



IDGC OF CENTRE

“INTERREGIONAL DISTRIBUTION GRID COMPANY OF CENTRE”, PUBLIC JOINT-STOCK COMPANY

2nd Yamskaya, 4, Moscow, Russia, 127018,
Tel: Contact Centre +7(495) 747 92 92, Fax: +7 (495) 747 92 95
Power Engineers' Direct Line: 8 800 50 50 115, Trust Line: 8 800 100 9000
e-mail: posta@mrsk-1.ru; http://www.mrsk-1.ru
PSRN 1046900099498 TIN 6901067107

MINUTES

of meeting of the Board of Directors of IDGC of Centre, PJSC
(in the form of absent voting)

«29» October 2015

Moscow

No. 22/15

Form of the meeting: **absent voting.**

Total number of members of the Board of Directors: **11 people.**

Participants of the voting: **A.M. Branis, T.P. Dronova, O.Y. Isaev, D.A. Malkov, Y.N. Mangarov, Y.N. Pankstyanov, M.M. Saukh, R.A. Filkin, A.N. Kharin, A.V. Shevchuk, N.I. Erpsher.**

Members who did not provide questionnaires: **none.**

The quorum is **present.**

Absence of objections concerning the materials and draft resolutions from V.G. Korolev, the observer of the Federal Antimonopoly Service of the Russian Federation, was taken into account at drawing up of the minutes.

Date of the minutes: **30.10.2015.**

AGENDA:

1. On approval of reports of General Director of the Company «On execution of the summary on the RAS principles and consolidated on the IFRS principles Business Plans of the Group of IDGC of Centre, PJSC in 1H 2015»¹.
2. On consideration of the report of General Director of the Company «On approval of the adjusted Investment program of IDGC of Centre, PJSC for 2015 and the period of 2016-2020 with the authorized bodies of executive power of the Russian Federation».
3. On approval of agreements for operational maintenance of electric grid equipment, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and JSC «YarEGC», which is a related party transaction.
4. On approval of an agreement to perform work on the expansion (creation) of a metering system of the electricity retail market with remote data collection, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and IT Energy, which is a related party transaction.
5. On approval of nomination of the Insurer of IDGC of Centre, PJSC.
6. On approval of the agreement on the organization and conduct of procurement procedures for the supply of power transformers of 35-220 kV for the needs of the Customer, concluded between IDGC of Centre, PJSC and NIIC MRSK, which is a related party transaction.

Item 1: On approval of reports of General Director of the Company «On execution of the summary on the RAS principles and consolidated on the IFRS principles Business Plans of the Group of IDGC of Centre, PJSC in 1H 2015».

¹ In accordance with subparagraph 9.1 of the Regulation on the Board of Directors of IDGC of Centre, PJSC with the consent of all the members of the Board of Directors of the Company item # 1 was considered in the form of absentee voting (by poll).

Decision:

1. To approve the report «On execution of the summary on the RAS principles Business Plan of the Group of Companies of IDGC of Centre, PJSC for 2Q and 1H 2015» in accordance with Appendix # 1 to this decision of the Board of Directors of the Company.
2. To approve the report «On execution of the consolidated on the IFRS principles Business Plan of the Group of Companies of IDGC of Centre, PJSC in 1H 2015» in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.

Voting results:

- | | |
|------------------------------------|---------------|
| 1. Alexander Markovich Branis | - «ABSTAINED» |
| 2. Tatiana Petrovna Dronova | - «FOR» |
| 3. Oleg Yuryevich Isaev | - «FOR» |
| 4. Denis Alexandrovich Malkov | - «FOR» |
| 5. Yury Nikolayevich Mangarov | - «FOR» |
| 6. Yury Nikolayevich Pankstyanov | - «FOR» |
| 7. Maxim Mikhailovich Saukh | - «FOR» |
| 8. Roman Alexeyevich Filkin | - «ABSTAINED» |
| 9. Andrey Nikolayevich Kharin | - «FOR» |
| 10. Alexander Viktorovich Shevchuk | - «ABSTAINED» |
| 11. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «8»
«AGAINST»	- «0»
«ABSTAINED»	- «3»

Decision is taken.

