

The Depository Trust Company  
**IMPORTANT  
NOTICE**

**B#:** 3633-08

**DATE:** June 25, 2008

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** Supervisor, Stock Dividend Department

**ATTENTION:** Dividend Managers, Cashiers, and Reorganization Managers

**SUBJECT:** RAO UES ADRS Class A Preferred CUSIP 904688405, spin-off to various CUSIPs entitlements  
Record Date 06/06/08 P/D TBD , EDS cut-off date 07/07/08, No later than 8:00 pm NYC time

\*\*\*\*\* Warning Time Critical\*\*\*\*\*

**Important Note: It is important that Participants read the attached Notice and Instructions from Deutsche Bank Trust Company Americas (the “Depository”) carefully.**

Participants who have position in the RAO UES ADRS Class A Preferred CUSIP 904688405 are entitled to elect to receive the spin-off distributions of Cash, Rule 144A GDRs, Ordinary Shares, or Regulation S GDRs, for each of the spin-off entitlements as defined below.

Participants are required to submit their EDS Elections based on their Record Date Position, which will be provided to Deutsche Bank Trust Company Americas (The Depository”), who will calculate participant’s entitlement as follows.

The ratio set forth in the Appendix A-1 has been rounded and therefore represent only an approximate rate of Rule 144A GDRs, Ordinary Shares, or Regulation S GDRs, which will be received for each Class A Preferred ADR, see page 8.

**NOT FOR DELIVERY INTO THE UNITED STATES OR DELIVERED TO U.S. PERSONS EXCEPT PERSONS WHO ARE “QUALIFIED INSTITUTIONAL BUYERS” WITHIN THE MEANING OF RULE 144A OF THE U.S. SECURITIES ACT OF 1933.**

**DEFAULT OPTION**

**Default to CASH 100 %**

Participants may elect to receive the CASH proceeds from the sale of the Subsidiary Shares attributed to those ADRs Holders, and distribute the net cash proceeds from the sale, less payment of fees as outlined in Appendix –D on page 16 of the attached document.

- **Upon the sale of Subsidiary Shares, Deutsche Bank Trust Company Americas (The Depository”) will provide DTCC with one price for the cash proceeds.**

**Within each option from #1 through #23 there are 4 options to elect from as listed below:**

**EDS Elections**

**Option # 1**

RAO UES Class A Preferred ADR spin-off entitlement for:

- 1. 100% CASH**
- 2. OR 100 % Rule 144A OGK-1 GDRs CUSIP 67086K101**
- 3. OR 100% ORDINARY SHARES ISIN #RU000A0JNPM1,**
- 4. OR 100% REGULATION “S” GDR CUSIP # 67086K200**

AND

**Option # 2**

RAO UES Class A Preferred ADR spin-off entitlement.for:

- 1. 100% CASH,**
- 2. OR 100 % Rule 144A OGK-2 GDRs CUSIP 670848100**
- 3. OR 100%ORDINARY SHARES ISIN #RU000A0JNG55,**
- 4. OR 100% REGULATION “S” GDR CUSIP # 670848209**

AND

**Option # 3**

RAO UES Class A Preferred ADR spin-off entitlement.for:

- 1. 100 % CASH**
- 2. OR 100% Rule 144A WGC-3 GDRs CUSIP 67086N105**
- 3. OR 100% ORDINARY SHARES ISIN# RU000A0HMML6,**
- 4. OR 100% REGULATION “S” GDR CUSIP # 67086N204**

AND

**Option # 4**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A OGK-4 GDRs CUSIP 35112W100**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNGA5,**
4. **OR 100% REGULATION “S” GDR CUSIP # 35112W209**

AND

**Option # 5**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A OGK-6 GDRs CUSIP 670847102,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNG63,**
4. **OR 100% REGULATION “S” GDR CUSIP # 670847201**

AND

**Option # 6**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A RushHydro GDRs CUSIP 44880R103,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JPKH7,**
4. **OR 100% REGULATION “S” GDR CUSIP # 44880R202**

AND

**Option # 7**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-1 GDRs CUSIP 88145T107,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNUD0,**
4. **OR 100% REGULATION “S” GDR CUSIP # 88145T206**

AND

**Option # 8**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-2 GDRs CUSIP 88145R200,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNGS7,**
4. **OR 100% REGULATION “S” GDR CUSIP # 88145R101**

AND

**Option # 9**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A MOSENERGO (TGK-3) GDRs CUSIP 61954Q100,**
3. **OR 100% ORDINARY SHARES ISIN# RU0008958863,**
4. **OR 100% REGULATION “S” GDR CUSIP # 61954Q209**

AND

**Option # 10**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-4 GDRs CUSIP 88145C104,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNMZ0,**
4. **OR 100% REGULATION “S” GDR CUSIP # 88145C203**

AND

**Option # 11**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-6 GDRs CUSIP 88145N100,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNG06,**
4. **OR 100% REGULATION “S” GDR CUSIP # 88145N209**

AND

**Option # 12**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A VOLZHSKAYA (TGK -7) GDRs CUSIP 88145A108,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0HML36,**
4. **OR 100% REGULATION “S” GDR CUSIP # 88145A207**

AND

**Option # 13**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A SGK TGK-8 GDRs CUSIP 83789Q105, ( NOT APPLICABLE)**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNG48,**
4. **OR 100% REGULATION “S” GDR CUSIP # 83789Q204 (NOT APPLICABLE)**

**NOTE: FOR OPTION #13 IT HAS BEEN CONFIRMED THAT THERE WILL BE NO 144A AND REGULATION S GDRS PROGRAMS ESTABLISHED.**

AND

**Option # 14**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-9 GDRs CUSIP 88145B106,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JNAC4,**
4. **OR 100% REGULATION “S” GDR CUSIP # 88145B205**

AND

**Option # 15**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-10 GDRs CUSIP 87243G108,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0F61T7,**
4. **OR 100% REGULATION “S” GDR CUSIP # 87243G207**

AND

**Option # 16**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-11 GDRs CUSIP 87243H106,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JPGX2,**
4. **OR 100% REGULATION “S” GDR CUSIP # 87243H205**

AND

**Option # 17**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A KUZBASSENERGO (TGK-12) GDRs CUSIP 501333108,**
3. **OR 100% ORDINARY SHARES ISIN# RU0009045652,**
4. **OR 100% REGULATION “S” GDR CUSIP # 501333207**

AND

**Option # 18**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A ENISEYSKAYA TGK (TGK-13) GDRs CUSIP 985818103,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0F6SZ9,**
4. **OR 100% REGULATION “S” GDR CUSIP # 985818202**

AND

**Option # 19**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A TGK-14 GDRs CUSIP 872414107,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0H1ES3,**
4. **OR 100% REGULATION “S” GDR CUSIP # 872414206**

AND

**Option #20**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A INTER RAO UES (Formerly SOCHINSKAYA TPS) GDRs CUSIP 833608102,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JPNM1,**
4. **OR 100% REGULATION “S” GDR CUSIP # 833608201**

AND

**Option # 21**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A FGC UES GDRs CUSIP 313354102,**
3. **OR 100% ORDINARY SHARES ISIN# RU000A0JPNN9,**
4. **OR 100% REGULATION “S” GDR CUSIP # 313354201**

AND

**Option # 22**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A HOLDING MRSK GDRs (PREFERRED) CUSIP # (TBD)**
3. **OR 100% ORDINARY SHARES (TBD)**
4. **OR 100% REGULATION “S” GDR (TBD)**

AND

**Option # 23**

RAO UES Class A Preferred ADR spin-off entitlement for:

1. **100% CASH**
2. **OR 100% Rule 144A - RAO ENERGY SYSTEM OF EAST GDRs (PREFERRED) CUSIP # (TBD)**
3. **OR 100% ORDINARY SHARES (TBD)**
4. **OR 100% REGULATION “S” GDR (TBD)**

**Note: For Ordinary shares and the Regulation GDR's, see Election Form, and Certification form, documents page 5, # 13, and page 6, # 14 for detail of these options.**

**For MRSK and RAO Energy System cusip's # (TBD), see Election, and Certification form, documents page 5 # 13, In the REGULATION S package or page 6 #13 and in the 144A package for detail of this option.**

**Note: DTCC WILL NOT allocate any Ordinary and Regulation "S" GDR shares, "the shares" as outlined under Option # 1 through 23 as they are not DTC eligible. The allocations will be handled directly between the participants and the Deutsche Bank Trust Company Americas (The Depository").**

**Note: Participants must certify their elections by filling out the CERTIFICATION FORM supplied by Deutsche Bank Trust Company Americas (The Depository").**  
**In addition, for those shareholders who elect to receive 144A GDRs, or Ordinary Shares or, Regulation "S" GDRs shares, shareholders must complete the ELECTION FORM (APPENDIX-B-2) and must submit the Election Form along with the CERTIFICATION FORM to Deutsche Bank. The forms can be fax to Beverly George at 212-797-0327 up to the cutoff date on, 07/07/08, no later than 5:00 p.m. NYC time.**

**Participants are advised that all fractional shares will be dropped.**

**PARTICIPANTS SHOULD SUBMIT ELECTION INSTRUCTIONS OVER THE PARTICIPANT TERMINAL SYSTEM (PTS) THROUGH THE ELECTIVE DIVIDEND SYSTEM (EDS) FUNCTION. PARTICIPANTS EDS INSTRUCTIONS MUST BE BASED ON THEIR RECORD DATE POSITIONS.**

**PARTICIPANTS NOT RESPONDING TO THE ABOVE OPTION (s) BY 07/07/08, NO LATER THAN 8:00 P.M. NEW YORK CITY TIME, WILL RECEIVE THE CASH PROCEEDS (THE DEFAULT OPTION).**

**Note: DTCC will not make any courtesy calls to any participants who did not submit their certification elections to Deutsche Bank Trust Company Americas (the "Depository"). Upon receipt of instructions from Deutsche Bank Trust Company Americas (the "Depository"), DTC will adjust those Participant elections to receive cash.**

**PARTICIPANTS ARE ADVISED TO REFER TO THE ATTACHED NOTICES FOR FEE DETAILS and REFER TO LENS # LG20080618-013 , LG20080618-04 AND LG20080617, FOR THE CERTIFICATION FORM.**

**If participants have any questions or need further assistances, they may call Deutsche Bank Trust Company Americas at (212) 250-9100.**

**If participants have any questions regarding this Important Notice, they may contact DTC Customer Service Helpline at (888) 360-3822.**



NOT FOR DELIVERY INTO THE UNITED STATES

Regulation S – Election and Certification Form and Delivery Instructions with respect to the distribution by RAO UES of the shares of certain of its subsidiaries (the *Subsidiaries*) to holders of ADRs representing common shares (*Common Shares*) or Class A preferred shares (*Preferred Shares*) of RAO UES

