

APPROVED by
the Board of Directors of IDGC of North-West
as of August 22, 2008 (Minutes No. 35/3)

REGULATION
ON THE AUDIT COMMITTEE OF THE
BOARD OF DIRECTORS OF
“INTERREGIONAL DISTRIBUTION GRID COMPANY OF NORTH-WEST”,
JOINT-STOCK COMPANY

1. GENERAL PROVISIONS

1.1. Regulation on the Audit Committee of Board of Directors of “Interregional Distribution Grid Company of North-West”, Joint-Stock Company (hereinafter referred to as - "Regulation") was developed according to the legislation of the Russian Federation, IDGC of North-West Charter (hereinafter referred to as "Company"), Regulation on the order of convening and carrying out of IDGC of North-West Board of Directors meetings.

1.2. The Audit Committee of Board of Directors of “Interregional Distribution Grid Company of North-West”, Joint-Stock Company (hereinafter referred to as - "Committee") is created by the decision of the Company Board of Directors and it is an advisory body, providing effective carrying out by the Company Board of Directors of its functions concerning the general management of Company activity.

1.3. The committee is not the Company body and it does not have the right to operate on behalf of the Company.

1.4. The committee decisions have recommendatory character for the Company Board of Directors.

1.5. The committee operates according to the present Regulation expending the legal status, purpose and problems, rights, duties, and Committee structure. In its activity the Committee is guided by federal laws, other standard legal certificates of the Russian Federation, the Company Charter, Regulation on the order of convocation and carrying out of sessions of Board of Directors of the Company, and decisions of Board of Directors of the Company.

2. COMMITTEE TASKS AND GOALS

2.1. The main objective of Committee creation is maintenance of the Company Board of Directors effective work in issues solution referred to its competence.

2.2. The Committee goal is development and representation of recommendations (conclusions) to the Company Board of Directors in the sphere of audit and the Company Reporting.

3. COMMITTEE COMPETENCE

3.1. The control of annual independent audit carrying out of the accounting and the financial reporting of the Company (including the assessment of the auditor statement represented as materials to the general meeting of the Company’s shareholders).

3.2. Selection of nominees of the Company external auditors, an estimation of their qualification, quality of work and observance of requirements of independence by them and their representation to the Board of Directors of the Company for approval at the general shareholders meeting, and conclusions drawing up about nominees of the auditors presented by the third parties.

3.3. Control of the Company internal control systems in the sphere of book keeping and finance and in the Company internal audit service activity.

3.4. Reports consideration (it is obligatory before sending to the Company Board of Directors) of independent appraisers on carrying out of property estimation and Company obligations at fulfilment of large transactions by the Company and other transactions, the decision of which fulfilment is accepted by the Board of Directors, during rights transition to the Company property by a different way.

3.5. Other issues on the Company Board of Directors instructions.

4. COMMITTEE RIGHTS

4.1. For realization of the assigned functions the Committee is vested with the following rights:

- 1) to carry out researches on the issues referred to its competence;
 - 2) to request and receive information necessary for realization of the activity and documents from the General director and Company Board, and also have the right through the Chairman of Board of Directors or the General Director of the Company to request the information of the foreign organizations;
 - 3) to receive from the foreign organizations professional services, or to involve (including on a contractual basis) the third parties as the experts (advisers) possessing special knowledge, on the issues referred to the competence of Committee, within the limits of the Committee budget. Agreements with persons involved with Committee for rendering of consulting services are signed on the basis of the correspondent decision of the Committee authorized official of the Company on representation of the Chairman of Committee, or the Chairman of Committee by proxy, given out by an individual executive office of the Company;
 - 4) to invite employees, management of the Company, members of other Committees of the Company Board of Directors, and also other persons for participation in internal Committee meetings;
 - 5) if necessary to develop and submit projects of amendments to the present Regulation for consideration of the Company Board of Directors.
- 4.2. The committee has other rights specified in the present Regulation.

5. COMMITTEE OBLIGATIONS

5.1. The committee is obliged:

- 1) carry out the problems assigned to Committee honestly and to carry out the activity according to the present Regulation, requirements of the legislation of the Russian Federation, the Charter and internal documents of the Company;
- 2) give to Board of Directors economically effective and legally proved recommendations (conclusion) about the issues referred to the competence of Committee;
- 3) in due time to inform the Company Board of Directors about the risks the Company is subjected to;
- 4) observe confidentiality requirements not to disclose the information about the Company, making commercial and/or official secret.

6. THE STRUCTURE OF THE COMMITTEE AND THE ORDER OF ITS ESTABLISHMENT, RIGHTS AND DUTIES OF THE COMMITTEE MEMBERS

6.1. The quantitative structure of Committee is defined by the decision of the Company Board of Directors in number of not less than 3 (three).