Item 2: On consideration of the report of General Director of the Company «On approval of the adjusted Investment program of IDGC of Centre, PJSC for 2015 and the period of 2016-2020 with the authorized bodies of executive power of the Russian Federation».

Decision:

1. To take into consideration the report of General Director of the Company «On approval of the adjusted Investment program of IDGC of Centre, PJSC for 2015 and the period of 2016-2020 with the authorized bodies of executive power of the Russian Federation» in accordance with Appendix # 3 to this decision of the Board of Directors of the Company.
2. To instruct General Director of the Company to ensure consideration of the report «On approval of the Investment Program of the Company for the period of 2016-2020» at the Board of Directors of the Company until 1 December 2015.

Voting results:

- | | |
|------------------------------------|---------------|
| 1. Alexander Markovich Branis | - «AGAINST» |
| 2. Tatiana Petrovna Dronova | - «FOR» |
| 3. Oleg Yuryevich Isaev | - «FOR» |
| 4. Denis Alexandrovich Malkov | - «FOR» |
| 5. Yury Nikolayevich Mangarov | - «FOR» |
| 6. Yury Nikolayevich Pankstyanov | - «FOR» |
| 7. Maxim Mikhailovich Saukh | - «FOR» |
| 8. Roman Alexeyevich Filkin | - «AGAINST» |
| 9. Andrey Nikolayevich Kharin | - «FOR» |
| 10. Alexander Viktorovich Shevchuk | - «ABSTAINED» |
| 11. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «8»
«AGAINST»	- «2»

Decision is taken.

Item 3: On approval of agreements for operational maintenance of electric grid equipment, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and JSC «YarEGC», which is a related party transaction.

Decision:

1. To determine that the price of the agreement for operational maintenance of electric grid equipment between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and JSC «YarEGC» (hereinafter - the Agreement, Appendix # 4 to this decision), which is a related party transaction, is based on the cost of the services agreed upon by the parties in the Request for the provision of services for maintenance of electric grid equipment (hereinafter - the Requests) in accordance with the list and the cost of the maintenance (Appendix # 5 to this decision) and may not constitute 2 or more percent of the book value of the Company's assets according to its financial statements as of the last reporting date.

2. To approve the Agreement, which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

Customer – JSC «YarEGC»

Contractor – IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division).

Scope and Price of the Agreement:

Contractor for the period of validity of the Agreement shall assume obligations on the agreed with Contractor Requests of Customer (the Request form - Appendix # 6 to this decision) to provide maintenance services for power grid equipment in accordance with Appendix # 7 to this decision (Memo for the consumer-owner of the existing electrical installations up to 220 kV).

The list and the cost of the maintenance of the electric grid equipment, provided by Contractor under the Agreement, are listed in Appendix # 5 to this decision.

The maintenance of the electric grid equipment for each Request is provided in the manner and within the time frame agreed by the parties in the Requests.

Duration of the Agreement:

The Agreement shall enter into force upon its signing and is valid for 12 months.

If 15 days before the expiry of the Agreement, neither party notifies the other party to terminate it, the effect of the Agreement each time will be extended for the same period on the same conditions.

Other provisions recognized as essential by the Parties:

Customer is responsible for the improper performance or failure to perform its obligations under the Agreement, including for ensuring the safe condition of electrical installations and equipment, safe workplace for personnel of Contractor in providing all kinds of services in electrical installations. Thus, in case of Contractor's personnel injury (damage) in the provision of services as a result of non-fulfillment or improper fulfillment by Customer of its obligations under the Agreement, the latter is obliged to reimburse it in full.

