



IDGC OF CENTRE

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

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PSRN 1046900099498 TIN 6901067107

MINUTES

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

«27» November 2014

Moscow

No. 26/14

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

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

Participants of the voting: **A.M. Branis, D.V. Kulikov, O.Y. Isaev, M.V. Lazareva, Y.N. Mangarov, M.M. Saukh, P.N. Snikkars, V.V. Sofyin, R.A. Filkin, O.V. Shatokhina, N.I. Erpsheer.**

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: **28.11.2014.**

AGENDA:

1. On consideration of the report of General Director of the Company «On provision of insurance coverage in 3Q 2014».
2. On amendment of the Strategy of the Company in the area of information technology, automation and telecommunications for the period up to 2016 in terms of updating the roadmap.
3. On approval of an internal document of the Company: The staffing and social policy of IDGC of Centre.
4. On the prior approval of an amendment to the Collective Agreement of IDGC of Centre for 2013-2015.
5. On approval of an internal document of the Company: System project of communications networks of IDGC of Centre.
6. On approval of a non-residential facility lease agreement between IDGC of Centre and SO UES, which is a related party transaction.
7. On approval of the immovable property sale and purchase agreement, concluded between IDGC of Centre and FGC UES, which is a related party transaction.
8. On approval of the agreement to perform scientific and research and development work, concluded between IDGC of Centre (IDGC of Centre - Belgorodenergo division) and Federal State Budget Institution of Higher Education «National Research University «MPEI», which is a related party transaction.
9. On approval of the agreement to perform scientific and research work, concluded between IDGC of Centre and NTC POWER, which is a related party transaction.

Item 1: On consideration of the report of General Director of the Company «On provision of insurance coverage in 3Q 2014».

Decision:

To take into consideration the report of General Director of the Company «On provision of insurance coverage in 3Q 2014» in accordance with Appendix # 1 to this decision of the Board of Directors of the Company.

Voting results:

- | | |
|-----------------------------------|---------------|
| 1. Alexander Markovich Branis | - «FOR» |
| 2. Oleg Yuryevich Isaev | - «FOR» |
| 3. Denis Viktorovich Kulikov | - «FOR» |
| 4. Maria Valeryevna Lazareva | - «FOR» |
| 5. Yury Nikolayevich Mangarov | - «FOR» |
| 6. Maxim Mikhailovich Saukh | - «FOR» |
| 7. Vladimir Vladimirovich Sofyin | - «FOR» |
| 8. Pavel Nikolayevich Snikkars | - «ABSTAINED» |
| 9. Roman Alexeyevich Filkin | - «FOR» |
| 10. Oxana Vladimirovna Shatokhina | - «FOR» |
| 11. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «10»
«AGAINST»	- «0»
«ABSTAINED»	- «1»

Decision is taken.

Item 2: On amendment of the Strategy of the Company in the area of information technology, automation and telecommunications for the period up to 2016 in terms of updating the roadmap.

Decision:

1. To approve amendments to the Strategy of the Company in the area of information technology, automation and telecommunications for the period up to 2016 in terms of updating the roadmap in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.

2. To instruct General Director of the Company:

2.1 To ensure implementation of the road map of the Strategy of the Company in the area of information technology, automation and telecommunications for the period up to 2016 in accordance with paragraph 1 of this decision, taking into account the approved parameters of the Company's Business Plan and Investment Program for the relevant period;

2.2 With the implementation of projects included in the roadmap, to be guided by the principles of import substitution;

2.3 To ensure submission to the Company's Board of Directors of the item «On the development of telecommunication systems of the Company», which contains information about the involvement of third-party investors into construction of fiber optic communication lines (FOCL) at electric grid facilities.

Deadline: Quarter 1, 2015.

Voting results:

- | | |
|----------------------------------|---------------|
| 1. Alexander Markovich Branis | - «ABSTAINED» |
| 2. Oleg Yuryevich Isaev | - «FOR» |
| 3. Denis Viktorovich Kulikov | - «ABSTAINED» |
| 4. Maria Valeryevna Lazareva | - «FOR» |
| 5. Yury Nikolayevich Mangarov | - «FOR» |
| 6. Maxim Mikhailovich Saukh | - «FOR» |
| 7. Vladimir Vladimirovich Sofyin | - «FOR» |
| 8. Pavel Nikolayevich Snikkars | - «ABSTAINED» |
| 9. Roman Alexeyevich Filkin | - «ABSTAINED» |

10. **Oxana Vladimirovna Shatokhina** - «FOR»
 11. **Natalia Ilyinichna Erpsheer** - «FOR»

Total:

«FOR»	- «7»
«AGAINST»	- «0»
«ABSTAINED»	- «4»

Decision is taken.