*The deadline for returning this form is 5 pm EDT on Monday July 7, 2008*

Issue: RAO UES Common (Sponsored) - OTC Symbol: UESRY  
CUSIP 904688108

RAO UES Class A Preferred (Sponsored) - OTC Symbol: UESPY  
CUSIP 904688405

Country: Russia

Common Share Ratio: 100 Common Shares: 1 American Depositary Share  
Preferred Share Ratio: 100 Preferred Shares: 1 American Depositary Share

ADR Spin-off Record Date  
(the *ADR Spin-off Record Date*): June 6, 2008

FGC UES Merger  
Effective Date for ADRs  
(the *ADR FGC UES Merger Effective Date*): June 6, 2008

FGC UES Merger Effective  
Date in the Russian  
Federation (the *Local FGC UES Merger and Reorganization Effective Date*): July 1, 2008

Certification and  
Election Deadline  
(the *ADR Election Cut-off Date*): July 7, 2008 (5PM EDT)

Date: June 10, 2008

Deutsche Bank Trust Company Americas  
60 Wall Street  
New York, New York 10005

Fax: +1 212 797 0327  
Attn: ADR Department (Beverly George)

Dear Sirs,

We refer to the information statement, dated September 21, 2007 (the *Information Statement* which can be found at [http://www.rao-ees.ru/ru/investor/sobran/material/material261007/showsp\\_ru.cgi](http://www.rao-ees.ru/ru/investor/sobran/material/material261007/showsp_ru.cgi)) issued by RAO Unified Energy System of Russia (*RAO UES*) received by us from RAO UES in connection with our vote on the spin-off (the *Spin-off*) by RAO UES of the remaining equity interests in certain of the Subsidiaries and the subsequent merger (the *Merger*) of RAO UES into the Federal Grid Company of the Unified Energy System (*FGC UES*) at the October 26, 2007 extraordinary general meeting of RAO UES, and to the related notices (the *Notices*) from Deutsche Bank Trust Company Americas (*DBTCA*) and RAO UES, respectively. On October 26, 2007, the RAO UES shareholders approved the Spin-off and the Merger. Upon the Merger, FGC UES will be the surviving entity, and the Common and Preferred Shares of RAO UES will be exchanged for ordinary shares of FGC UES. The Information Statement described certain options available to eligible holders of American depositary receipts evidencing American depositary shares representing common shares, CUSIP

904688108 (*Common ADRs*) or Class A preferred shares, CUSIP 904688405 (*Preferred ADRs*) and together with the Common ADRs, the *ADRs*) of RAO UES in connection with the Spin-Offs and Merger. Terms without definition herein shall have the meanings assigned thereto in the Information Statement.

We acknowledge that, as described in the Information Statement and the Notices, in order to receive (i) our share of ordinary and, in limited cases, preferred shares of the Subsidiaries (such share, the *Spin-off Entitlement*) in the Spin-Offs, and (ii) our share of ordinary shares of FGC UES (the *FGC UES Merger Entitlement*) in the Merger:

(a) in the form of Regulation S Global Depositary Receipts of (i) the Subsidiaries or (ii) FGC UES, respectively (the *Regulation S GDRs*), for such Subsidiaries and/or FGC UES which have set up Regulation S GDR Programs, we must properly complete and timely submit this election and certification letter (the *Instruction Letter*) along with valid delivery instructions to DBTCA at the facsimile number, and to the attention of the recipient, as set forth above, by the ADR Election Cut-off Date; or

(b) in the form of ordinary and, in limited cases, preferred shares of the (i) Subsidiaries or (ii) FGC UES, respectively, (the *Shares*) we must properly complete and timely submit this Instruction Letter along with valid delivery instructions to DBTCA at the facsimile number, and to the attention of the recipient, as set forth above, by the ADR Election Cut-off Date.

We acknowledge that, if we hold RAO UES ADRs in book-entry form through The Depository Trust Company (DTC), in order to receive our Spin-off Entitlement and the FGC UES Merger Entitlement, we must, in addition to submitting this Instruction Letter by facsimile:

- make an electronic election to receive the Spin-off Entitlement through DTC's EDS system in accordance with DTC's standard procedures by the ADR Election Cut-off Date (the *Spin-off Election*); and
- make an electronic election to receive the FGC UES Merger Entitlement through DTC's PTO system in accordance with DTC's standard procedures, also by the ADR Election Cut-off Date (the *FGC UES Merger Election*).

We acknowledge that, if we hold RAO UES ADRs in physical certificated form, in order to receive our Spin-off Entitlement and the FGC UES Merger Entitlement, we must submit this Instruction Letter by facsimile, with no additional requirement to make electronic elections through DTC.

The Shares and the Regulation S GDRs may be referred to herein collectively as the *Securities*. The term "*Relevant Securities*" shall mean, in case we are electing to receive Shares in the form of Shares, the Shares only, and in case we are electing to receive Shares in the form of Regulation S GDRs, the Shares and the Regulation S GDRs. The security codes (the CUSIPs, ISINs and Common Codes) for the Securities may be found on the attached Appendix E.

## **CALCULATION OF SHARES AND REGULATION S GDRS**

We have reviewed the ratios set out in the Information Statement that will be used to calculate our Spin-off Entitlement and FGC UES Merger Entitlement, respectively, and as set out in the attached Appendices A-1, A-2, and A-3. We acknowledge that, in connection with each of our Spin-off Election and our FGC UES Merger Election, DTC, in the event we hold RAO UES ADRs in book-entry form through DTC, will automatically and independently calculate our Spin-off Entitlement and FGC UES Merger Entitlement based upon these ratios. We further acknowledge that the ratios provided to us may have been rounded and therefore represent only an approximate number of Shares or Regulation S GDRs that will be received for each ADR, and that in case of a discrepancy, DTC's calculation will prevail.

## **ELECTION**

We have made the elections on Appendices B-1 and B-2 to receive our Spin-off Entitlement, and on Appendices B-3 and B-4 to receive our FGC UES Merger Entitlement. If we hold ADRs of RAO UES in book-entry form through DTC, we have also completed our Spin-off Election for the receipt of our Spin-off Entitlement, and our FGC UES Merger Election for the receipt of our FGC UES Merger Entitlement.

We acknowledge that if we do not: (i) timely and validly submit this Instruction Letter via facsimile, and (ii) in the event we hold ADRs in book-entry form through DTC, timely and validly complete our Spin-off Election and FGC UES Merger Election we will not receive any Relevant Securities and in such event we will receive the net cash proceeds from the sale of all of the Shares in the Subsidiaries or FGC UES, as the case may be, to which we would have been entitled as described in the Information Statement and the Notices.

## **DELIVERY INSTRUCTIONS**

We have completed the delivery instructions on Appendix C hereto. We acknowledge that if we provide instructions which are incomplete or insufficient to permit delivery (and DBTCA is unable to contact us to obtain correct delivery instructions), we will not receive any Relevant Securities and in such event we will receive the net cash proceeds from the sale of all of the Shares in the Subsidiaries or FGC UES, as the case may be, to which we would have been entitled as described in the Information Statement and the Notices.

We acknowledge that no fractional Shares or fractional GDRs will be issued or distributed and we do not have the option to split our holdings to elect to receive a combination of Regulation S GDRs, Shares and/or cash in the same Subsidiary or FGC UES.

#### **FORM OF HOLDING**

By checking the applicable box below, we confirm our form of holding:

- We are holding ADRs in book-entry form through the facilities of DTC and hereby confirm we have, in accordance with election procedures established by DBTCA with DTC, confirmed the election choices set forth herein by completing the Spin-off Election, with respect to our Spin-off Entitlement, and, by completing the FGC UES Merger Election, with respect to the FGC UES Merger Entitlement.
- We are holding ADRs in physical certificated form.

#### **CERTIFICATIONS**

1. We acknowledge (or if we are acting for the account of another person, such person has confirmed to us that it acknowledges) that the Securities have not been and will not be registered under the Securities Act of 1933, as amended (the *Securities Act*), or with any securities regulatory authority in any state or other jurisdiction of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and of the securities laws of any state or other jurisdiction of the United States.

2. We certify that we are not RAO UES or an affiliate (as such term is defined in Rule 501(b) under the Securities Act) of RAO UES and that, if we are acting on behalf of another person, such person has confirmed to us that it is not RAO UES or an affiliate of RAO UES and that it is not acting on behalf of RAO UES or an affiliate of RAO UES.

3. We certify that:

#### EITHER

(a) We are, and at the time the Relevant Securities are distributed will be, the beneficial owner thereof, and (i) we are not a U.S. person (as defined in Regulation S under the Securities Act (*Regulation S*)), (ii) we are located outside the United States (as defined in Regulation S) and we were located outside of the United States at the time of receipt of the Information Statement and when exercising any voting rights in relation to the Spin-Offs described in the Information Statement and (iii) we acquired, or have agreed to acquire and will have acquired, the Relevant Securities outside the United States;

#### OR

(b) We are a broker-dealer acting on behalf of our customer, and our customer has confirmed to us that it is, and at the time the Relevant Securities are distributed will be, the beneficial owner thereof, and (i) it is not a U.S. person, (ii) it is located outside the United States and it was located outside of the United States at the time of receipt of the Information Statement and when exercising any voting rights in relation to the Spin-Offs described therein and (iii) it acquired, or has agreed to acquire and will have acquired, the Relevant Securities outside the United States.

4. We acknowledge and agree (or if we are acting for the account of another person, such person has confirmed to us that, as the beneficial owner of the Relevant Securities, it acknowledges and agrees) that we have not and will not (or it has not and will not) offer, sell, pledge or otherwise transfer such Relevant Securities to, or for the account or benefit of, any U.S. person for a period of 40 days from the date that the Relevant Securities are distributed to us.

5. We acknowledge that other than the Information Statement, we have not requested and have not received any additional information on the Subsidiaries and FGC UES and the Securities being distributed.

6. We have not provided or transferred this Instruction Letter to any person in the United States or to a U.S. person.

7. We will pay to DBTCA all applicable fees in relation to Relevant Securities and/or cash to be received by us, as set out in Appendix D hereto, due and payable immediately prior to delivery of the Relevant Securities.\*

8. We will pay to DBTCA or to third parties, as applicable, any related expenses, transfer, registration and re-registration fees associated with the delivery of Shares, as described in the Notices and Appendix D hereto.\*\*

9. We confirm that we have the knowledge and experience in, and are familiar with the risks associated with, investments in securities of companies that operate in the Russian Federation, such as the Subsidiaries and FGC UES.