For violation of terms of payment of work referred to in Section 3 of the Agreement, Customer shall pay the forfeit of 0.1% (zero point one percent) of the amount of the Agreement for each day of delay. Payment of the penalty does not relieve Customer from fulfilling the contractual obligations.

Voting results:

O.Y. Isaev, a member of the Board of Directors of IDGC of Centre, PJSC, did not take part in the voting on this item as recognized as a dependent director in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

- | | | |
|-----|---------------------------------------|---------------|
| 1. | Alexander Markovich Branis | - «AGAINST» |
| 2. | Tatiana Petrovna Dronova | - «FOR» |
| 3. | Denis Alexandrovich Malkov | - «FOR» |
| 4. | Yury Nikolayevich Mangarov | - «FOR» |
| 5. | Yury Nikolayevich Pankstyanov | - «FOR» |
| 6. | Maxim Mikhailovich Saukh | - «FOR» |
| 7. | Roman Alexeyevich Filkin | - «AGAINST» |
| 8. | Andrey Nikolayevich Kharin | - «FOR» |
| 9. | Alexander Viktorovich Shevchuk | - «ABSTAINED» |
| 10. | Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «7»
«AGAINST»	- «2»
«ABSTAINED»	- «1»

Decision is taken.

Item 4: On approval of an agreement to perform work on the expansion (creation) of a metering system of the electricity retail market with remote data collection, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and IT Energy, which is a related party transaction.

Decision:

1. To determine, in accordance with the Summary Table of cost of work and services (Appendix # 2 to the Agreement) the cost to perform work on the expansion (creation) of a metering system of the electricity retail market with remote data collection, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and IT Energy, which is a related party transaction, in the amount of 3 193 506,58 (Three million one hundred ninety-three thousand five hundred and six) rubles 58 kopecks, including 18% VAT - 487 145,07 (Four hundred eighty-seven thousand one hundred forty-five) rubles 07 kopecks, which consists of:

- the cost of design and survey work in the amount of 343 833,63 (Three hundred forty-three thousand eight hundred thirty-three) rubles 63 kopecks, plus VAT 18% 52 449,20 (Fifty two thousand four hundred forty-nine) rubles 20 kopecks;
- the cost of installation and commissioning of equipment in the amount of 2 849 672,95 (Two million eight hundred forty-nine thousand six hundred seventy-two) rubles 95 kopecks, plus VAT 18% 434 695,87 (Four hundred thirty-four thousand six hundred ninety-five) rubles 87 kopecks.

2. To approve the agreement to perform work on the expansion (creation) of a metering system of the electricity retail market with remote data collection, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and IT Energy (hereinafter – the Agreement, Appendix # 8 to the decision of the Board of Directors), which is a related party transaction, on the following essential conditions:

Scope of the Agreement:

Contractor undertakes to perform the work as instructed by Customer to expand and create the electric energy metering system of the retail market with remote data collection of IDGC of Centre - Yarenergo division with own or attracted forces and means within the timeframe established by the Agreement, using own materials and equipment.

The work includes the design and procurement and delivery by Contractor of equipment and installation materials, construction and installation, commissioning according to the requirements of the Terms of Reference (Appendix # 1 to the Agreement), and the design and estimate documentation developed by Contractor as a result of pre-survey and

coordinated in the established order with Customer.

Contractor shall deliver the result to Customer, and Customer undertakes to accept and pay for the work in the manner prescribed by the Agreement.

Parties of the Agreement:

«Customer» – IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division); «Contractor» – IT Energy.

Price of the Agreement:

The price of the Agreement is determined in accordance with the Summary Table of cost of work and services (Appendix # 2 to the Agreement) and is 3 193 506,58 (Three million one hundred ninety-three thousand five hundred and six) rubles 58 kopecks, including 18% VAT - 487 145,07 (Four hundred eighty-seven thousand one hundred forty-five) rubles 07 kopecks, which consists of:

- the cost of design and survey work in the amount of 343 833,63 (Three hundred forty-three thousand eight hundred thirty-three) rubles 63 kopecks, plus VAT 18% 52 449,20 (Fifty two thousand four hundred forty-nine) rubles 20 kopecks;
- the cost of installation and commissioning of equipment in the amount of 2 849 672,95 (Two million eight hundred forty-nine thousand six hundred seventy-two) rubles 95 kopecks, plus VAT 18% 434 695,87 (Four hundred thirty-four thousand six hundred ninety-five) rubles 87 kopecks.