Item 3: On approval of an internal document of the Company: The staffing and social policy of IDGC of Centre.

Decision:

To approve the Staffing and Social Policy of IDGC of Centre in accordance with Appendix # 3 to this decision of the Board of Directors of the Company.

Voting results:

1. **Alexander Markovich Branis** - «ABSTAINED»
 2. **Oleg Yuryevich Isaev** - «FOR»
 3. **Denis Viktorovich Kulikov** - «FOR»
 4. **Maria Valeryevna Lazareva** - «FOR»
 5. **Yury Nikolayevich Mangarov** - «FOR»
 6. **Maxim Mikhailovich Saukh** - «FOR»
 7. **Vladimir Vladimirovich Sofyin** - «FOR»
 8. **Pavel Nikolayevich Snikkars** - «FOR»
 9. **Roman Alexeyevich Filkin** - «ABSTAINED»
 10. **Oxana Vladimirovna Shatokhina** - «FOR»
 11. **Natalia Ilyinichna Erpsheer** - «FOR»

Total:

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

Decision is taken.

Item 4: On the prior approval of an amendment to the Collective Agreement of IDGC of Centre for 2013-2015.

Decision:

To approve the amendment to the Collective Agreement of IDGC of Centre for 2013-2015 in accordance with Appendix # 4 to this decision of the Board of Directors of the Company.

Voting results:

1. **Alexander Markovich Branis** - «AGAINST»
 2. **Oleg Yuryevich Isaev** - «FOR»
 3. **Denis Viktorovich Kulikov** - «ABSTAINED»
 4. **Maria Valeryevna Lazareva** - «FOR»
 5. **Yury Nikolayevich Mangarov** - «FOR»
 6. **Maxim Mikhailovich Saukh** - «FOR»
 7. **Vladimir Vladimirovich Sofyin** - «FOR»
 8. **Pavel Nikolayevich Snikkars** - «FOR»
 9. **Roman Alexeyevich Filkin** - «AGAINST»
 10. **Oxana Vladimirovna Shatokhina** - «FOR»
 11. **Natalia Ilyinichna Erpsheer** - «FOR»

Total:

«FOR»	- «8»
«AGAINST»	- «2»

«ABSTAINED» - «1»

Decision is taken.

Item 5: On approval of an internal document of the Company: System project of communications networks of IDGC of Centre.

Decision:

To approve the System project of communications networks of IDGC of Centre in accordance with Appendix # 5 to this decision of the Board of Directors of the Company.

Voting results:

- | | |
|-----------------------------------|---------------|
| 1. Alexander Markovich Branis | - «ABSTAINED» |
| 2. Oleg Yuryevich Isaev | - «FOR» |
| 3. Denis Viktorovich Kulikov | - «ABSTAINED» |
| 4. Maria Valeryevna Lazareva | - «FOR» |
| 5. Yury Nikolayevich Mangarov | - «FOR» |
| 6. Maxim Mikhailovich Saukh | - «FOR» |
| 7. Vladimir Vladimirovich Sofyin | - «FOR» |
| 8. Pavel Nikolayevich Snikkars | - «AGAINST» |
| 9. Roman Alexeyevich Filkin | - «ABSTAINED» |
| 10. Oxana Vladimirovna Shatokhina | - «FOR» |
| 11. Natalia Ilyinichna Erpsheer | - «FOR» |

Total:

«FOR»	- «7»
«AGAINST»	- «1»
«ABSTAINED»	- «3»

Decision is taken.

Item 6: On approval of a non-residential facility lease agreement between IDGC of Centre and SO UES, which is a related party transaction.