6.2. The personal structure of the Committee is selected by Board of Directors of the Company from among the candidates presented by the Company Board of Directors members.

6.3. Each member of the Company Board of Directors has the right to offer no more than 3 (Three) candidates for members of Committee.

6.4. The members of Committee can be the Company Board of Directors members.

6.5. Offers of the Company Board of Directors members on nominees for election in Committee should be presented to the Chairman of the Board of Directors of the Company in writing not later than 5 (Five) days prior to the date of carrying out of Board of Directors meeting (the termination of questionnaires reception term for correspondence voting) in which agenda the issue on election of Committee members is included.

6.6. At promotion of candidates for Committee the written approval of the proposed candidate and data on the candidate should be applied to the offer on promotion of the candidate (candidates) to the Committee members.

6.7. The offer on promotion of the candidate (candidates) to the Committee members should contain following information about the candidate:

Full last name, name and the patronymic of the candidate;

Place of work and the candidate position at the moment of sending an offer.

The offer on promotion of the candidate (candidates) to the Committee members should be signed by the Company Board of Directors member, presented the specified offer.

6.8. The Committee shall consist of the members of the Board of Directors of the Company not being the sole executive body and (or) collegiate executive body.

If a member of the committee fails to satisfy the requirements stated in the present item he/she shall immediately inform hereof the Chairman of the Board of Directors of the Company and the Chairman of the Committee.

6.9. At election of Members of Committee the preference should be given to the candidates having higher financial, economic or the law education and-or having an operational experience in sphere of the financial control and risks management. At least one of members of Committee should possess knowledge of rules (standards) of book keeping applied by the Company and drawing up of the accounting (financial) reporting, an operational experience in the field of preparation (audit) of the accounting (financial) reporting and working out (analysis) of systems of the internal control.

6.10. Members of Committee are selected according to conditions of the present Regulation for the term up to carrying out the first the Board of Directors meeting elected in new structure.

6.11. Powers of any member of Committee can be early terminated by the decision of the Company Board of Directors.

6.12. The Committee Chairman, and also the Committee members can divest themselves of authority at a direction of the statement hereof to the Company Board of Directors Chairman and the Committee Chairman.

6.13. In case the quantitative structure of Committee becomes less than defined by Regulation quorum for carrying out of Committee meetings, the Board of Directors Chairman is obliged to call an extraordinary meeting of Board of Directors for the Committee members election or to include a issue on election of the Committee members in the agenda of the nearest planned the Company Board of Directors meeting.

6.14. Committee Members within the limits of the Committee competence have the right:

1) request from the General Director and the Company Board the documents and information necessary for decision-making concerning the items within the Committee competence. The inquiry is carried out in writing form signed by the Committee Chairman;

2) make written offers on Committee work plan making;

3) bring issues to the Committee meetings agenda as it should be established by the Regulation;

4) demand Committee meeting convening;

5) carry out other rights provided by Regulation.

6.15. Committee members are obliged to learn the materials for Committee meeting and develop their own position on the meeting agenda each issue.

6.16. Committee members realizing their rights and exercise functions should act in the Company interests, carry out their rights and fulfill duties concerning the Company honesty and reasonably.

7. COMMITTEE CHAIRMAN AND THE ORDER OF HIS/HER ELECTION

7.1. The Committee management and the organization of its activity is carried out by the Committee Chairman.

7.2. The Committee Chairman is elected by the Company Board of Directors among the elected Committee members by the majority of the Company Board of Directors members votes, taking part in Board of Directors meetings.

7.3. The Company Board of Directors has the right to re-elect the Committee Chairman any time.

7.4. During absence of the Committee Chairman the Deputy Chairman of Committee executes his/her power. The Committee deputy Chairman is elected by Committee members from their number by the majority of votes from the general number of the elected Committee members.

7.5. The Committee Chairman:

- 1) convokes of Committee meetings and presides over them;
- 2) defines the way of the agenda carrying out and confirms the Committee meetings agenda;
- 3) defines the list of the persons invited for participation in internal Committee meeting agenda. The invitation to internal Committee meeting agenda (consideration of separate issues of the meeting agenda) officials and-or employees of the Company is carried out by a direction of the corresponding invitation addressed to the General Director of the Company. The General Director of the Company is obliged to provide participation invited to Committee meeting (consideration of separate issues of the meeting agenda) officials and/or employees of the Company or other persons possessing powers, information and qualification necessary for effective participation in Committee meeting agenda (consideration of issues of the meeting agenda, information granting, participation in discussion, decision-making etc.);
- 4) organizes conducting the minutes of the Committee meetings and signs reports of the Committee meetings;
- 5) represents Committee at interaction with Company Board of Directors, other Committees of Board of Directors, Company executive powers, Auditor, Company Auditing Commission and other bodies and persons;
- 6) carries out official correspondence of Committee, signs inquiries, letters and documents on behalf of the Committee;
- 7) distributes duties between Committee members;
- 8) develops the plan of the Committee work and submits the specified plan for approval to Committee, supervises the decisions execution and plans of the Committee work;
- 9) provides observance of the Russian Federation legislation requirements in the course of the Committee activity, the Company Charter, other internal documents of the Company and the present Regulation;
- 10) carries out other functions provided by the current legislation, the Company Charter, the present Regulation and other internal documents of the Company.

