

MINUTES №2007-2Г of Volga TGC annual general shareholders' meeting

Company name and location:	Open Joint-Stock Company Volga Territorial Generation Company (Russia, Samara, Mayakovskogo str. 15)
Type of General meeting:	annual
Meeting format:	meeting
Meeting date:	May 25, 2007
Place of meeting:	Samara, Mayakovskogo str. 15
Time of persons entitled to participate in general shareholders' meeting registration:	11.30 – 12.00
The Meeting was called to order at:	12.00
The counting of votes began at:	12.30
The meeting was adjourned at:	12.35

In accordance with item 7.2. of regulations on the Volga TGC general shareholders' meeting preparation and convocation order, functions of the Chairman shall be exercised, by the decision of participants, by Member of the Board of Volga TGC Mr. **Nikonov Vasily Vladislavovich**.

Secretary of the meeting – Volga TGC corporate management department head **Stitsuk Yury Vyacheslavovich**.

Functions of the tabulation commission are fulfilled by the secretary of the meeting – **Stitsuk Yury Vyacheslavovich**.

Secretary of the meeting informed of the presence of quorum.

Agenda of the meeting:

- 1. Approval of annual returns, annual accounting statements, including profit and loss account and profit (including dividends payment) and loss distribution based on the 2006 financial year results.*
- 2. Election of members of the Company Board of Directors*
- 3. Election of members of the Company Auditing Commission.*
- 4. Approval of amendments and supplements to the Company By-Laws.*
- 5. Approval of revised version of regulations on remuneration and compensation payment to members of the Board.*
- 6. Appointment of the Auditor of the Company.*

ITEM №1: Approval of annual returns, annual accounting statements, including profit and loss account and profit (including dividends payment) and loss distribution based on the 2006 financial year results.

Floor was given to Mr. Rimer Yury Mirovich, Director of Volga TGC for finance and economics. Mr. Rimer emphasized the peculiar importance of the reporting year that was the first year of the Company operations, when the major principles of its functioning were established. Despite the difficulties, associated with firm tariff regulation, cash deficiency, thermal grid network extension, the company has completely implemented the repairs program, increased the reliability of power supply to the customers and finished the year with high net profit value. Financial results of 2006 allow paying dividends to the Company's shareholders.

Voting results on Item №1.

<i>Quantity of votes of the persons who were included in the list of persons entitled to participate in the General Shareholders' Meeting</i>	<i>25 519 925 857</i>
<i>Quantity of votes of the persons – owners of distributed shares, entitled to vote at the meeting</i>	<i>25 519 925 857</i>
<i>Quantity of votes of the persons who participated in the General Shareholders' Meeting concerning this item on the agenda</i>	<i>25 519 925 857</i>
<i>Quorum on this item</i>	<i>100%</i>

Voting results: Number of votes % of all having the vote

«FOR»	25 519 925 857	100
«AGAINST»	0	0
«ABSTAINED»	0	0

RESOLUTION OF THE MEETING:

1. To approve annual returns, annual accounting statements, including profit and loss account and profit (including dividends payment) and loss distribution based on the 2006 financial year results.
2. To approve the following profit (loss) of the Company distribution as on the results of 2006:

	(thousand rubles)
Undistributed profit (loss) of the reporting period:	440 438
To be distributed to: Reserve fund	22 022
Dividends	78 800
Investment	339 616
Redemption of losses of previous years	-

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3. To pay dividends on common shares of the Company on the results of 2007 in the amount of 0,0030878 rubles per one common share of the Company in money terms within 60 days from the date of decision on dividends payment.

ITEM № 2: Election of the members of the company Board of Directors.

Floor was given to Mr. Sviridov Igor Vladimirovich, Director of Volga TGC for legal issues, corporate management and property. Mr. Sviridov informed of the order of candidates list creation for elections to the Company's Board of Directors.

Voting results on item №2.

<i>Quantity of votes of the persons who were included in the list of persons entitled to participate in the General Shareholders' Meeting</i>	<i>280 719 184 427</i>
<i>Quantity of votes of the persons – owners of distributed shares, entitled to vote at the meeting</i>	<i>280 719 184 427</i>
<i>Quantity of votes of the persons who participated in the General Shareholders' Meeting concerning this item on the agenda</i>	<i>280 719 184 427</i>
<i>Quorum on this item</i>	<i>100%</i>

Distribution of votes («valid votes»):