10. We certify that we owned and held (or if we are acting for the account of another person, such person has confirmed to us that it beneficially owned and held) the ADRs as of the ADR Spin-off Record Date, and that we will own and hold (or if we are acting for the account of another person, such person has confirmed to us that it will beneficially own and hold) on the Local FGC UES Merger and Reorganization Effective Date (together with the ADR Spin-off Record Date, the *Relevant Dates*), as follows:

**A. Common ADRs held in book-entry form through the facilities of DTC:**

Undersigned Name: \_\_\_\_\_

DTC Participant Name and Number: \_\_\_\_\_

DTC Sub-Account Number (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Common ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

DTC option number selected (for the Spin-off Election): \_\_\_\_\_

PTOP reference number (for the FGC UES Merger Election): \_\_\_\_\_

or

**B. Preferred ADRs held in book-entry form through the facilities of DTC:**

Undersigned Name: \_\_\_\_\_

DTC Participant Name and Number: \_\_\_\_\_

DTC Sub-Account Number (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Preferred ADRs (CUSIP 904688405) held and to be held as of the Relevant Dates (June \_\_\_\_\_

\* Upon confirmation of acceptance of the certification, the certifying party will be instructed on how to deliver the funds and the amount to be paid, where applicable, prior to the delivery of the Relevant Securities.

\*\* Registration or re-registration fees, as applicable, will be based upon the rates of the local registrar or custodian, as applicable, and will need to be paid directly to the local registrar or custodian prior to delivery of Shares in the local market, and the certifying party will be instructed on how to deliver fees and the amounts to be paid, prior to the delivery of the Shares.

6, 2008 and July 1, 2008): \_\_\_\_\_

DTC option number selected (for the Spin-off Election): \_\_\_\_\_

PTOP reference number (for the FGC UES Merger Election): \_\_\_\_\_

**or**

**C. Common ADRs held in physical certificated (direct registered) form:**

Undersigned Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Common ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

**or**

**D. Preferred ADRs held in physical certificated (direct registered) form:**

Undersigned Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Preferred ADRs (CUSIP 904688405) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

11. We acknowledge that if we fail to provide the certifications set out in the paragraphs above by timely and validly submitting this Instruction Letter, or if we provide incomplete certifications (and DBTCA is unable to contact us to obtain our complete certifications), we will not receive any Shares or Regulation S GDRs and in such event we will receive the net cash proceeds from the sale of all of the Shares in the Subsidiaries or FGC UES, as the case may be, to which we would have been entitled as described in the Information Statement and the Notices. We acknowledge that there is only a limited market or no market for the Securities which may require DBTCA to sell the Securities at a discount to the prevailing market price in order to effect the sale of the Securities and no assurance can be given as to the amount of cash, if any, that we will receive from the net proceeds of such sales.

12. We acknowledge that certain of the Subsidiaries or FGC UES may not establish Regulation S GDR programs. Accordingly, although we may elect herein to receive Shares in the form of Regulation S GDRs of such Subsidiaries and/or FGC UES, there is no guarantee that we will receive Regulation S GDRs, but instead may receive the net cash proceeds from the sale of the Shares representing our Spin-off Entitlement in such Subsidiaries, and/or representing our FGC UES Merger Entitlement.

13. We acknowledge that at the time of making this election, Holding MRSK and RAO Energy System of East have not been formed and have not established Regulation S depositary receipt programs. We further acknowledge that the delivery of Shares or Shares in the form of Regulation S GDRs for these two entities may be significantly delayed and may occur in the third quarter of 2008 (for Shares) and in the first quarter of 2009 (for Regulation S GDRs) or may not occur at all. In the event these entities have not established Regulation S depositary programs by July 1, 2009, one year following the termination of the RAO UES ADR

program, we will receive the net proceeds from the sale of our Spin-off Entitlements in these entities. If these entities are not formed in the Spin-off, we may not receive the Spin-off Entitlements in these entities.

We acknowledge further that if Holding MRSK and RAO Energy System of East are formed, they may have ordinary and preferred shares and may establish ordinary and preferred Regulation S GDR programs; the Spin-off Entitlement available to us as holders of Common ADRs will not include preferred Shares or preferred Regulation S GDRs, and the Spin-off Entitlement available to us as holders of Preferred ADRs will not include common Shares or ordinary Regulation S GDRs.

Finally, we further acknowledge that it is currently not known how many shares of Holding MRSK and RAO Energy System of East would be represented by one depositary receipt of Holding MRSK and RAO Energy System of East, respectively, if any of these entities were to set up a depositary receipt program and, therefore, there can be no assurances that our entitlement to shares in these entities would represent more than a fraction of a depositary receipt and whether we would be entitled to receive any depositary receipts, if any issued, since no fractional depositary receipts will be issued.

14. We acknowledge that DBTCA has been advised that SGK TGK (**TGK-8**) does not currently intend to establish a Regulation S GDR program. We further acknowledge that, although we may elect to receive TGK-8 Shares in the form of cash, shares or Regulation S GDRs, if TGK-8 does not establish a Regulation S GDR program on a timely basis or at all, an election to receive Regulation S GDRs will be deemed an election to receive cash.

Finally, we acknowledge that DBTCA has been advised by TGK-8 that an investor (the **TGK-8 Offeror**) has initiated a mandatory tender offer within the meaning of Article 84.2 of the Russian Joint Stock Companies Law (the **TGK-8 MTO**), for all of the shares of TGK-8. The acceptance period for shareholders of TGK-8 expires on August 15, 2008. If a holder of RAO UES ADRs validly elects to receive TGK-8 Shares in the form of TGK-8 GDRs and if TGK-8 establishes a Regulation S GDR program then, under Russian law, DBTCA will be considered the shareholder of those TGK-8 Shares and the right to accept the TGK-8 MTO with respect to those Shares vests in DBTCA. There can be no assurance that a TGK-8 GDR holder will be able to deliver timely and effective instructions to require DBTCA to accept the TGK-8 MTO with respect to its underlying TGK-8 Shares. If a holder of RAO UES ADRs validly elects to receive TGK-8 Shares in the form of Shares, it will be entitled to accept the TGK-8 MTO with respect to those TGK-8 Shares if it receives title to those Shares and submits a TGK-8 MTO application to the TGK-8 Offeror in due course by August 15, 2008. However, there can be no assurance that it will receive those TGK-8 Shares in time to validly accept the MTO. If a holder of RAO UES ADRs elects or is otherwise subject to a cash out, there is no obligation on DBTCA to accept the TGK-8 MTO with respect to the relevant TGK-8 Shares. There can be no assurance that those TGK-8 Shares can or will be sold to the TGK-8 Offeror. DBTCA may not be able to obtain the MTO price per TGK-8 Share, and any price it obtains may be less than the TGK-8 MTO price. Further, if the TGK-8 Offeror acquires more than 90% of the TGK-8 Shares in the TGK-8 MTO, the TGK-8 Shares will be delisted from the Russian stock exchanges in which case the Regulation S GDR Program of TGK-8, if established, may be terminated.

15. We acknowledge that DBTCA has been advised by TGK-10 that an investor (the **TGK-10 Offeror**) has initiated a mandatory tender offer within the meaning of Article 84.2 of the Russian Joint Stock Companies Law (the **TGK-10 MTO**), for all of the shares of TGK-10. The acceptance period for shareholders of TGK-10 expires on July 18, 2008. If a holder of RAO UES ADRs validly elects to receive TGK-10 Shares in the form of TGK-10 GDRs, then under Russian law, DBTCA will be considered the shareholder of those TGK-10 Shares and the right to accept the TGK-10 MTO with respect to those shares vests in DBTCA. There can be no assurance that a TGK-10 GDR holder will be able to deliver timely and effective instructions to require DBTCA to accept the TGK-10 MTO with respect to its underlying TGK-10 Shares. If a holder of RAO UES ADRs validly elects to receive TGK-10 Shares in the form of shares, it will be entitled to accept the TGK-10 MTO with respect to those TGK-10 Shares if it receives title to those shares and submits TGK-10 MTO application to the TGK-10 Offeror in due course by July 18, 2008. However, there can be no assurance that it will receive those TGK-10 Shares in time to validly accept the TGK-10 MTO. If a holder of RAO UES ADRs elects or is otherwise subject to a cash out, there is no obligation on DBTCA to accept the TGK-10 MTO with respect to the relevant TGK-10 Shares. There can be no assurance that those TGK-10 Shares can or will be sold to the TGK-10 Offeror. DBTCA may not be able to obtain the TGK-10 MTO price per TGK-10 Share, and any price it obtains may be less than the TGK-10 MTO price. Further, if TGK-10 Offeror acquires more than 90% of TGK-10 Shares in the TGK-10 MTO, TGK-10 Shares will be delisted from the Russian stock exchanges in which case the Regulation S GDR program of TGK-10, if established by TGK-10, may be terminated.

16. We acknowledge that DBTCA has been advised by RAO UES that a Russian court issued an injunction order with respect to TGK-11 Shares which prohibits the full Spin-off with respect to TGK-11. If this injunction order remains in force as of July 1, 2008, the Spin-off Entitlement with respect to TGK-11 will be substituted with the entitlement to shares of TGK-11 Holding, a newly created company to be spun off from RAO UES which will receive the TGK-11 Shares held by RAO UES. If a holder of Common ADRs validly

elects to receive the TGK-11 Shares in the form of shares, he will be entitled to receive a number of ordinary shares in TGK-11 Holding based on the number of RAO UES ordinary shares represented by the Common ADRs of such holder. If a holder of Preferred ADRs validly elects to receive the TGK-11 Shares in the form of shares, he will be entitled to receive a number of preferred shares in TGK-11 Holding based on the number of RAO UES preferred shares represented by Preferred ADRs of such holder. If a holder of RAO UES ADRs elects to receive TGK-11 GDRs or cash or is otherwise subject to a cash out, he will be entitled to receive the net cash proceeds from the sale of the TGK-11 Holding shares to which such holder is entitled. As of the date hereof, TGK-11 Holding is not yet formed and there is no public market for or listing of the TGK-11 Holding shares. We acknowledge that taking TGK-11 Holding shares may require us to bear a relatively high degree of market risk for a relatively long period of time, and that a cash out may be difficult for DBTCA to effect on a timely basis or on commercially reasonable terms.

17. We acknowledge that there is no obligation on the part of either DBTCA or RAO UES (and its successors in interests) to provide any holder of RAO UES ADRs with access to any additional information, to update any information that is included in this Instruction Letter, provide any additional information or to correct any inaccuracies herein that may become apparent.

18. This Instruction Letter and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Instruction Letter (a **Claim**) shall be governed by and construed in accordance with the laws of the State of New York. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have non-exclusive jurisdiction over the adjudication of such matters, and the undersigned consents to the jurisdiction of such courts and personal service with respect thereto. The undersigned hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Instruction Letter is brought by any third party against DBTCA, RAO UES or any indemnified party. Each of DBTCA, RAO UES and the undersigned waives all right to trial by jury in any Claim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Instruction Letter. Each of DBTCA, RAO UES and the undersigned agrees that a final judgment in any such Claim brought in any such court shall be conclusive and binding upon DBTCA, RAO UES and the undersigned and may be enforced in any other courts to the jurisdiction of which DBTCA, RAO UES and the undersigned are or may be subject, by suit upon such judgment. The undersigned acknowledges and agrees that each of DBTCA, RAO UES and their respective counsel may rely on the certifications, acknowledgements and agreement made in this Instruction Letter.