8. COMMITTEE SECRETARY

8.1. Functions of the Committee Secretary are carried out by the Company Corporate secretary if the Committee decision does not provide other. In case of making a decision by Committee about election other person as the Committee Secretary, the Committee Secretary is elected by the majority of votes from the general number of the elected Committee members. In a case if a candidate on a position is the Company employee; its nominee will be coordinated with the Company General Director.

8.2. The Committee Secretary carries out technical (information, documentary, legal, secretarial) maintenance of Committee current activity, including:

- 1) provides preparation and carrying out of the Committee meetings;
- 2) carries out gathering and ordering of materials for meetings;
- 3) provides the timely direction to Committee members and the persons invited for participation in Committee meeting agenda, notices on carrying out of the Committee meetings, the meetings agenda, materials concerning the agenda and questionnaires;

4) carries out meetings recording, organize projects preparation of the Committee decisions;

5) carries out the account addressed to Committee and/or Committee members of the correspondence (including inquiries, requirements, petitions), provides the necessary information reception by Committee members;

6) keeps the minutes of the meetings, organizes the preparation of the projects of the Committee solutions;

7) carries out the account of addressed to the Committee and/or Committee members of mail (including enquires, requirements and orders), provides the acquisition by the Committee members of necessary information;

8) carried out the sending of documents approved by the Committee;

9) carries out the storage of the minutes of the Committee meetings and other documents and materials pertaining to the activity of the Committee in accordance with procedures of information storage, approved in the Company.

10) carried out the orders of the Committee Chairman in accordance with the Regulation.

11) carries out other functions according to Regulation.

8.3. Committee Secretary has a compensation and the expenses compensation connected with the duties execution.

Compensation and expenses connected with the duties execution are provided in the Company budget.

8.4. The Secretary of the Committee signs the agreement for implementation of functions of the Committee Secretary.

The agreement with the Committee Secretary on behalf of the Company is signed with the General Director or person authorized by the Board of Directors of the Company for defining of the conditions with the Secretary of the Committee.

Conditions of the agreement with the secretary of the Committee, including the amount of remuneration are determined by the Board of Directors of the Company or person authorized by the Board of Directors of the Company.

9. COMMITTEE MEETINGS

9.1. Committee meetings are convoked by the Committee Chairman according to confirmed work plan on Committee meeting agenda (planned meetings), and also in other cases provided in Regulation (extraordinary meetings).

9.2. The plan of the Committee work is formed by the Committee Chairman taking into account the confirmed plan of the Company Board of Directors work and offers of the Company Board of Directors Chairman, Committee members and the Company Board of Directors decisions.

9.3. The plan of the Committee work is affirmed at the Committee meeting which follows the Company Board of Directors meeting where the Plan of the Company Board of Directors work was confirmed.

9.4. During the convocation of Committee meeting the Committee Chairman defines the date, the time, the place and the form of the meeting carrying out, the agenda, and also the list of the persons invited for participation in internal Committee meeting agenda.

9.5. The planned meeting agenda is formed by the Committee Chairman according to the confirmed Committee working plan, the Company Board of Directors decisions and the Board of Directors Chairman offers.

9.6. Committee members have the right to make offers on formation of the agenda of planned Committee meeting agenda.

9.7. The Committee Chairman has the right to include appeared offers in the planned meetings agenda or to call the Committee extraordinary meeting agenda.

9.8. Committee extraordinary meetings are carried out:

- according to the notice directed by the Company Corporate Secretary on the Company Board of Directors meetings in which agenda an item (items) was (were) included, within the Committee competence;
- under the Committee Chairman own initiative;
- under the Company Board of Directors decision or under the Committee decision;
- on request of the Company Board of Directors Chairman, a member of the Auditing Commission and the Company external Auditor.

9.9. The requirement of the Company Board of Directors Chairman, the Committee member, the Auditing Commission member and the external Auditor of the Company about the Committee meeting convocation is sent to the Committee Chairman in written form not later than 7 (Seven) working days before the date of a meeting carrying out and should contain the issue formulation, a substantiation of item consideration necessity at meeting, the Committee decision project, and also accompanying materials and information.