№	Name of candidate	Votes “FOR” the candidate	% of all having the vote
1	Avetisjan Vladimir Evgenievich	25 519 925 857	9,091%
2	Zhelyabovsky Yury Anatolievich	25 519 925 857	9,091%
3	Joffrey Adrian Richards	25 519 925 857	9,091%
4	Zavalko Maxim Valentinovich	25 519 925 857	9,091%
5	Kalinin Alexey Vladimirovich	25 519 925 857	9,091%
6	Makushin Yury Pavlovich	25 519 925 857	9,091%
7	Nikonov Vasily Vladislavovich	25 519 925 857	9,091%
8	Peter Lesly Pexton	25 519 925 857	9,091%
9	Teplukhin Pavel Mikhailovich	25 519 925 857	9,091%
10	Fedorchuk Dmitry Vasilievich	25 519 925 857	9,091%
11	Shiryayeva Larisa Vladimirovna	25 519 925 857	9,091%
12	Zhurba Dmitry Gennadievich	0	0%

RESOLUTION OF THE MEETING:

To elect the Board of Directors consisting of:

Avetisjan Vladimir Evgenievich, Zhelyabovsky Yury Anatolievich, Joffrey Adrian Richards, Zavalko Maxim Valentinovich, Kalinin Alexey Vladimirovich, Makushin Yury Pavlovich, Nikonov Vasily Vladislavovich, Peter Lesly Pexton, Teplukhin Pavel Mikhailovich, Fedorchuk Dmitry Vasilievich, Shiryayeva Larisa Vladimirovna

ITEM № 3: Election of members of the Company Auditing Commission.

Floor was given to Mr. Sviridov Igor Vladimirovich, Director of Volga TGC for legal issues, corporate management and property. Mr. Sviridov informed of the order of candidates list creation for elections to the Company's Auditing Commission.

Voting results on item №3.

<i>Quantity of votes of the persons who were included in the list of persons entitled to participate in the General Shareholders' Meeting</i>	<i>25 519 925 857</i>
<i>Quantity of votes of the persons – owners of distributed shares, entitled to vote at the meeting</i>	<i>25 519 925 857</i>
<i>Quantity of votes of the persons who participated in the General Shareholders' Meeting concerning this item on the agenda</i>	<i>25 519 925 857</i>
<i>Quorum on this item</i>	<i>100%</i>

№	Name of candidate	«FOR»	«AGAINST»	«ABSTAINED»
1	Matjunina Ludmila Romanovna	25 519 925 857 100%	0	0
2	Mikhno Irina Vasilievna	25 519 925 857 100%	0	0
3	Starshinova Olga Viktorovna	25 519 925 857 100%	0	0
4	Smirnova Elena Evgenievna	25 519 925 857 100%	0	0
5	Shabaeva Olga Sergeevna	25 519 925 857 100%	0	0

RESOLUTION OF THE MEETING:

To elect the Auditing Commission of the Company consisting of:

Matjunina Ludmila Romanovna, Mikhno Irina Vasilievna, Starshinova Olga Viktorovna, Smirnova Elena Evgenievna, Shabaeva Olga Sergeevna.

ITEM №4: Approval of amendments and supplements to the Company By-Laws.

Floor was given to Mr. Sviridov Igor Vladimirovich, Director of Volga TGC for legal issues, corporate management and property. The reporter informed that the suggested amendments reflect the current legislation requirements and are aimed at improvement of the Company's corporate management in the sphere of shareholders notification of general meetings; interrelation with core and non-core dependent and affiliated companies.

Voting results on item №4.

<i>Quantity of votes of the persons who were included in the list of persons entitled to participate in the General Shareholders' Meeting</i>	25 519 925 857
<i>Quantity of votes of the persons – owners of distributed shares, entitled to vote at the meeting</i>	25 519 925 857
<i>Quantity of votes of the persons who participated in the General Shareholders' Meeting concerning this item on the agenda</i>	25 519 925 857
<i>Quorum on this item</i>	100%

Voting results: Number of votes % of all having the vote

«FOR»	25 519 925 857	100
«AGAINST»	0	0
«ABSTAINED»	0	0

RESOLUTION OF THE MEETING:

To introduce the following amendments and supplements to the By-Laws of the Company:

Article 1:

item 1.2. of the By-Laws shall read as follows:

«1.2. Full name of the Company:

In the Russian language - Открытое акционерное общество «Волжская территориальная генерирующая компания»;

In the English language - Open Joint Stock Company «Volga territorial generating company.»

item 1.3. of the By-Laws shall read as follows:

«1.3. Abbreviated name of the Company:

In the Russian language - ОАО «Волжская ТГК», ОАО «ТГК-7»;

In the English language - OJSC «Volga TGC.

Article 5:

It third paragraph of item 5.8. of the By-Laws words «for their market price» shall be substituted with «for the price not lower than their market price».

Article 6:

sub-item 5 of item 6.2. of the By-Laws shall read as follows:

«5) priority right of purchase of additional shares placed by subscription, and equity securities, converted into shares in the amount proportional to number of ordinary shares in their possession in cases stipulated by legislation of the Russian Federation».