19. This Instruction Letter shall be binding upon the undersigned and its successors and assigns and any successor or assign of any substantial portion of the undersigned's respective businesses and/or assets.

20. We agree to indemnify and hold harmless DBTCA, RAO UES, their affiliates, employees, directors and officers and each person, if any, who controls DBTCA or RAO UES within the meaning of Section 15 of the Securities Act or Section 20 of the Securities Exchange Act of 1934, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, (the foregoing, collectively, **Losses**) in connection with any matter in any way relating to or referred to in this Instruction Letter, and/or Losses arising out of the matters contemplated in this Instruction Letter, including, without limitation, the delivery of the Spin-off Entitlement and/or the FGC UES Merger Entitlement. The undersigned acknowledges and agrees that each of DBTCA, RAO UES and their respective counsel may rely on the certifications, acknowledgements and agreement made in this Instruction Letter.

Very truly yours,

[NAME OF CERTIFYING PERSON/ENTITY]

By: \_\_\_\_\_

Name:

Date:

## Appendix A-1

### Spin-off Entitlement

#### Conversion of Common ADRs into Shares or Regulation S GDRs

For each Common ADR (CUSIP 904688108) held on the Relevant Dates, the holder thereof will be entitled to receive the number of the Shares or Shares in the form of Regulation S GDRs in the Subsidiaries set out in the following table:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Shares or Regulation S GDRs that will be received for each Common ADR.*

Subsidiary	1 Common ADR equals the following number of Shares for each Subsidiary	1 Common ADR equals the following number of Regulation S GDRs for each Subsidiary*
OGK-1	96.202055	1.924041
OGK-2	50.080061	0.500800
WGC-3 (OGK – 3)	41.140974	0.822819
OGK-4	102.737787	2.054755
OGK-6	58.364847	0.583648
RusHydro	345.316833	3.453168
TGK-1	3,823.318578	0.764663
TGK-2	1,298.287898	0.129828
Mosenergo (TGK-3)	33.598400	0.671968
TGK-4	1,586.547929	0.317309
TGK-6	1,532.589943	0.306517
Volzhskaya TGK (TGK-7)	33.440680	0.334406
SGK TGK-8	1,726.247728	0.172624
TGK-9	6,733.472155	0.336673
TGK-10	0.886127	0.295375
TGK-11	618.636395	0.123727
Kuzbassenergo (TGK-12)	69.910424	0.139820
Eniseyskaya TGK (TGK-13)	172.327420	0.344654
TGK-14	971.362267	0.032378
Inter RAO UES (formerly Sochinskaya TPS)	4,186.434892	0.418643
Holding MRSK	100	GDR/share ratio not available as yet
RAO Energy System of East	100	GDR/share ratio not available as yet
Federal Grid Company of Unified Energy System (FGC UES)	1,010.560410	2.021120

\* The number of Regulation S GDRs is based on the GDR/share ratios available as of June 6, 2008. If any of such ratios is changed by the time of the distribution of Regulation S GDRs, the number of distributed Regulation S GDRs will be adjusted accordingly without any further notice.

## Appendix A-2

### Spin-off Entitlement

#### Conversion of Preferred ADRs into Shares or Regulation S GDRs

For each Preferred ADR (CUSIP 904688405) held on the Relevant Dates, the holder thereof will be entitled to receive the number of the Shares or the Shares in the form of Regulation S GDRs in the Subsidiaries set out in the following table:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Shares or Regulation S GDRs that will be received for each Preferred ADR.*

Subsidiary	<b>1 Preferred ADR equals the following number of Shares for each Subsidiary</b>	<b>1 Preferred ADR equals the following number of Regulation S GDRs for each Subsidiary*</b>
OGK-1	88.101842	1.762036
OGK-2	45.863320	0.458633
WGC-3 (OGK – 3)	37.676904	0.753538
OGK-4	94.087265	1.881745
OGK-6	53.450527	0.534505
RusHydro	316.241156	3.162411
TGK-1	3,501.395154	0.700279
TGK-2	1,188.972057	0.118897
Mosenergo (TGK-3)	30.769414	0.615388
TGK-4	1,452.960593	0.290592
TGK-6	1,403.545869	0.280709
Volzhskaya TGK (TGK-7)	30.624975	0.306249
SGK TGK-8	1,580.897669	0.158089
TGK-9	6,166.513799	0.308325
TGK-10	0.811515	0.270505
TGK-11	566.547211	0.113309
Kuzbassenergo (TGK-12)	64.023967	0.128047
Eniseyskaya TGK (TGK-13)	157.817451	0.315634
TGK-14	889.573564	0.029652
Inter RAO UES (formerly Sochinskaya TPS)	3,833.937074	0.383393
Holding MRSK (Preferred)	100	GDR/share ratio not available as yet
RAO Energy System of East (Preferred)	100	GDR/share ratio not available as yet
FGC UES	925.471223	1.850942

\* The number of Regulation S GDRs is based on the GDR/share ratios available as of June 6, 2008. If any of such ratios is changed by the time of the distribution of Regulation S GDRs, the number of distributed Regulation S GDRs will be adjusted accordingly without any further notice.

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Appendix A-3

FGC UES Merger Entitlement

Conversion of Common ADRs into FGC UES Regulation S GDRs

For each Common ADR (CUSIP 904688108) held on the Relevant Dates, the holder thereof will be entitled to receive the number of Shares or Shares in the form of Regulation S GDRs in FGC UES set out in the following table:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Shares or Regulation S GDRs that will be received for each Common ADR.*

<b>1 Common ADR equals the following number of Shares for the FGC UES Merger Entitlement</b>	<b>1 Common ADR equals the following number of Regulation S GDRs for the FGC UES Merger Entitlement</b>
<b>226.600952</b>	<b>0.453201</b>

Conversion of Preferred ADRs into FGC UES Regulation S GDRs

For each Preferred ADR (CUSIP 904688405) held on the Relevant Dates, the holder thereof will be entitled to receive the number of Shares or Shares in the form of Regulation S GDRs in FGC UES set out in the following table:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Shares or Regulation S GDRs that will be received for each Preferred ADR.*

<b>1 Preferred ADR equals the following number of Shares for the FGC UES Merger Entitlement</b>	<b>1 Preferred ADR equals the following number of Regulation S GDRs for the FGC UES Merger Entitlement</b>
<b>207.521151</b>	<b>0.415042</b>

**Appendix B-1**

**Spin-off Entitlement**

**Election Form for Common ADRs converted into Shares, Regulation S GDRs or cash in Subsidiaries**

By checking the applicable box below, we elect to receive our Spin-Off Entitlement in the form of Shares, Regulation S GDRs, or cash. **We acknowledge that no fractional Shares or fractional GDRs will be issued or distributed and we do not have the option to split our holdings to elect to receive Regulation S GDRs, Shares and/or cash in the same Subsidiary.**

Number of Common RAO UES ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

<b><i>Please check the applicable box to elect Shares, Regulation S GDRs or cash for each Subsidiary:</i></b>			
<b>Subsidiary</b>	<b>Shares</b>	<b>Regulation S GDRs</b>	<b>Cash</b>
OGK-1			
OGK-2			
WGC-3 (OGK – 3)			
OGK-4			
OGK-6			
RusHydro			
TGK-1			
TGK-2			
Mosenergo (TGK-3)			
TGK-4			
TGK-6			
Volzhskaya TGK (TGK-7)			
SGK TGK-8			
TGK-9			
TGK-10			
TGK-11			
Kuzbassenergo (TGK-12)			
Eniseyskaya TGK (TGK-13)			
TGK-14			
Inter RAO UES/Inter RAO UES (formerly Sochinskaya TPS)			
Holding MRSK			
RAO Energy System of East			
FGC UES			

**Appendix B-2**

**Spin-off Entitlement**

**Election Form for Preferred ADRs converted into Shares, Regulation S GDRs or cash in Subsidiaries**

By checking the applicable box below, we elect to receive our Spin-Off Entitlement in the form of Shares, Regulation S GDRs, or cash. **We acknowledge that no fractional Shares or fractional GDRs will be issued or distributed and we do not have the option to split our holdings to elect to receive Regulation S GDRs, Shares and/or cash in the same Subsidiary.**

Number of Preferred RAO UES ADRs (CUSIP 904688405) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

***Please check the applicable box to elect Shares, Regulation S GDRs or Cash for each Subsidiary:***

<b>Subsidiary</b>	<b>Shares</b>	<b>Regulation S GDRs</b>	<b>Cash</b>
OGK-1			
OGK-2			
WGC-3 (OGK -3)			
OGK-4			
OGK-6			
RusHydro			
TGK-1			
TGK-2			
Mosenergo (TGK-3)			
TGK-4			
TGK-6			
Volzhskaya TGK (TGK-7)			
SGK TGK-8			
TGK-9			
TGK-10			
TGK-11			
Kuzbassenergo (TGK-12)			
Eniseyskaya TGK (TGK-13)			
TGK-14			
Inter RAO UESInter RAO UES (formerly Sochinskaya TPS)			
Holding MRSK (Preferred)			
RAO Energy System of East (Preferred)			
FGC UES			

Appendix B-3

FGC UES Merger Entitlement

**Election Form for Common ADRs converted into Shares, Regulation S GDRs or cash in FGC UES**

By checking the applicable box below, we elect to receive our FGC UES Merger Entitlement in the form of Shares, Regulation S GDRs, or cash.

**We acknowledge that no fractional Shares or fractional GDRs will be issued or distributed and we do not have the option to split our holdings to elect to receive Regulation S GDRs, Shares and/or cash in FGC UES.**

Number of Common RAO UES ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

**Please check the applicable box to elect Shares, Regulation S GDRs or Cash for the FGC UES Merger Entitlement:**

	Shares	Regulation S GDRs	Cash
FGC UES Merger Entitlement			

Appendix B-4

FGC UES Merger Entitlement

**Election Form for Preferred ADRs converted into Shares, Regulation S GDRs or cash in FGC UES**

By checking the applicable box below, we elect to receive our FGC UES Merger Entitlement in the form of Shares, Regulation S GDRs, or cash.