The requirement about the Committee meeting agenda convocation should be signed by the person directed the specified requirement (the Auditing Commission requirement about convocation of Committee meeting agenda is subscribed by the Auditing Commission Chairman, the Company Auditor requirement is subscribed by the Auditor authorised person). Simultaneously the requirement copy about convocation of Committee meeting agenda with all appendices should be directed to the Committee Secretary.

9.10. Within 1 (One) working day from the date of a requirement presentation about convocation of an extraordinary meeting agenda, the Committee Chairman makes the decision on the Committee extraordinary meeting agenda carrying out, defines a date, time and a place of Committee meeting agenda carrying out (date and time of the termination of term of questionnaires reception at correspondence voting), or he makes a decision to refuse the Committee extraordinary meeting agenda convocation. Reasonable decision on refusal in the Committee extraordinary meeting agenda convocation is sent to the person or the Company body demanded this meeting agenda convocation, not later than the next day after the date of the decision acceptance on refusal in meeting agenda convocation by the Committee Chairman .

9.11. The decision of the Committee Chairman about refusal in convocation of the Committee extraordinary meeting can be accepted in the following cases:

1. the issue (issues) offered for inclusion in the Committee meeting agenda, is not carried by the Regulation about Committee to its competence;
2. the issue of the agenda containing in the requirement about convocation of the Committee extraordinary meeting, is already included in the summons of the nearest meeting agenda convoked according to the decision of the Committee Chairman, accepted before reception of the above-stated requirement;
3. form, order and terms of the requirement presentation established by paragraph 9.8. of the Regulation are not observed.

9.12. The Committee Chairman has the right to include the issues contained in the requirement about convocation of the Committee extraordinary meeting to the agenda of the nearest planned Committee meeting agenda.

9.13. The notice on the Committee carrying out meeting agenda should contain the meeting agenda, form of meeting agenda carrying out, date, place and time of meeting agenda carrying out (date and time of the termination of questionnaires reception for voting by issues of the meeting agenda). The notice on meeting carrying out is made out by the Committee Secretary and subscribes by the Committee Chairman or the vice-president of Committee (in the cases provided by the present Regulation). The notice on meeting carrying out should be directed to the Committee members and the persons invited for participation in internal Committee meeting agenda, not later than 5 (Five) working days prior to date of carrying out of Committee meeting agenda (a date of termination questionnaires reception at correspondence meetings).

Materials and the information concerning the agenda go to the Committee members and the persons invited for participation in internal Committee meeting agenda, not later than 3 (Three) working days prior to date of meeting agenda carrying out (a date of termination questionnaires reception at correspondence meeting), including decisions (recommendation) of the Company Board in the cases established by paragraph 9.15. of the present Regulation.

Materials concerning the issues concerning the agenda of the Committee meeting necessarily should include projects of decisions on the given issues. Formation of projects of decisions (their preparation) will be organized by the Committee Chairman, except for cases of consideration issues by the Committee on the persons request specified in paragraph 9.8. of the Regulation.

To the persons invited for participation in internal Committee meeting agenda, materials on those issues of the Committee meeting agenda in which discussion their participation is supposed to be.

9.14. The notice on carrying out of Committee meeting and materials (information) concerning the agenda can be given (directed) to Committee members and the persons invited for participation in internal Committee meeting, personally, by facsimile message or e-mail.

9.15. In case when the issues which are taken to the extraordinary meeting agenda of the Committee have urgent character, terms of convocation of an extraordinary meeting and materials direction concerning the agenda of such meeting can be reduced under the Committee Chairman decision.

At the meeting of the Committee spent in the form of joint presence, with the consent of all present Committee members the issues which have been not included in the meeting agenda can be considered.

9.16. After the notice reception about the Company Board of Directors meeting from the Corporate Secretary of the Company, which agenda contains the issues carried by Regulation to the competence of Committee, the Committee Chairman should take all measures providing timely carrying out of the Committee meetings for recommendations development (decisions) about specified issues of the meeting agenda of the Company Board of Directors and their direction to Board of Directors according to confirmed Regulation about the order of convocation and carrying out of the Company Board of Directors meetings.

9.17. Getting the notice about the Company Board of Directors meeting from the Corporate Secretary of the Company, which agenda contains the issues carried by Regulation to the competence of Committee and subjects according to Regulation about the Company Board to preliminary consideration by Board of the Company, Committee meeting agenda on such issues should be spent after their preliminary consideration on Company board meeting agenda. In this case corresponding decisions (recommendation) of Board should be presented by Committee members to Committee meeting.

