policy of the Company, and as well as making decisions on bringing the debt situation of the Company in accordance with the limits, determined by the Company credit policy;" subparagraph a) of subparagraph 34 of paragraph 12.1 shall be interpreted as follows:

"a) the deals the subject of which shall be non-working assets of the Company in the amount exceeding 10 percent of the balance sheet value of assets on the date of transactioning;

subparagraph 36 of paragraph 12.1 shall be put as follows:

"36) decision-making on items referred to the competence of the top management bodies of business companies, 100 percent of the charter capital or all voting shares owned by the Company;"

subparagraph 41 of paragraph 12.1 shall be interpreted as follows:

41) approval of the financial advisor candidate, hired in accordance with the Federal Law “On the Security Market”, and the candidates of the securities emission organizers and consultants on deals, directly connected with utilizing means in the form of public loans;”; subparagraph 42 of paragraph 12.1 shall be interpreted as follows:

“42) preliminary approval of deals, which can lead to liabilities denominated in foreign exchange, (or liabilities implying foreign exchange) in cases and amounts, set by separate resolutions of the Company Board of Directors, and if the stated here above cases (amounts) are not determined by the Company Board of Directors;”;

paragraph 12.1 shall be added to subparagraph 43 as follows:

“43) determination of the Company purchasing policy including the approval of the Provisions on the procedures for regulated purchases of goods, works, services, approval of the head of the Company Central Purchasing Body and its members, and the approval of the annual complex program of purchases and making other decisions in accordance with the Company documents, which regulate Company purchasing activities;

paragraph 12.1 shall be added to subparagraph 44 as follows:

“44) decisions on recommending General Director of the Company for state awards;”;

paragraph 12.1 shall be added to subparagraph 45 as follows:

45) approval of target values (corrected values) of the Company Key Performance Indicators (KPI) and the reports on their implementation;

paragraph 12.1 shall be added to subparagraph 46 as follows:

46) other items referred to the Board of Directors competence by the Federal Law “On Public Limited Companies” and the present Statute.”.

In Article 15

paragraph 15.7 shall be added by a subparagraph as follows:

In cases when the deal should be approved simultaneously on several grounds, (determined by the present Statute and stipulated in Chapter X or Chapter XI of the Federal law “On Public Limited Companies) to the procedure of its approval shall be applied the Provisions of the Federal Law “On Public Limited Companies”.