**We acknowledge that no fractional Shares or fractional GDRs will be issued or distributed and we do not have the option to split our holdings to elect to receive Regulation S GDRs, Shares and/or cash in FGC UES.**

Number of Preferred RAO UES ADRs (CUSIP 904688405) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

**Please check the applicable box to elect Shares, Regulation S GDRs or Cash for the FGC UES Merger Entitlement:**

	Shares	Regulation S GDRs	Cash
FGC UES Merger Entitlement			

**NOT FOR DELIVERY INTO THE UNITED STATES**

**Appendix C**

**Delivery Instructions**

For purposes of delivering the Shares, please note the following information:

Name of Institution: \*\* \_\_\_\_\_

Your Account Number: \_\_\_\_\_

SWIFT Address: \*\*\* \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

For purposes of delivering Regulation S GDRs, please note the following information:

Account Name and Number at Euroclear or  
Clearstream: \*\*\*\* \_\_\_\_\_

Indicate if it is Euroclear or Clearstream: \_\_\_\_\_

Any other Account Information: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

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\*\* If you wish to hold Shares through a nominee custodian, write its name and the number of its account in the Subsidiary and/or FGC UES share register. If you wish to hold Shares in your own account on the Subsidiary share register, write "Registrar".

\*\*\* If you wish to hold Shares through a nominee custodian, provide its SWIFT address. If you wish to hold Shares in your own account, write "N/A".

\*\*\*\* Please note that only book-entry delivery of GDRs will be executed in Euroclear and/or Clearstream (no DTC delivery will be executed).

## Appendix D

### Fees

Set out below are certain of the fees payable to DBTCA in respect of the GDR program to be established for each Subsidiary and/or FGC UES, as applicable, in connection with:

- 1) The delivery of Shares by DBTCA to RAO UES ADR holders who are entitled to receive Shares rather than Regulation S GDRs or net cash proceeds and who provide the required certification forms and delivery instructions regarding their Russian securities account for the delivery of the Shares (***Fees for Delivery of Shares in Russia***). Please note that in addition to the Fees for Delivery of Shares in Russia, transfer and re-registration fees will apply, based upon the prevailing rates of the local registrar or custodian, as applicable. These fees will need to be paid directly to the local registrar or custodian prior to the time of delivery of Shares in the local market.
- 2) The delivery of net cash proceeds by DBTCA from the sale of the Shares to those RAO UES ADR holders who elected cash or do not timely provide an election, certification, payment and delivery instructions, or who are unable to provide the required certification (***Fees for Cash-out***); and
- 3) The issuance of Regulation S GDRs (***Issuance Fees***). Issuance Fees may be payable to either The Bank of New York or DBTCA, as the depository bank for the relevant GDR program.\*

Please note that in addition to the fees set out below, DBTCA will charge each RAO UES ADR holder a five cent cancellation fee for each RAO UES ADR cancelled in the termination of the RAO UES ADR program, as a result of the Merger.

#### Fees payable to DBTCA in respect of each Subsidiary

Subsidiary	Depository	Fees for Delivery of Shares in Russia	Fees for Cash- out	Issuance Fees
		<i>(Fee stated per Subsidiary or FGC UES GDR)</i>	<i>(Fee stated per RAO UES ADR)</i>	
OGK-1	The Bank of New York	5 cents	2 cents	*
OGK-2	DBTCA	5 cents	2 cents	*
WGC-3 (OGK – 3)	The Bank of New York	5 cents	2 cents	*
OGK-4	The Bank of New York	5 cents	2 cents	*
OGK-6	DBTCA	5 cents	2 cents	*
RusHydro	The Bank of New York	5 cents	2 cents	*
TGK-1	The Bank of New York	5 cents	2 cents	*
TGK-2	DBTCA	5 cents	2 cents	*
Mosenergo (TGK-3)	The Bank of New York	5 cents	2 cents	*
TGK-4	The Bank of New York	5 cents	2 cents	*
TGK-6	The Bank of New York	5 cents	2 cents	*
Volzhskaya TGK (TGK-7)	The Bank of New York	5 cents	2 cents	*
SGK TGK-8	DBTCA	5 cents	2 cents	*
TGK-9	The Bank of New York	5 cents	2 cents	*
TGK-10	DBTCA	5 cents	2 cents.	*
TGK-11	DBTCA	5 cents	2 cents	*

Kuzbassenergo (TGK-12)	The Bank of New York	5 cents	2 cents	*
Eniseyskaya TGK (TGK-13)	The Bank of New York	5 cents	2 cents	*
TGK-14	The Bank of New York	5 cents	2 cents	*
Inter RAO UES Inter RAO UES (formerly Sochinskaya TPS)	The Bank of New York	5 cents	2 cents	*
Holding MRSK	To be confirmed	5 cents	2 cents	*
Holding MRSK (Preferred)	To be confirmed	5 cents	2 cents	*
RAO Energy System of East	To be confirmed	5 cents	2 cents	*
RAO Energy System of East (Preferred)	To be confirmed	5 cents	2 cents	*
FGC UES	DBTCA	5 cents	2 cents	*

**NOT FOR DELIVERY INTO THE UNITED STATES**

**Appendix E**

**Security Codes**

<b>Subsidiary</b>	<b>Local Share ISIN</b>	<b>Regulation S GDR - CUSIP</b>	<b>Regulation S GDR - ISIN</b>	<b>Regulation S GDR - Common Code</b>
OGK-1	RU000A0JNPM1	67086K200	US67086K2006	36591048
OGK-2	RU000A0JNG55	670848209	US6708482095	031527996
WGC-3 (OGK – 3)	RU000A0HMML6	67086N204	US67086N2045	36591404
OGK-4	RU000A0JNGA5	35112W209	US35112W2098	36591480
OGK-6	RU000A0JNG63	670847201	US6708472013	031939623
RusHydro	RU000A0JPKH7	44880R202	US44880R2022	36609338
TGK-1	RU000A0JNUD0	88145T206	US88145T2069	34685711
TGK-2	RU000A0JNGS7	88145R101	US88145R1014	033016352
Mosenergo (TGK-3)	RU0008958863	61954Q209	US61954Q2093	36595051
TGK-4	RU000A0JNMZ0	88145C203	US88145C2035	36605669
TGK-6	RU000A0JNG06	88145N209	US88145N2099	36094311
Volzhskaya TGK (TGK-7)	RU000A0HML36	88145A207	US88145A2078	33952902
SGK TGK-8	RU000A0JNG48	83789Q204	US83789Q2049	036168153
TGK-9	RU000A0JNAC4	88145B205	US88145B2051	36090804
TGK-10	RU000A0F61T7	87243G207	US87243G2075	036268336
TGK-11	RU000A0JPGX2	87243H205	US87243H2058	036268352
Kuzbassenergo (TGK-12)	RU0009045652	501333207	US5013332078	36607475
Eniseyskaya TGK (TGK-13)	RU000A0F6SZ9	985818202	US9858182028	36603267
TGK-14	RU000A0H1ES3	872414206	US8724142067	036274964
Inter RAO UES (formerly Sochinskaya TPS)	RU000A0JPNM1	833608201	US8336082016	36608463
Holding MRSK				
Holding MRSK (Preferred)				
RAO Energy System of East				
RAO Energy System of East (Preferred)				
FGC UES	RU000A0JPNN9	313354201	US3133542015	036273577

NOT FOR DELIVERY INTO THE UNITED STATES OR TO U.S. PERSONS EXCEPT  
PERSONS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE  
MEANING OF RULE 144A OF THE U.S. SECURITIES ACT OF 1933

**Rule 144A – Election and Certification Form and Delivery Instructions with respect to the distribution by  
RAO UES of the shares of certain of its subsidiaries (the *Subsidiaries*) to holders of ADRs representing  
common shares (*Common Shares*) (CUSIP 904688108) or Class A preferred shares (*Preferred Shares*)  
(CUSIP 904688405) of RAO UES**

*The deadline for returning this form is 5 pm EDT on Monday, July 7, 2008*

Issue: RAO UES Common (Sponsored) - OTC Symbol: UESRY  
CUSIP 904688108

RAO UES Class A Preferred (Sponsored) - OTC Symbol: UESPY  
CUSIP 904688405

Country: Russia

Common Share Ratio: 100 Common Shares: 1 American Depositary Share  
Preferred Share Ratio: 100 Preferred Shares: 1 American Depositary Share

ADR Spin-off Record Date  
(the *ADR Spin-off  
Record Date*): June 6, 2008

FGC UES Merger  
Effective Date for ADRs  
(the *ADR FGC UES Merger  
Effective Date*): June 6, 2008

FGC UES Merger Effective  
Date in the Russian  
Federation (the *Local FGC UES  
Merger and  
Reorganization  
Effective Date*): July 1, 2008

Certification and  
Election Deadline  
(the *ADR Election  
Cut-off Date*): July 7, 2008 (5PM EDT)

Date: June 10, 2008

Deutsche Bank Trust Company Americas  
60 Wall Street  
New York, New York 10005

Fax: +1 212 797 0327  
Attn: ADR Department (Beverly George)

Dear Sirs,

We refer to the information statement, dated September 21, 2007, (as supplemented by a letter, dated May 20, 2008, addressed to certain holders of ADRs (as defined below) of RAO Unified Energy System of Russia (*RAO UES*), the *Information Statement* which can be found at the following address: [http://www.rao-ees.ru/ru/investor/sobran/material/material261007/showsp\\_ru.cgi](http://www.rao-ees.ru/ru/investor/sobran/material/material261007/showsp_ru.cgi)) received by us from RAO UES in connection with the spin-off (the *Spin-off*) by RAO UES of the remaining equity interests in certain of

the Subsidiaries and the subsequent merger (the *Merger*) of RAO UES into the Federal Grid Company of the Unified Energy System (*FGC UES*) at the October 26, 2007 extraordinary general meeting of RAO UES, and to the related notices (the *Notices*) from Deutsche Bank Trust Company Americas (*DBTCA*) and RAO UES, respectively. On October 26, 2007, the RAO UES shareholders approved the Spin-off and the Merger. Upon the Merger, FGC UES will be the surviving entity, and the Common and Preferred Shares of RAO UES will be exchanged for ordinary shares of FGC UES. The Information Statement described certain options available to eligible holders of American depository receipts evidencing American depository shares representing common shares, CUSIP 904688108 (*Common ADRs*) or Class A preferred shares, CUSIP 904688405 (*Preferred ADRs*) and together with the Common ADRs, the *ADRs*) of RAO UES in connection with the Spin-Offs and Merger. Terms without definition herein shall have the meanings assigned thereto in the Information Statement.

We acknowledge that, as described in the Information Statement and the Notices, in order to receive (i) our share of ordinary and, in limited cases, preferred shares of the Subsidiaries (the *Shares*) in the form of Rule 144A Global Depository Receipts (the *Rule 144A GDRs*) (such share, the *Spin-off Entitlement*) in the Spin-Offs, and (ii) our share of ordinary shares of FGC UES in the form of Rule 144A GDRs as a result of the merger of RAO UES and FGC UES (the *FGC UES Merger Entitlement*) in the Merger, we must properly complete and timely submit this election and certification letter (the *Instruction Letter*) along with valid delivery instructions to DBTCA at the facsimile number above, and to the attention of the recipient, as set forth above, by the ADR Election Cut-off Date.