The above-stated does not extend on cases when the terms of carrying out of the specified board meeting and representation the Board decisions (recommendations) to Committee established by Regulation about the Company Board accepted by Board are not observed.

10. ORDER OF THE COMMITTEE MEETINGS CARRYING OUT

10.1. Committee meetings can be carried out in the form of joint presence of Committee members (internal meeting) or in the form of correspondence voting by issues of the meeting agenda (correspondence meeting).

10.2. Ordinary Committee meeting shall be opened by the Chairman of a meeting - the Committee Chairman, and in case of his absence - the Deputy Chairman.

10.2.1. Committee members, and also the invited persons take part in internal Committee meeting.

10.2.2. The Committee Secretary defines a quorum presence for internal Committee meeting carrying out.

Presiding over internal meeting informs the presents about quorum presence for Committee meeting carrying out and discloses the meeting agenda.

10.2.3. In case of absence of quorum the meeting is announced unauthorized. Thus the Person presiding over meeting accepts one of the following decisions:

1) defines the time of the meeting beginning carrying over by consultations with persons at the meeting;

2) defines the date of repeated meeting with the same agenda;

3) includes issues which should be considered at a frustrated Committee meeting, in the agenda of the following planned Committee meeting.

10.2.4. Internal Committee meeting is competent (has quorum) in case of presence of not less than half from number of the selected Committee members at meeting.

10.2.5. Defining the voting results by the issues included in the agenda of internal Committee meeting, the written opinions of the Committee members absent at meeting, issued and received in an order provided by the present Regulation are considered.

10.2.6. Written opinions of the Committee members which were absent at the internal Committee meeting, should be issued exclusively by filling of the questionnaire for voting by agenda issues.

10.2.7. On the day of internal Committee meeting carrying out the Committee Secretary, following the results of agenda issues discussion and voting of Committee members present at meeting, makes the questionnaire, according to the Appendix 1 to the Regulation, signed by the Committee Chairman, and directs its the original by e-mail or by means of a fax communication to the Committee members which were absent at meeting.

10.2.8. At questionnaire filling by the Committee member on each of the issues, put on voting, only one of possible variants of voting (pro, contra, "refrained") should be left not sponge.

The filled questionnaire should be signed by the Committee member with indication of his surname and initials.

The filled and signed questionnaire should be presented by the Committee member to the Committee Secretary not later than the next day after carrying out of Committee meeting in the original, by e-mail or by means of a fax communication with the subsequent sending of the questionnaire original to the address specified in the questionnaire.

10.2.9. The questionnaire filled with infringement of requirements, specified in the first paragraph of subparagraph 10.2.8. of the present Regulation, is not considered at votes calculation regarding a corresponding issue.

The unsigned questionnaire, and also the questionnaire presented with infringement of terms, specified in subparagraph 10.2.8. Regulation, is found invalidate, it is not considered at votes calculation and definition of voting results.

10.2.10. Results of voting by the agenda issues of internal Committee meeting are defined on the basis of the voting results of Committee members which are present at internal meeting, and filled and signed questionnaires by Committee members received by the Committee Secretary in due time. Voting results are defined after the expiry of the term of questionnaires reception.

10.3. The decision on the Committee meeting carrying out in the form of correspondence voting is accepted by the Committee Chairman.

10.3.1. While carrying out of the meeting on the form of the absentee voting the members of the Committee are entitled to present their suggestions and (or) notes concerning the presented projects of the Committee decisions on agenda issues at least 2 (two) days prior to the end of the

term of the questionnaires submission deadline for voting stated in the notification concerning the carrying out of the absentee voting

10.3.2. Questionnaires for voting concerning issues of agenda simultaneously with materials (information) made according to the Appendix 2 to Regulation are sent to the Committee members for carrying out of correspondence Committee meeting at least 1 (one) working day prior to the questionnaires submission deadline.

10.3.2. While questionnaire filling by the Committee member on each of the issues, put on voting, only one of possible variants of voting (pro, contra, "refrained") should be left uncrossed.

The filled questionnaire should be signed by the Committee member with indication of his surname and initials.

The filled and signed questionnaire should be presented by the Committee member to the Committee Secretary not later than the next day after carrying out of Committee meeting in the original, by e-mail or by means of a fax communication with the subsequent sending of the questionnaire original to the address specified in the questionnaire.

10.3.4. The questionnaire filled with infringement of requirements, specified in the first paragraph of subparagraph 10.3.3. of the present Regulation, is not considered at votes calculation regarding a corresponding issue.

The unsigned questionnaire, and also the questionnaire presented with infringement of terms, specified in subparagraph 10.3.3. Regulation, is found invalidate, it is not considered at votes calculation and definition of voting results.

10.3.5. Correspondence Committee meeting agenda is considered competent (has quorum) if not less then a half of selected Committee members took part in it.