Turnaround time:

Start of the work performance: from the moment of signing the agreement.

Completion of the work: 9 weeks from the date of signing the Agreement, but not later than 30.12.2015.

The turnaround time, scope and content, as well as the amount of equipment to be installed in each phase are detailed in the Schedule of financing (Appendix # 3 to the Agreement), and the Calendar plan (Appendix # 4 to the Agreement), the Weekly work schedule, as well as the coordinated design and estimate documentation.

Duration of the Agreement: The Agreement shall enter into force on the day of its signature and is valid until the Parties fulfill their obligations in full.

Other essential conditions:

Performance of the work and preparation by Contractor of the facility for putting it into operation is carried out according to the Schedule of work with activities specified in it and the terms of supplies, work and services associated the work and services. Completion of the work performance is according to the Schedule – 9 weeks from the date of signing the Agreement, but not later than 30.12.2015.

Voting results:

O.Y. Isaev, a member of the Board of Directors of IDGC of Centre, PJSC, did not take part in the voting on this item as recognized as a dependent director in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

- | | |
|-----------------------------------|---------------|
| 1. Alexander Markovich Branis | - «AGAINST» |
| 2. Tatiana Petrovna Dronova | - «ABSTAINED» |
| 3. Denis Alexandrovich Malkov | - «FOR» |
| 4. Yury Nikolayevich Mangarov | - «FOR» |
| 5. Yury Nikolayevich Pankstyanov | - «FOR» |
| 6. Maxim Mikhailovich Saukh | - «FOR» |
| 7. Roman Alexeyevich Filkin | - «AGAINST» |
| 8. Andrey Nikolayevich Kharin | - «FOR» |
| 9. Alexander Viktorovich Shevchuk | - «ABSTAINED» |
| 10. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «6»
«AGAINST»	- «2»
«ABSTAINED»	- «2»

Decision is taken.

Item 5: On approval of nomination of the Insurer of IDGC of Centre, PJSC.**Decision:**

To approve the following nomination as the Company's Insurer:

Type of insurance	Insurance company	Period of insurance (period of issue of policies)
Motor Third-Party Liability (MTPL)	AlfaStrakhovanie	29.10.2015-31.12.2015

Voting results:

- | | |
|------------------------------------|-------------|
| 1. Alexander Markovich Branis | - «AGAINST» |
| 2. Tatiana Petrovna Dronova | - «FOR» |
| 3. Oleg Yuryevich Isaev | - «FOR» |
| 4. Denis Alexandrovich Malkov | - «FOR» |
| 5. Yury Nikolayevich Mangarov | - «FOR» |
| 6. Yury Nikolayevich Pankstyanov | - «FOR» |
| 7. Maxim Mikhailovich Saukh | - «FOR» |
| 8. Roman Alexeyevich Filkin | - «AGAINST» |
| 9. Andrey Nikolayevich Kharin | - «FOR» |
| 10. Alexander Viktorovich Shevchuk | - «FOR» |
| 11. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «9»
«AGAINST»	- «2»
«ABSTAINED»	- «0»

Decision is taken.

Item 6: On approval of the agreement on the organization and conduct of procurement procedures for the supply of power transformers of 35-220 kV for the needs of the Customer, concluded between IDGC of Centre, PJSC and NIIC MRSK, which is a related party transaction.**Decision:**

1. To determine that the cost of providing services to conduct one procurement procedure under the agreement on the organization and conduct of procurement procedures for the supply of power transformers of 35-220 kV for the needs of the Customer (hereinafter - the Agreement, Appendix # 9 to this decision), concluded between IDGC of Centre, PJSC and NIIC MRSK, which is a related party transaction, is determined in accordance with Appendix # 6 to the Agreement.