We acknowledge that, if we hold RAO UES ADRs in book-entry form through The Depository Trust Company (DTC), in order to receive our Spin-off Entitlement and the FGC UES Merger Entitlement, we must, in addition to submitting this Instruction Letter by facsimile:

- make an electronic election to receive the Spin-off Entitlement through DTC's EDS system in accordance with DTC's standard procedures by the ADR Election Cut-off Date (the *Spin-off Election*); and
- make an electronic election to receive the FGC UES Merger Entitlement through DTC's PTOP system in accordance with DTC's standard procedures, also by the ADR Election Cut-off Date (the *FGC UES Merger Election*).

We acknowledge that, if we hold RAO UES ADRs in physical certificated form, in order to receive our Spin-off Entitlement and the FGC UES Merger Entitlement, we must submit this Instruction Letter by facsimile, with no additional requirement to make electronic elections through DTC.

The Shares and the Rule 144A GDRs may be referred to herein collectively as the *Securities*. The security codes (the CUSIPs, ISINs and Common Codes) for the Securities may be found on the attached Appendix E.

#### **CALCULATION OF RULE 144A GDRS**

We have reviewed the ratios set out in the Information Statement that will be used to calculate our Spin-off Entitlement and FGC UES Merger Entitlement, respectively, and as set out in the attached Appendices A-1, A-2, and A-3. We acknowledge that, in connection with each of our Spin-off Election and our FGC UES Merger Election, in the event we hold RAO UES ADRs in book-entry form through DTC, DTC will automatically and independently calculate our Spin-off Entitlement and FGC UES Merger Entitlement based upon these ratios. We further acknowledge that the ratios provided to us may have been rounded and therefore represent only an approximate number of Rule 144A GDRs that will be received for each ADR, and that in case of a discrepancy, DTC's calculation will prevail.

#### **ELECTION**

We have made the elections on Appendices B-1 and B-2 to receive our Spin-off Entitlement, and on Appendices B-3 and B-4 to receive our FGC UES Merger Entitlement. If we hold ADRs of RAO UES in book-entry form through DTC, we have also completed our Spin-off Election for the receipt of our Spin-off Entitlement, and our FGC UES Merger Election for the receipt of our FGC UES Merger Entitlement.

We acknowledge that if we do not: (i) timely and validly submit this Instruction Letter via facsimile, and (ii) in the event we hold ADRs in book-entry form through DTC, timely and validly complete our Spin-off Election and FGC UES Merger Election, we will not receive any Rule 144A GDRs and in such event we will receive the net cash proceeds from the sale of all of the Shares in the Subsidiaries or FGC UES, as the case may be, to which we would have been entitled as described in the Information Statement and the Notices.

#### **DELIVERY INSTRUCTIONS**

We have completed the delivery instructions on Appendix C hereto. We acknowledge that if we provide instructions which are incomplete or insufficient to permit delivery (and DBTCA is unable to contact us to obtain correct delivery instructions), we will not receive any Rule 144A GDRs and in such event we will

receive the net cash proceeds from the sale of all of the Shares in the Subsidiaries or FGC UES, as the case may be, to which we would have been entitled as described in the Information Statement and the Notices.

We acknowledge that no fractional Rule 144A GDRs will be issued and that we do not have the option to split our holdings to receive a combination of Rule 144A GDRs and cash in the same Subsidiary or FGC UES.

## FORM OF HOLDING

By checking the applicable box, we confirm our form of holding:

- We are holding ADRs in book-entry form through the facilities of DTC and hereby confirm we have, in accordance with election procedures established by DBTCA with DTC, confirmed the election choices set forth herein by completing the Spin-off Election with respect to our Spin-off Entitlement, and by completing the FGC UES Merger Election with respect to the FGC UES Merger Entitlement.
- We are holding ADRs in physical certificated form.

## CERTIFICATIONS

1. We acknowledge (or if we are acting for the account of another person, such person has confirmed to us that it acknowledges) that the Securities have not been and will not be registered under the Securities Act of 1933, as amended (the *Securities Act*), or with any securities regulatory authority in any state or other jurisdiction of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and of the securities laws of any state or other jurisdiction of the United States.

2. We certify that we are not RAO UES or an affiliate (as such term is defined in Rule 501(b) under the Securities Act) of RAO UES and that, if we are acting on behalf of another person, such person has confirmed to us that it is not RAO UES or an affiliate of RAO UES and that it is not acting on behalf of RAO UES or an affiliate of RAO UES.

3. We certify that:

### EITHER

(a) We are a qualified institutional buyer (as defined in Rule 144A under the Securities Act (*Rule 144A*)) that was not formed for the purpose of the Spin-offs or the Merger, and at the time the Securities are distributed we (or one or more qualified institutional buyers for whose account(s) we are acting) will be the beneficial owner thereof and are aware that the distribution of Securities is being made in reliance on the exemption provided by Section 4(2) of the Securities Act from the registration requirement of the Securities Act;

### OR

(b) We are a broker-dealer acting on behalf of our customer, and our customer has confirmed to us that it is a qualified institutional buyer and that at the time the Securities are distributed it (or one or more qualified institutional buyers for whose account(s) it is acting) will be the beneficial owner thereof and are aware that the distribution of Securities is being made in reliance on the exemption provided by Section 4(2) of the Securities Act from the negotiation requirement of the Securities Act.

4. We acknowledge and agree (or if we are acting for the account of another person, such person has confirmed to us that, as the beneficial owner of the Securities, it acknowledges and agrees) that we have not and will not (or it has not and will not) offer, sell, pledge or otherwise transfer such Securities except (a) to a person whom we reasonably believe (or it and anyone acting on its behalf reasonably believes) is a qualified institutional buyer (as defined in Rule 144A) purchasing for its own account or for the account of another qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (b) outside the United States in accordance with Regulation S under the Securities Act, or (c) in accordance with Rule 144 under the Securities Act (if available), or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States.

5. We acknowledge that other than the Information Statement, we have not requested and have not received any additional information on the Subsidiaries and FGC UES and the Securities being distributed.

6. We have not provided or transferred this Instruction Letter to any person in the United States or to a U.S. person except to persons we reasonably believe are qualified institutional buyers (as defined in Rule 144A).

7. We confirm we have (or, if we are acting for the account of another person, such person has confirmed to us it has) such knowledge and experience in financial and business matters that we and such person are capable of evaluating the merits and risks of an investment in the Securities; and the we and such person able to bear the economic risk of a complete loss of the Investor's investment in the Securities. We are not (or, if we are acting for the account of another person, such person has confirmed to us it is not) receiving the Securities with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the Securities Act) that would be in violation of the securities laws of the United States or any state thereof.

8. We will pay to DBTCA all applicable fees in relation to Shares in the form of Rule 144A GDRs and/or cash to be received by us, as set out in Appendix D hereto, due and payable immediately prior to delivery of the same.\*

9. We confirm that we have the knowledge and experience in, and are familiar with the risks associated with, investments in securities of companies that operate in the Russian Federation, such as the Subsidiaries and FGC UES.

10. We certify that we owned and held (or if we are acting for the account of another person, such person has confirmed to us that it beneficially owned and held) the ADRs as of the ADR Spin-off Record Date, and that we will beneficially own and hold (or if we are acting for the account of another person, such person has confirmed to us that it will beneficially own and hold) on the Local FGC UES Merger and Reorganization Effective Date (together with the ADR Spin-off Record Date, the *Relevant Dates*), as follows:

**A. Common ADRs held in book-entry form through the facilities of DTC:**

Undersigned Name: \_\_\_\_\_

DTC Participant Name and Number: \_\_\_\_\_

DTC Sub-Account Number (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Common ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

DTC option number selected (for the Spin-off Election): \_\_\_\_\_

PTOP reference number (for the FGC UES Merger Election): \_\_\_\_\_

**or**

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\* Upon confirmation of acceptance of the certification, the certifying party will be instructed on how to deliver the funds and the amount to be paid, where applicable, prior to the delivery of the Rule 144A GDRs.

**B. Preferred ADRs held in book-entry form through the facilities of DTC:**

Undersigned Name: \_\_\_\_\_

DTC Participant Name and Number: \_\_\_\_\_

DTC Sub-Account Number (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Preferred ADRs (CUSIP 904688405)  
held and to be held as of the Relevant Dates (June  
6, 2008 and July 1, 2008): \_\_\_\_\_

DTC option number selected (for the Spin-off  
Election): \_\_\_\_\_

PTOP reference number (for the FGC UES  
Merger Election): \_\_\_\_\_

**or**

**C. Common ADRs held in physical certificated (direct registered) form:**

Undersigned Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Common ADRs (CUSIP 904688108)  
held and to be held as of the Relevant Dates (June  
6, 2008 and July 1, 2008): \_\_\_\_\_

**or**

**D. Preferred ADRs held in physical certificated (direct registered) form:**

Undersigned Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Number of Preferred ADRs (CUSIP 904688405)  
held and to be held as of the Relevant Dates (June  
6, 2008 and July 1, 2008): \_\_\_\_\_

11. We acknowledge that if we fail to provide the certifications set out in the paragraphs above by timely and validly submitting this Instruction Letter, or if we provide incomplete certifications (and DBTCA is unable to contact us to obtain our complete certifications), we will not receive any Rule 144A GDRs and in such event we will receive the net cash proceeds from the sale of all of the Shares in the Subsidiaries or FGC UES, as the case may be, to which we would have been entitled as described in the Information Statement and the Notices. We acknowledge that there is only a limited market or no market for the Securities which may require DBTCA to sell the Securities at a discount to the prevailing market price in order to effect the sale of the

Securities and no assurance can be given as to the amount of cash, if any, that we will receive from the net proceeds of such sales.

12. We acknowledge that certain of the Subsidiaries or FGC UES may not establish Rule 144A GDR programs. Accordingly, although we may elect herein to receive Shares in the form of Rule 144A GDRs of such Subsidiaries and/or FGC UES, there is no guarantee that we will receive Rule 144A GDRs, but instead may receive the net cash proceeds from the sale of the Shares representing our Spin-off Entitlement in such Subsidiaries, and/or representing our FGC UES Merger Entitlement.

13. We acknowledge that at the time of making this election, Holding MRSK and RAO Energy System of East have not been formed and have not established Rule 144A depositary receipt programs. We further acknowledge that the delivery of Shares or Shares in the form of Rule 144A GDRs for these two entities may be significantly delayed and may occur in the third quarter of 2008 (for Shares) and in the first quarter of 2009 (for Rule 144A GDRs) or may not occur at all. In the event these entities have not established Rule 144A depositary programs by July 1, 2009, one year following the termination of the RAO UES ADR program, we will receive the net proceeds from the sale of our Spin-off Entitlements in these entities. If these entities are not formed in the Spin-off, we may not receive the Spin-off Entitlements in these entities.