10.3.6. The Committee members are considered the persons who took part in correspondence meeting, if their questionnaires were received by the Committee Secretary not later than the expiration date and time of questionnaires reception.

10.4. Decisions at Committee meetings are accepted by the simple majority of votes by the selected Committee members.

10.5. While issues consideration at the meeting the each member of the Committee possesses one vote. In case of votes equality the Committee Chairman vote is solving. The vote transfer to other Committee member or other person is not permitted.

10.6. Not later than 2 (Two) working days after the Committee meeting carrying out the Committee Secretary makes a meeting report.

10.7. The report of Committee meeting is subscribed by the Chairman and the Committee Secretary. The report is made in two original copies, one of which within 1 (One) working day after signing is sent to the Committee Secretary to the Company Board of Directors with the appendix of the materials and recommendations prepared for it, and another is remained in Committee archive. Report copies, prepared materials and recommendations are sent to all the Committee members.

10.8. The Chairman and the Committee Secretary bear responsibility for correctness of the Report drawing up. The Committee Secretary is responsible for the report keeping, questionnaires, materials and the Committee recommendations.

10.9. In the Report of Committee meeting are specified:

The form of meeting carrying out

Date, place and time of meeting carrying out (expiration date and time for questionnaires reception);

The list of the Committee members taken part in consideration of agenda issues with instructions of the voting form (internally or by a questionnaire sending), and also the list of other persons who were present at internal meeting;

Agenda;

Suggestions of Committee members concerning the agenda;

The issues put on voting, results of voting, with instructions of the each Committee member voting;

The decisions taken.

10.10. According to the Committee member desire the summary of its opinion can be applied to the Committee meeting Report concerning the Committee meeting agenda issues. Such opinion is prepared by the Committee member and directed to the Committee Secretary.

11. INTERACTION WITH THE COMPANY BODIES AND OTHER PERSONS

11.1. Executing the duties the Committee supports effective labour relations with the Company controls, management, structural divisions, other organizations and persons.

11.2. The Chairman and the Committee Secretary are obliged to provide the information, technical and coordinated the Committee interaction with Board of Directors, with executive powers, the control bodies and the Company structural divisions, and also with other Committees of the Company Board of Directors.

11.3. The General Director and the Company Board, by the inquiry signed by the Committee Chairman, are obliged to give the information and materials, necessary for Committee members for decision-making concerning the Committee competence.

Indicated information and materials shall be presented within 3 (Three) working days since the date of the request acquisition if the longer term was not determined.

In case of incomplete or unreliable information (materials) representation, the Committee members have the right to request the additional information (materials).

11.4. The Committee Chairman represents the prepared recommendations (conclusions) developed by Committee to the Company Board of Directors with simultaneous granting of the specified recommendations (conclusions) copies to the Company General Director.

12. CONFIDENTIALITY

12.1. During the period of Committee members authorities carrying out, and also within one year after the term of powers expiration in the Committee, persons, being (were) Committee members, the Committee Secretary and the third parties employed in Committee are obliged to observe requirements of confidentiality concerning the received information according to their activity in Committee which are not public. The concept of the information which is not public concerning to the Company activity and its structure is established by the decision of the Company authorised controls.

12.2. Committee members, the Committee Secretary and the third parties employed in Committee, have the right to receive the specified information under condition - they should conclude the agreement with the Company on the specified information using (the Appendix 3 to Regulation).

12.3. All documents connected with the Committee activity, should be stored on the Company location according to the order of documents keeping established in the Company. The Committee Secretary is responsible for the specified documents keeping.

13. COMMITTEE ACTIVITY SUPPORT

13.1. For support of Committee work during formation of the account part of the Company general budget the separate article of expenses is provided. Committee expenses in particular include compensations and remuneration for the Chairman, Committee members and the Committee Secretary, expenses for exterior advisers, expenses support of administrative personnel and other expenses.

13.2. Under the decision of the Company Board of Directors compensations can be paid to Committee members and the Committee Secretary and also the expenses connected with

execution of their duties are compensated. The size of such compensations and indemnifications, order and terms of their payment are established by the separate decision of the Company Board of Directors.

13.3. The offer concerning the amount of the Committee budget (with disclosing information) is formed at Committee meeting agenda and sent to the Company Board of Directors.

The conclusion of the Company General director about possibility of the presented budget financing in the planned volumes is applied to the project of the Committee budget within the limits of the Company economic activities realization during the corresponding planned period.

13.4. With a view of the Committee meetings carrying out the Company General director under the petition of the Committee Chairman is obliged to give a premises to Committee, and provide an unimpeded access for persons to it, which list is defined in the specified petition, and also to carry out other measures for the Committee meeting carrying out.