Article 10:

sub-item 6 of item 10.2. of the By-Laws shall read as follows:

«6) Company's authorized capital reduction by means of shares nominal value reduction;»;

item 10.2 of the By-Laws shall be supplemented with sub-item 6.1. that reads as follows:

«6.1.) Company's authorized capital reduction by means of partial shares purchase by the Company for the purpose of their total quantity reduction as well as by means of retirement of shares, purchased or redeemed by the Company;»;

sub-item 18 of item 10.2. of the By-Laws shall read as follows:

«18) decision-making on participation in financial industrial groups, associations and other groups of commercial organizations;

first sentence of item 10.5 shall be supplemented with paragraphs ten and eleven that read as follows:

-«- Company's authorized capital reduction by means of shares nominal value reduction;

- in other cases, stipulated by the Federal Law "On Joint-Stock Companies";

- item 10.6. of the By-Laws shall read as follows:

«10.6. Issues, covered by sub-items 2, 5, 6, 7, 8, 12-21, item 10.2., article 10 of the current By-Laws shall be only brought up for the Company's general shareholders meeting by the offer of the Board of Directors.

Article 11:

item 11.5. of the By-Laws shall read as follows:

«11.5. Notification on the general shareholders' meeting convocation shall be published by the Company in "Rossijskaya Gazeta" newspaper not later than 30 (thirty) days prior to the meeting date.

Article 12:

item 12.4. of the By-Laws shall read as follows:

«12.4. Notification on the general shareholders' meeting by absentee ballot shall be published by the Company in "Rossijskaya Gazeta" newspaper not later than 30 (thirty) days prior to the last date of ballots acceptance by the Company»

Article 13:

item 13.3. of the By-Laws shall read as follows:

«13.3. Proposal on items on the agenda of the general shareholders meeting shall contain the wording of each item proposed, proposal on the candidates nomination shall contain the name of candidate and details of the identification document (series and/or number of the document, date and place of issue, issuing body), for each of the candidate, name of the body he is nominated to».

Article 14:

item 14.9.1. of the By-Laws shall be excluded;/P>

item 14.9.4. of the By-Laws shall read as follows:

«14.9.4. Notification on the extraordinary general shareholders meeting convocation shall be made not later than 70 (seventy) days prior the date of the meeting».

Article 15:

Sub-item 6, item 15.1. of the By-Laws shall read as follows:

«6) Propounding of issues, covered by sub-items 2, 5, 6, 7, 8, 12-21, item 10.2, article 10 of the current By-Laws to the general shareholders meeting of the Company»;

Sub-item 8, item 15.1. of the By-Laws shall read as follows:

«8) approval of decision on securities issue, securities offering circular, report on securities issue results, reports on results of shares purchase from the Company shareholders, report on results of shares retirement, reports on results of claim for shares redemption from the Company shareholders»;

Sub-item 31, item 15.1. of the By-Laws shall read as follows:

«31) Decision-making on nomination of the Company Acting General Director as well as bringing him to disciplinary responsibility»;

paragraphs m) - u) of sub-item 35, item 15.1. of the By-Laws shall be excluded;

item 15.1 of the By-Laws shall be supplemented with sub-item 35.1. as follows:

«35.1.) Determination of the Company's (Company representatives') position, including assignment to participate or not to participate in voting on agenda items, to vote "for", "against" or "abstained" on draft resolutions on the following agenda items of the SAC general shareholders' (participants')

meetings and SAC Board of Directors meetings of subsidiaries and associated companies that produce, transfer, dispatch, distribute and sell electric and thermal power (besides the issues covered by sub-item 35, item 15.1 Article 15 of the current By-Laws):

- a) Approval of business case (adjusted business case) and report on its fulfillment results as well as approval (adjustment) of the investment program and report on its fulfillment results, approval (adjustment) of SAC's cash flows control figures and/or approval (adjustment) of the SAC cash flow benchmarks and/or approval (adjustment) of the SAC cash flows;
- b) Approval of SAC's key performance indicators (KPI) target values (adjusted values) and reports on their fulfillment;
- c) Approval of profit and loss distribution as on the financial year results;
- d) Recommendations to the general shareholders meeting on dividends on shares value and timing of their payment;
- e) Payment (declaration) of dividends on the results of first quarter, half a year, nine months of financial year, as well as on financial year results;
- f) Election of SAC President of the Board and early termination of his powers;
- g) Election of SAC General Director and early termination of his powers;
- h) Determination of terms of labour contract with SAC General Director or assigning a person, authorized by the SAC Board of Directors to determine terms of labour contract with SAC General Director and the above contract conclusion;
- i) determination of contract terms with the SAC management company (administrator), including amount of remuneration paid to the management company (administrator), or appointment of a person, authorized by the SAC Board of Directors to determine terms of contract with management company (administrator);
- j) Determination of SAC insurance coverage strategy, including approval of the Regulations on SAC insurance coverage, approval of SAC insurance coverage program and its amendments, nomination of the SAC's Insurers, (adoption of SAC's insurer election results), nomination of insurance broker, that is entitled to choose the SAC's insurers, as well as consideration of the SAC's sole executive body's report on insurance coverage;

sub-item 37 item 15.1. of the By-Laws shall read as follows:

«37) preliminary approval of decisions on the following deals conclusion by the Company:

- a) deals, covering non-current assets of the Company in the amount of more than 10 (ten) per cent of the Company's non-current assets balance value as on the date of decision on such deal approval;

b) deals (including several interrelated deals), related to property, works and services, value of which is 10 to 25 per cent of the Company's assets balance value as on the date of decision on such deal approval;

c) deals (including several interrelated deals), related to property, constituting fixed assets, immaterial assets, unfinished construction objects, designed for production, transfer, dispatching, distribution of electric and thermal power, in cases (volumes), defined by the separate decisions of the Company's Board of Directors;

item 15.1 shall be supplemented with sub-item 53 of the current By-Laws as follows:

«53) determination of the Company's housing Policy as related to corporate support to the employees in the field of housing improvement by means of subsidies, recovery of expenses, interest-free loans; as well as decision-making on such support in cases when its order is not specified by the Company's housing policy;»

Article 18:

Paragraph one of item 18.8. of the By-Laws shall read as follows:

«18.8. Decision of the Board of Directors shall be carried unanimously as related to the approval of major deal as well as in other cases, stipulated by the Federal Law "On Joint-Stock Companies»;

Paragraph three of item 18.8. of the By-Laws shall read as follows:

«- suspension of authorities of the management company (administrator) and appointment of acting General Director of the Company in cases, stipulated by items 20.8., 20.9., article 20 of the current By-Laws».

Article 21:

Sub-item 7, item 21.2. of the By-Laws shall read as follows:

«7) decision-making on issues under the competence of top management bodies of business entities, 100 (one hundred) per cent authorized capital or all voting shares of which are owned by the Company (inclusive of sub-items 35 and 35.1., item 15.1. of the current By-Laws)»

ITEM № 5: Approval of revised version of regulations on remuneration and compensation payment to members of the Board.

Floor was given to Mr. Sviridov Igor Vladimirovich, Director of Volga TGC for legal issues, corporate management and property. The reporter presented the revised version of regulations on remuneration and compensation payment to members of the Board.

Voting results on Item №5.

<i>Quantity of votes of the persons who were included in the list of persons entitled to participate in the General Shareholders' Meeting</i>	25 519 925 857
<i>Quantity of votes of the persons – owners of distributed shares, entitled to vote at the meeting</i>	25 519 925 857
<i>Quantity of votes of the persons who participated in the General Shareholders' Meeting concerning this item on the agenda</i>	25 519 925 857
<i>Quorum on this item</i>	100%

Voting results: Number of votes % of all having the vote

«FOR»	25 519 925 857	100
«AGAINST»	0	0
«ABSTAINED»	0	0

RESOLUTION OF THE MEETING:

To approve the revised version of regulations on remuneration and compensation payment to members of the Board.

ITEM №6: Appointment of the Auditor of the Company.

Floor was given to Mr. Rimer Yury Mirovich, Director for economics and finance of Volga TGC. The speaker introduced the candidate for auditor – CJSC “KPMG”.

Voting results on item №6.

<i>Quantity of votes of the persons who were included in the list of persons entitled to participate in the General Shareholders' Meeting</i>	25 519 925 857
<i>Quantity of votes of the persons – owners of distributed shares, entitled to vote at the meeting</i>	25 519 925 857
<i>Quantity of votes of the persons who participated in the General Shareholders' Meeting concerning this item on the agenda</i>	25 519 925 857
<i>Quorum on this item</i>	100%

Voting results: Number of votes % of all having the vote

«FOR»	25 519 925 857	100
«AGAINST»	0	0
«ABSTAINED»	0	0

RESOLUTION OF THE MEETING:

To appoint CJSC “KPMG” as the company Auditor (License for auditing service № E 003330 issued by the order of Ministry of finance No 9 dated 17.01.2003, valid for 5 years).

After consideration of all agenda issues of the Volga TGC annual general shareholders' meeting, the Chairman of the meeting allowed time for vote tabulation on the results of voting on all the items of the agenda considered.

Upon termination of votes tabulation the Secretary of the meeting declared the voting results and the Chairman of the meeting declared the annual general shareholders' meeting of Volga TGC closed.

Appendices:

Annual returns of Volga TGC for 2006;

Accounting statement for 2006;

The revised version of regulations on remuneration and compensation payment to members of the Board.

Chairman of the meeting V.V. Nikonov

Secretary of the meeting Y.V.Stitsuk

Report made up on 28.05.07.