We acknowledge further that if Holding MRSK and RAO Energy System of East are formed, they may have ordinary and preferred shares and may establish ordinary and preferred Rule 144A GDR programs; the Spin-off Entitlement available to us as holders of Common ADRs will not include preferred Shares or preferred Rule 144A GDRs, and the Spin-off Entitlement available to us as holders of Preferred ADRs will not include common Shares or ordinary Rule 144A GDRs.

Finally, we further acknowledge that it is currently not known how many shares of Holding MRSK and RAO Energy System of East would be represented by one depositary receipt of Holding MRSK and RAO Energy System of East, respectively, if any of these entities were to set up a depositary receipt program and, therefore, there can be no assurances that our entitlement to shares in these entities would represent more than a fraction of a depositary receipt and whether we would be entitled to receive any depositary receipts, if any issued, since no fractional depositary receipts will be issued.

14. We acknowledge that DBTCA has been advised that SGK TGK (**TGK-8**) does not currently intend to establish a Rule 144A GDR program. We further acknowledge that, although we may elect to receive TGK-8 Shares in the form of cash or Rule 144A GDRs, if TGK-8 does not establish a Rule 144A GDR program on a timely basis or at all, an election to receive Rule 144A GDRs will be deemed an election to receive cash.

Finally, we acknowledge that DBTCA has been advised by TGK-8 that an investor (the **TGK-8 Offeror**) has initiated a mandatory tender offer within the meaning of Article 84.2 of the Russian Joint Stock Companies Law (the **TGK-8 MTO**), for all of the shares of TGK-8. The acceptance period for shareholders of TGK-8 expires on August 15, 2008. If a holder of RAO UES ADRs validly elects to receive TGK-8 Shares in the form of TGK-8 GDRs and if TGK-8 establishes a Rule 144A GDR program then, under Russian law, DBTCA will be considered the shareholder of those TGK-8 Shares and the right to accept the TGK-8 MTO with respect to those Shares vests in DBTCA. There can be no assurance that a TGK-8 GDR holder will be able to deliver timely and effective instructions to require DBTCA to accept the TGK-8 MTO with respect to its underlying TGK-8 Shares. If a holder of RAO UES ADRs elects or is otherwise subject to a cash out, there is no obligation on DBTCA to accept the TGK-8 MTO with respect to the relevant TGK-8 Shares. There can be no assurance that those TGK-8 Shares can or will be sold to the TGK-8 Offeror. DBTCA may not be able to obtain the MTO price per TGK-8 Share, and any price it obtains may be less than the TGK-8 MTO price. Further, if the TGK-8 Offeror acquires more than 90% of the TGK-8 Shares in the TGK-8 MTO, the TGK-8 Shares will be delisted from the Russian stock exchanges in which case the Rule 144A GDR Program of TGK-8, if established, may be terminated.

15. We acknowledge that DBTCA has been advised by TGK-10 that an investor (the **TGK-10 Offeror**) has initiated a mandatory tender offer within the meaning of Article 84.2 of the Russian Joint Stock Companies Law (the **TGK-10 MTO**), for all of the shares of TGK-10. The acceptance period for shareholders of TGK-10 expires on July 18, 2008. If a holder of RAO UES ADRs validly elects to receive TGK-10 Shares in the form of TGK-10 GDRs, then under Russian law, DBTCA will be considered the shareholder of those TGK-10 Shares and the right to accept the TGK-10 MTO with respect to those Shares vests in DBTCA. There can be no assurance that a TGK-10 GDR holder will be able to deliver timely and effective instructions to require DBTCA to accept the TGK-10 MTO with respect to its underlying TGK-10 Shares. If a holder of RAO UES ADRs elects or is otherwise subject to a cash out, there is no obligation on DBTCA to accept the TGK-10 MTO with respect to the relevant TGK-10 Shares. There can be no assurance that those TGK-10 Shares can or will be sold to the TGK-10 Offeror. DBTCA may not be able to obtain the TGK-10 MTO price per TGK-10 Share, and any price it obtains may be less than the TGK-10 MTO price. Further, if TGK-10 Offeror acquires more than 90% of TGK-10 Shares in the TGK-10 MTO, TGK-10 Shares will be delisted from the Russian stock exchanges in which case the Rule 144A GDR program of TGK-10, if established by TGK-10, may be terminated.

16. We acknowledge that DBTCA has been advised by RAO UES that a Russian court issued an injunction order with respect to TGK-11 Shares which prohibits the full Spin-off with respect to TGK-11. If this injunction order remains in force as of July 1, 2008, the Spin-off Entitlement with respect to TGK-11 will be substituted with the entitlement to shares of TGK-11 Holding, a newly created company to be spun off from RAO UES which will receive the TGK-11 Shares held by RAO UES. If a holder of Common ADRs validly elects to receive the TGK-11 Shares in the form of shares, he will be entitled to receive a number of ordinary shares in TGK-11 Holding based on the number of RAO UES ordinary shares represented by the Common ADRs of such holder. If a holder of Preferred ADRs validly elects to receive the TGK-11 Shares in the form of shares, he will be entitled to receive a number of preferred shares in TGK-11 Holding based on the number of RAO UES preferred shares represented by Preferred ADRs of such holder. If a holder of RAO UES ADRs elects to receive TGK-11 GDRs or cash or is otherwise subject to a cash out, he will be entitled to receive the net cash proceeds from the sale of the TGK-11 Holding shares to which such holder is entitled. As of the date hereof, TGK-11 Holding is not yet formed and there is no public market for or listing of the TGK-11 Holding shares. We acknowledge that taking TGK-11 Holding shares may require us to bear a relatively high degree of market risk for a relatively long period of time, and that a cash out may be difficult for DBTCA to effect on a timely basis or on commercially reasonable terms.

17. We acknowledge that there is no obligation on the part of either DBTCA or RAO UES (and its successors in interests) to provide any holder of RAO UES ADRs with access to any additional information, to update any information that is included in this Instruction Letter, provide any additional information or to correct any inaccuracies herein that may become apparent.

18. This Instruction Letter and any claim, counterclaim or dispute of any kind or nature whatsoever arising out of or in any way relating to this Instruction Letter (a *Claim*) shall be governed by and construed in accordance with the laws of the State of New York. Except as set forth below, no Claim may be commenced, prosecuted or continued in any court other than the courts of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York, which courts shall have non-exclusive jurisdiction over the adjudication of such matters, and the undersigned consents to the jurisdiction of such courts and personal service with respect thereto. The undersigned hereby consents to personal jurisdiction, service and venue in any court in which any Claim arising out of or in any way relating to this Instruction Letter is brought by any third party against DBTCA, RAO UES or any indemnified party. Each of DBTCA, RAO UES and the undersigned waives all right to trial by jury in any Claim (whether based upon contract, tort or otherwise) in any way arising out of or relating to this Instruction Letter. Each of DBTCA, RAO UES and the undersigned agrees that a final judgment in any such Claim brought in any such court shall be conclusive and binding upon DBTCA, RAO UES and the undersigned and may be enforced in any other courts to the jurisdiction of which DBTCA, RAO UES and the undersigned are or may be subject, by suit upon such judgment. The undersigned acknowledges and agrees that each of DBTCA, RAO UES and their respective counsel may rely on the certifications, acknowledgements and agreement made in this Instruction Letter.

19. This Instruction Letter shall be binding upon the undersigned and its successors and assigns and any successor or assign of any substantial portion of the undersigned's respective businesses and/or assets.

20. We agree to indemnify and hold harmless DBTCA, RAO UES, their affiliates, employees, directors and officers and each person, if any, who controls DBTCA or RAO UES within the meaning of Section 15 of the Securities Act or Section 20 of the Securities Exchange Act of 1934, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, (the foregoing, collectively, *Losses*) in connection with any matter in any way relating to or referred to in this Instruction Letter, and/or Losses arising out of the matters contemplated in this Instruction Letter, including, without limitation, the delivery of the Spin-off Entitlement and/or the FGC UES Merger Entitlement. The undersigned acknowledges and agrees that each of DBTCA, RAO UES and their respective counsel may rely on the certifications, acknowledgements and agreement made in this Instruction Letter.

Very truly yours,

[NAME OF CERTIFYING PERSON/ENTITY]

By: \_\_\_\_\_

Name:

Date:

## Appendix A-1

### Conversion of Common ADRs into Rule 144A GDRs

For each Common ADR (CUSIP 904688108) held on the Relevant Dates, the holder thereof will be entitled to receive the number of Shares set out in the following table in the form of Rule 144A GDRs in the Subsidiaries:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Rule 144A GDRs that will be received for each Common ADR.*

Subsidiary	1 Common ADR equals the following number of Shares for each Subsidiary	1 Common ADR equals the following number of Rule 144A GDRs for each Subsidiary*
OGK-1	96.202055	1.924041
OGK-2	50.080061	0.500800
WGC-3	41.140974	0.822819
OGK-4	102.737787	2.054755
OGK-6	58.364847	0.583648
RusHydro	345.316833	3.453168
TGK-1	3,823.318578	0.764663
TGK-2	1,298.287898	0.129828
Mosenergo (TGK-3)	33.598400	0.671968
TGK-4	1,586.547929	0.317309
TGK-6	1,532.589943	0.306517
Volzhskaya TGK (TGK-7)	33.440680	0.334406
SGK TGK-8	1,726.247728	0.172624
TGK-9	6,733.472155	0.336673
TGK-10	0.886127	0.295375
TGK-11	618.636395	0.123727
Kuzbassenergo (TGK-12)	69.910424	0.139820
Eniseyskaya TGK (TGK-13)	172.327420	0.344654
TGK-14	971.362267	0.032378
Inter RAO UES (formerly Sochinskaya TPS)	4,186.434892	0.418643
Holding MRSK	100	GDR/share ratio not available as yet
RAO Energy System of East	100	GDR/share ratio not available as yet
Federal Grid Company of Unified Energy System (FGC UES)	1,010.560410	2.021120

\* The number of Rule 144A GDRs is based on the GDR/share ratios available as of June 6, 2008. If any of such ratios is changed by the time of the distribution of Rule 144A GDRs, the number of distributed Rule 144A GDRs will be adjusted accordingly without any further notice.