14. FINAL PROVISIONS

14.1. The Company Board of Directors has the right to demand the report on current activity of Committee from Committee any time. Terms of preparation and representation of such report are defined by the Board of Directors decision.

14.2. The Committee Chairman has the right to give the Company Board of Directors separate reports on the issues which are the part of the Committee competence.

14.3. Information on separate decisions of Committee is published on the Company web site in Internet. Necessity of the information publication is defined by the Company Board of Directors Chairman.

14.4. Information on Committee work is a subject to include in the Company Annual report.

14.5. Regulation, and also all additions and changes to it are affirmed by the Company Board of Directors.

14.6. The issues which were not settled by the Regulation are regulated by the Company Charter, Regulation on the order of convening and carrying out of the Company Board of Directors meetings and other internal documents of the Company, the current legislation and decisions of the Company Board of Directors.

14.7. If as a result of change of the legislation or statutory acts of the Russian Federation, the separate articles of Regulation contradict them, these articles are considered to be invalid, and till the moment of Regulation modification the Committee members are guided by the Russian Federation laws and subordinate legislation.

**BOARD OF DIRECTORS COMMITTEE OF
"Interregional Distribution Grid Company of North-West", Joint-Stock Company**

QUESTIONNAIRE

for voting by agenda issues of the ordinary meeting of the Audit Committee of the Board of Directors of IDGC of North-West, carried out " ____ " _____ 200__

Issue:

1. _____

Decision (taken at the meeting):

1. _____

for

Against

abstained

(leave you variant uncrossed)

Issue:

2. _____

Decision (taken at the meeting):

2. _____

for

against

abstained

(leave you variant uncrossed)

The filled and signed questionnaire is sent by fax _____ or in original in time not later than _____.

/date, time /

Questionnaire arrived in the Company after the deadline of the questionnaire submission, is considered non valid, and is not taken into account during votes calculation and voting summarizing.

We ask to direct the original of the questionnaire to the address: _____

Committee member of the
Board of Directors IDGC of North-West

_____/_____
(signature) (name)

Committee Chairman of
Board of Directors IDGC North-West

_____/_____
(signature) (name)

Without the signature of the Chairman and the Board of Directors Committee Member the questionnaire is considered to be void

**BOARD OF DIRECTORS COMMITTEE OF
"Interregional Distribution Grid Company of North-West", Joint-Stock Company**

QUESTIONNAIRE

**For voting by agenda issues of the absentee meeting of the Audit Committee of the Board
of Directors of IDGC of North-West, carried out " ____ " _____ 200__**

Issue:

1. _____

Decision (taken at the meeting):

1. _____

For

against

abstained

(leave you variant uncrossed)

Issue:

2. _____

Decision (accepted at the meeting):

2. _____

for

against

abstained

(leave you variant uncrossed)

The filled and signed questionnaire is sent by fax _____ or in original in
time not later than _____.
/date, time /

Questionnaire arrived in the Company after the deadline of questionnaire submission, is
canceled, it doesn't take part in quorum definition and it is not accounted during voting
results summing up.

We ask to direct the original of the questionnaire to the address: _____

Committee member of
Board of Directors IDGC of North-West

_____/_____
(signature) (name)

Without signature of the Board of Directors Committee Member the questionnaire is
considered to be void

CONFIDENTIALITY AGREEMENT

_____ “ _____ ” _____ 200_.

IDGC of North-West, represented by _____ General Director acting on the basis of the Charter, and _____ hereinafter referred to as "Contractor", together referred as Parties, concluded the present agreement as follows:

PREAMBLE

With a view of assistance support to Board of Directors of IDGC of North-West in execution of its duties, the Audit Committee of the Board of Directors of IDGC of North-West is formed on the rights of advisory body, operating according to Regulation about Audit Committee of Board of Directors of IDGC North-West

In connection with their rights realization and discharge the Contractor gets access to the confidential information. Within the limits of the present Agreement the Parties co-ordinate the conditions, concerning restrictions of using and further disclosure of such information.

CONFIDENTIALITY AND LIMITED USING

1. With a view of the present Agreement on Confidentiality Observance the concept “Confidential Information” as a whole and in particular means all or any information of any kind, in oral, written or electronic form, concerning IDGC of North-West (which further called as “Informing Party”) and concerning its economic and commercial activity, technologies, clients and/or suppliers which has the valid or potential commercial value owing to its uncertainty to the third parties, and informed by the Informing Party to the Contractor according to the present Agreement, together with all archival records or copies of the given information or endurances from such information, contained on information carrier of any kind.