To determine that the total cost of services provided under the Agreement may not constitute 2 or more percent of the book value of the Company's assets according to its financial statements as of the last reporting date, preceding the date of the transaction.

2. To approve the Agreement, concluded between the Company and NIIC MRSK, which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

Customer - IDGC of Centre, PJSC

Contractor - NIIC MRSK.

Scope of the Agreement:

Customer instructs, and Contractor undertakes on his own behalf, but at the expense of Customer to organize procurement procedures for the supply of power transformers of 35-220 kV for the needs of Customer.

Actions, related to the procurement procedures in the execution of the Agreement, are carried out by Contractor on the basis of instructions of Customer.

Price of the Agreement:

The cost of the provision of services by Contractor to organize and conduct one procurement procedure is determined in accordance with Appendix # 6 to the Agreement.

Duration of the Agreement:

The Agreement shall enter into force on the date of its signing and shall be valid for 36 (Thirty six) months. If 30 (thirty) days before the expiry of the Agreement, neither of the Parties declares its intention to renew the Agreement or to conclude a new agreement with other essential conditions, the Agreement is automatically extended for the same period.

Customer shall have the right at any time to refuse performance of the Agreement, notifying Contractor, not later than 10 (ten) days before the expected date of termination of the Agreement, without incurring penalties and having paid for services actually rendered by Contractor.

Voting results:

O.Y. Isaev, a member of the Board of Directors of IDGC of Centre, PJSC, did not take part in the voting on this item as recognized as a dependent director in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

- | | |
|-----------------------------------|-------------|
| 1. Alexander Markovich Branis | - «AGAINST» |
| 2. Tatiana Petrovna Dronova | - «AGAINST» |
| 3. Denis Alexandrovich Malkov | - «FOR» |
| 4. Yury Nikolayevich Mangarov | - «FOR» |
| 5. Yury Nikolayevich Pankstyanov | - «FOR» |
| 6. Maxim Mikhailovich Saukh | - «FOR» |
| 7. Roman Alexeyevich Filkin | - «AGAINST» |
| 8. Andrey Nikolayevich Kharin | - «AGAINST» |
| 9. Alexander Viktorovich Shevchuk | - «AGAINST» |
| 10. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «5»
«AGAINST»	- «5»
«ABSTAINED»	- «0»

Decision is not taken.**Appendices:**

1. The report «On execution of the summary on the RAS principles Business Plan of the Group of Companies of IDGC of Centre, PJSC for 2Q and 1H 2015» (Appendix # 1).
2. The report of General Director of the Company «On execution of the consolidated on the IFRS principles Business Plan of the Group of Companies of IDGC of Centre, PJSC in 1H 2015» (Appendix # 2).
3. The report of General Director of the Company «On approval of the adjusted Investment program of IDGC of Centre, PJSC for 2015 and the period of 2016-2020 with the authorized bodies of executive power of the Russian Federation» (Appendix # 3).
4. The agreement for operational maintenance of electric grid equipment between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and JSC «YarEGC» (Appendix # 4).
5. The list and the cost of the maintenance of electric grid equipment (Appendix # 5).
6. The Request to provide maintenance services for power grid equipment (Appendix # 6).
7. The Memo for the consumer-owner of the existing electrical installations up to 220 kV

(Appendix # 7).

8. The agreement to perform work on the expansion (creation) of a metering system of the electricity retail market with remote data collection, concluded between IDGC of Centre, PJSC (IDGC of Centre - Yarenergo division) and IT Energy (Appendix # 8).

**Chairperson of the Board of Directors
of IDGC of Centre, PJSC**

Y.N. Mangarov

**Corporate Secretary
of IDGC of Centre, PJSC**

S.V. Lapinskaya