## Appendix A-2

### Conversion of Preferred ADRs into Rule 144A GDRs

For each Preferred ADR (CUSIP 904688405) held on the Relevant Dates, the holder thereof will be entitled to receive the number of Shares set out in the following table in the form of Rule 144A GDRs in the Subsidiaries:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Rule 144A GDRs that will be received for each Preferred ADR.*

Subsidiary	1 Preferred ADR equals the following number of Shares for each Subsidiary	1 Preferred ADR equals the following number of Rule 144A GDRs for each Subsidiary*
OGK-1	88.101842	1.762036
OGK-2	45.863320	0.458633
WGC-3	37.676904	0.753538
OGK-4	94.087265	1.881745
OGK-6	53.450527	0.534505
RusHydro	316.241156	3.162411
TGK-1	3,501.395154	0.700279
TGK-2	1,188.972057	0.118897
Mosenergo (TGK-3)	30.769414	0.615388
TGK-4	1,452.960593	0.290592
TGK-6	1,403.545869	0.280709
Volzhskaya TGK (TGK-7)	30.624975	0.306249
SGK TGK-8	1,580.897669	0.158089
TGK-9	6,166.513799	0.308325
TGK-10	0.811515	0.270505
TGK-11	566.547211	0.113309
Kuzbassenergo (TGK-12)	64.023967	0.128047
Eniseyskaya TGK (TGK-13)	157.817451	0.315634
TGK-14	889.573564	0.029652
Inter RAO UES (formerly Sochinskaya TPS)	3,833.937074	0.383393
Holding MRSK (Preferred)	100	GDR/share ratio not available as yet
RAO Energy System of East (Preferred)	100	GDR/share ratio not available as yet
FGC UES	925.471223	1.850942

\* The number of Rule 144A GDRs is based on the GDR/share ratios available as of June 6, 2008. If any of such ratios is changed by the time of the distribution of Rule 144A GDRs, the number of distributed Rule 144A GDRs will be adjusted accordingly without any further notice.

### Appendix A-3

#### Conversion of Common ADRs into FGC UES Rule 144A GDRs (the FGC UES Merger Entitlement)

For each Common ADR (CUSIP 904688108) held on the Relevant Dates, the holder thereof will be entitled to receive the number of Shares set out in the following table in the form of Rule 144A GDRs in FGC UES:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Rule 144A GDRs that will be received for each Common ADR.*

<b>1 Common ADR equals the following number of Shares for the FGC UES Merger Entitlement</b>	<b>1 Common ADR equals the following number of Rule 144A GDRs for the FGC UES Merger Entitlement</b>
<b>226.600952</b>	<b>0.453201</b>

#### Conversion of Preferred ADRs into FGC UES Rule 144A GDRs (the FGC UES Merger Entitlement)

For each Preferred ADR (CUSIP 904688405) held on the Relevant Dates, the holder thereof will be entitled to receive the number of Shares set out in the following table in the form of Rule 144A GDRs in FGC UES:

*Please note that the ratios set forth below have been rounded and therefore represent only an approximate number of Rule 144A GDRs that will be received for each Preferred ADR.*

<b>1 Preferred ADR equals the following number of Shares for the FGC UES Merger Entitlement</b>	<b>1 Preferred ADR equals the following number of Rule 144A GDRs for the FGC UES Merger Entitlement</b>
<b>207.521151</b>	<b>0.415042</b>

**Appendix B-1**

**Election Form for Common ADRs converted into Rule 144A GDRs or cash in Subsidiaries**

By checking the applicable box below, we elect to receive our Spin-Off Entitlement in the form of Rule 144A GDRs or cash.

Number of Common RAO UES ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

<i><b>Please check the applicable box to elect Rule 144A GDRs or cash for each Subsidiary:</b></i>		
<b>Subsidiary</b>	<b>Rule 144A GDRs</b>	<b>Cash</b>
OGK-1		
OGK-2		
WGC-3		
OGK-4		
OGK-6		
RusHydro		
TGK-1		
TGK-2		
Mosenergo (TGK-3)		
TGK-4		
TGK-6		
Volzhskaya TGK (TGK-7)		
SGK TGK-8		
TGK-9		
TGK-10		
TGK-11		
Kuzbassenergo (TGK-12)		
Eniseyskaya TGK (TGK-13)		
TGK-14		
Inter RAO UES (formerly Sochinskaya TPS)		
Holding MRSK		
RAO Energy System of East		
Federal Grid Company of Unified Energy System (FGC UES)		

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**Appendix B-2**

**Election Form for Preferred ADRs converted into Rule 144A GDRs or cash in Subsidiaries**

By checking the, we elect to receive our Spin-Off Entitlement in the form of Rule 144A GDRs or cash.

Number of Preferred RAO UES ADRs (CUSIP 904688405) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

<b>Please check the applicable box to elect Rule 144A GDRs or cash for each Subsidiary:</b>		
<b>Subsidiary</b>	<b>Rule 144A GDRs</b>	<b>Cash</b>
OGK-1		
OGK-2		
WGC-3		
OGK-4		
OGK-6		
RusHydro		
TGK-1		
TGK-2		
Mosenergo (TGK-3)		
TGK-4		
TGK-6		
Volzhskaya TGK (TGK-7)		
SGK TGK-8		
TGK-9		
TGK-10		
TGK-11		
Kuzbassenergo (TGK-12)		
Eniseyskaya TGK (TGK-13)		
TGK-14		
Inter RAO UES (formerly Sochinskaya TPS)		
Holding MRSK		
RAO Energy System of East		
Federal Grid Company of Unified Energy System (FGC UES)		

**Appendix B-3**

**Election Form for Common ADRs converted into Rule 144A GDRs or cash in FGC UES**

By checking the applicable box below, we elect to receive our FGC UES Merger Entitlement in the form of Rule 144A GDRs or cash.

Number of Common RAO UES ADRs (CUSIP 904688108) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

<b><i>Please check the applicable box to elect Rule 144A GDRs or Cash for the FGC UES Merger Entitlement:</i></b>		
	Rule 144A GDRs	Cash
FGC UES Merger Entitlement		

**Appendix B-4**

**Election Form for Preferred ADRs converted into Rule 144A GDRs or cash in FGC UES**

By checking the applicable box below, we elect to receive our FGC UES Merger Entitlement in the form of Rule 144A GDRs or cash.

Number of Preferred RAO UES ADRs (CUSIP 904688405) held and to be held as of the Relevant Dates (June 6, 2008 and July 1, 2008): \_\_\_\_\_

<b><i>Please check the applicable box to elect Rule 144A GDRs or Cash for the FGC UES Merger Entitlement:</i></b>		
	Rule 144A GDRs	Cash
FGC UES Merger Entitlement		

**Appendix C**

**Delivery Instructions**

For purposes of delivering the Rule 144A GDRs, please note the following information:

Undersigned Name: \_\_\_\_\_

DTC Participant Name and Number: \_\_\_\_\_

DTC Sub-Account Number (if applicable): \_\_\_\_\_

Phone Number: \_\_\_\_\_

Contact Person: \_\_\_\_\_

DTC option number selected: \_\_\_\_\_

DTC PTO reference number: \_\_\_\_\_

## Appendix D

### Fees

Set out below are certain of the fees payable to DBTCA in respect of the GDR program to be established for each Subsidiary and/or FGC UES, as applicable, in connection with:

- 1) The delivery of net cash proceeds by DBTCA from the sale of the Shares to those RAO UES ADR holders who elected cash or do not timely provide an election, certification, payment and delivery instructions, or who are unable to provide the required certification (***Fees for Cash-out***); and
- 2) The issuance of Rule 144A GDRs (***Issuance Fees***). Issuance Fees may be payable to either The Bank of New York or DBTCA, as the depositary bank for the relevant GDR program.\*

<b>Fees payable to DBTCA in respect of each Subsidiary</b>			
<b>Subsidiary</b>	<b>Depositary</b>	<b>Fees for Cash-out</b> <i>(Fee stated per RAO UES ADR)</i>	<b>Issuance Fees</b>
OGK-1	The Bank of New York	2 cents	*
OGK-2	DBTCA	2 cents	*
WGC-3	The Bank of New York	2 cents	*
OGK-4	The Bank of New York	2 cents	*
OGK-6	DBTCA	2 cents	*
RusHydro	The Bank of New York	2 cents	*
TGK-1	The Bank of New York	2 cents	*
TGK-2	DBTCA	2 cents	*
Mosenergo (TGK-3)	The Bank of New York	2 cents	*
TGK-4	The Bank of New York	2 cents	*
TGK-6	The Bank of New York	2 cents	*
Volzhskaya TGK (TGK-7)	The Bank of New York	2 cents	*
SGK TGK-8	DBTCA	2 cents	*
TGK-9	The Bank of New York	2 cents	*
TGK-10	DBTCA	2 cents.	*
TGK-11	DBTCA	2 cents	*
Kuzbassenergo (TGK-12)	The Bank of New York	2 cents	*
Eniseyskaya TGK (TGK-13)	The Bank of New York	2 cents	*
TGK-14	The Bank of New York	2 cents	*
Inter RAO UES (formerly Sochinskaya TPS)	The Bank of New York	2 cents	*
Holding MRSK	To be confirmed	2 cents	*
Holding MRSK (Preferred)	To be confirmed	2 cents	*
RAO Energy System of East	To be confirmed	2 cents	*
RAO Energy System of East (Preferred)	To be confirmed	2 cents	*
FGC UES	DBTCA	2 cents	*

## Appendix E

### Security Codes

<b>Subsidiary</b>	<b>Local Share ISIN</b>	<b>Rule 144A GDR - CUSIP</b>	<b>Rule 144A GDR - ISIN</b>	<b>Rule 144A GDR - Common Code</b>
OGK-1	RU000A0JNPM1	67086K101	US67086K1016	
OGK-2	RU000A0JNG55	670848100	US6708481006	031526655
WGC-3	RU000A0HMML6	67086N105	US67086N1054	
OGK-4	RU000A0JNGA5	35112W100	US35112W1009	
OGK-6	RU000A0JNG63	670847102	US6708471023	031939097
RusHydro	RU000A0JPKH7	44880R103	US44880R1032	
TGK-1	RU000A0JNUD0	88145T107	US88145T1079	
TGK-2	RU000A0JNGS7	88145R200	US88145R2004	036268379
Mosenergo (TGK-3)	RU0008958863	61954Q100	US61954Q1004	
TGK-4	RU000A0JNMZ0	88145C104	US88145C1045	
TGK-6	RU000A0JNG06	88145N100	US88145N1000	
Volzhskaya TGK (TGK-7)	RU000A0HML36	88145A108	US88145A1088	
SGK TGK-8	RU000A0JNG48	83789Q105	US83789Q1058	036168145
TGK-9	RU000A0JNAC4	88145B106	US88145B1061	
TGK-10	RU000A0F61T7	87243G108	US87243G1085	036268328
TGK-11	RU000A0JPGX2	87243H106	US87243H1068	036268344
Kuzbassenergo (TGK-12)	RU0009045652	501333108	US5013331088	
Eniseyskaya TGK (TGK-13)	RU000A0F6SZ9	985818103	US9858181038	
TGK-14	RU000A0H1ES3	872414107	US8724141077	036274972
Inter RAO UES (formerly Sochinskaya TPS)	RU000A0JPNM1	833608102	US8336081026	
Holding MRSK				
Holding MRSK (Preferred)				
RAO Energy System of East				
RAO Energy System of East (Preferred)				
FGC UES	RU000A0JPNN9	313354102	US3133541025	036273372