The Contractor is obliged to keep the Confidential Information, using the same level of carefulness which is used by him for his own confidential information keeping, being his/her property, and such Confidential Information should not be used or reproduced, and also the Contractor shouldn't do any references on it in any purposes. The confidential Information should not be disclosed by the Contractor to any third party, both physical, and legal.

2. The Contractor does not have the right to present Confidential Information to other persons («to give advice» or in other form), who is using or will be able to use it for the purposes which have resulted or possibly will be able to lead to its disclosure either other wrongful or forbidden using under the current legislation and the present Agreement, including use of such information with a view of personal enrichment or contribution to other persons enrichment, whether such person is affiliated or not.

In case of Confidential Information using in the above-named purposes, the Contractor is obliged to stop immediately the realization of such actions, and IDGC of North-West has the right to demand compensation according to the current legislation.

The Contractor is obliged to notify the Committee about all planned and/or made transactions with securities of IDGC of North-West and affiliated and dependent economic companies of IDGC of North-West.

3. The Contractor bears responsibility according to the current legislation for actions of his affiliated persons, including, but not limited to, wife (husband), parents, children, blood brothers and sisters, adoptive parents and adopted children, other persons admitted as affiliated by the current legislation, concerning the Confidential Information received from the Contractor,

resulted or possibly will be able to result to its disclosure or other wrongful use, including such information using with a view of personal enrichment or contribution to enrichment of other persons or entailed IDGC of North-West losses.

4. The present Agreement on Confidentiality Observance should not be considered as the document giving to Contractor any license rights or any other rights concerning the Confidential Information and its further use.

If only other is not coordinated in the separate written agreement signed between the Parties, the Confidential Information will remain the property of the Notifying Party.

5. The obligations imposed by the present Agreement on Confidentiality Observance on the Parties of this Agreement, should not be the obstacle for the Notifying Party concerning transfer of any Confidential Information to the financial, legal or other advisers and the third parties which, probably, from time to time work in favor of the Notifying Party and it is necessary for them to know such Confidential Information and which, before such information transfer execution, have concluded the corresponding agreement on confidentiality in written form.

The confidential information received by the Contractor from the Notifying Party, can be given to the third parties in case when the duty on its granting is established by requirements of the Russian Federation legislation or possibility of such disclosing is provided by present or other the Parties written agreement.

The Confidential information Granting by the Contractor to public authorities, other state bodies, local governments can be carried out only on the basis of the motivated requirement signed by the authorised official, containing instructions on the purposes and legal grounds of the information request. In case of reception of such, and also any other requirement about granting of the Confidential information, the Contractor is obliged to notify immediately the Notifying Party in writing.

CONFIDENTIAL INFORMATION RETURN

6. According to the requirement of the Notifying Party or of the exclusive discretion of the Notifying Party all and any Confidential Information in any form which the Contractor received or got from the Notifying Party or for the Notifying Party, should be returned or if it is not possible, it should be destroyed within 14 (fourteen) days from the moment of such requirement reception, and no copies of such information or the data, concerning such information, or endurance from it (in any form), should remain at the Contractor, and the Contractor should not use or reproduce such information entirely or partially in any purposes after that.

PERIOD OF VALIDITY AND AGREEMENT CANCELLATION

7. The present Agreement on Confidentiality should enter into force from the moment of signing and will be in force for 360 (three hundred sixty) days from the moment of its conclusion. Despite of the aforesaid, the present Agreement on Confidentiality can be terminated by the Notifying Party any moment after the preliminary notice in writing directed to the address of the Contractor for seven days prior to the moment of the Agreement cancellation. The cancellation or the expiry of the term of action of the given Agreement on Confidentiality Observance does not release any of the Parties from the obligations imposed on it by the present Agreement on Observance of Confidentiality concerning the Confidential Information, transferred or got before such cancellation or the expiry of the term of action of the given Agreement, and such obligations should remain in force within 1 (one) year after the term expiration of action or the given Agreement cancellation.

REGULATING LEGISLATION

8. The present Agreement on Confidentiality is regulated according to the Russian Federation legislation.

Any claims and the disagreements arising from the present Agreement or in connection with the present Agreement, or concerning the present Agreement or the legal relations established by the present Agreement, should be transferred by the Parties in corresponding court on IDGC North-West location.

OTHER CONDITIONS

9. To begin with the signing date, the present Agreement on Confidentiality Observance will represent the full agreement between the Parties concerning the subject considered in it and after its execution will replace and cancels any previous arrangements, documents, reports and contacts, both in oral form, and in writing, between the Parties, concerning the subject of the present Agreement.

Any changes and/or additions to the present Agreement on Confidentiality Observance will be valid only in case they will be executed in writing and signed by both Parties.

The present Agreement is executed in two identical copies, one for each Party.

Date of the agreement signing, details and signatures of the Parties