Decision:

1. To determine that in accordance with the Report of the independent appraiser of the Moscow branch of Limited Liability Company "Institute of property valuation and financial performance" dated 10.07.2014 № MF-1955 the market monthly rent under the non-residential facility lease agreement, located at the address: Voronezh, Arzamasskaya st., 2, concluded between IDGC of Centre (IDGC of Centre – Voronezhenergo division) and SO UES (Voronezh Transmission Control Centre, a branch of SO UES), which is a related party transaction, is 4 936,36 (Four thousand nine hundred thirty six) rubles 36 kopecks per month, including VAT 18 % - 753,00 (Seven hundred and fifty-three) rubles 00 kopecks (including utility payments).

2. To approve the non-residential facility lease agreement, concluded between IDGC of Centre (IDGC of Centre – Voronezhenergo division) and SO UES (Voronezh Transmission Control Centre, a branch of SO UES), which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

IDGC of Centre - Lessor;

SO UES - Lessee.

Scope of the Agreement

Lessor undertakes to provide Lessee with temporary compensated use and possession a rental unit in accordance with Appendices # 1, 2, 3, to the Agreement, and Lessee agrees to accept the rental unit in the compensated use and possession under the terms of the Agreement.

Cost of services and payment procedure

Lessee shall pay rent monthly in equal installments in the amount of (including utility payments) 4 936,36 (Four thousand nine hundred thirty-six) rubles 36 kopecks, including VAT 18% – 753,00 (Seven hundred and fifty-three) rubles 00 kopecks.

The rent is paid by Lessee monthly in the following order:

Payment in the amount of 100% of the monthly rent is made no later than the 20th day of the current month by transferring funds to the account of Lessor.

In the case of an incomplete month lease, the rent is paid in proportion to the number of days in a month of the rent.

An invoice is issued by Lessor no later than the 5th (fifth) day of the month following the reporting one.

Duration of the Agreement

The Agreement shall enter into force on «01» January 2015 and is valid 11 (eleven) months. The Agreement shall be deemed extended for the same period and under the same conditions, if one month before the expiry of the Agreement there is no written request of either Party to waive the Agreement or change its terms and conditions.

Voting results:

Member of the Board of Directors of IDGC of Centre, O.Y. Isaev, 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 | - «ABSTAINED» |
| 2. Denis Viktorovich Kulikov | - «ABSTAINED» |
| 3. Maria Valeryevna Lazareva | - «FOR» |
| 4. Yury Nikolayevich Mangarov | - «FOR» |
| 5. Maxim Mikhailovich Saukh | - «FOR» |
| 6. Vladimir Vladimirovich Sofyin | - «FOR» |
| 7. Pavel Nikolayevich Snikkars | - «FOR» |
| 8. Roman Alexeyevich Filkin | - «ABSTAINED» |
| 9. Oxana Vladimirovna Shatokhina | - «FOR» |
| 10. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «7»
«AGAINST»	- «0»
«ABSTAINED»	- «3»

Decision is taken.

Item 7: On approval of the immovable property sale and purchase agreement, concluded between IDGC of Centre and FGC UES, which is a related party transaction.

Decision:

1. To determine the price of the immovable property sale and purchase agreement between IDGC of Centre and FGC UES (hereinafter - the Agreement), which is a related party transaction, in the amount of 259 600,00 (Two hundred fifty nine thousand six hundred) rubles 00 kopecks, including VAT 18% - 39 600,00 (Thirty nine thousand six hundred) rubles 00 kopecks.

2. To approve the immovable property sale and purchase Agreement between IDGC of Centre and FGC UES, which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

FGC UES (Seller)

IDGC of Centre (Buyer)

Scope of the Agreement:

Seller undertakes to transfer, and Buyer to accept for the price and on the terms established by the Agreement, to the ownership the following real estate property (hereinafter – the Property):

Conductor of 0.4 kV and Package Transformer Substation, purpose: nonresidential, with the length of 1489.3 lm, inventory № 5312, letter VII, cadastral (or conditional) number 32-32-08/002/2010-219, located at the address: Bryansk region, Vygonichsky district, settlement of Vygonichi. The Property belongs to Seller on the property right, as confirmed in the Unified State Register of rights to immovable property and transactions with it dated 13.05.2010 № 32-32-08/002/2010-219 (certificate of state registration of rights dated 13.05.2010 series 32-AG № 694379).

The Property is situated on a plot with cadastral number 32:03:0680201:202, which is federal property and belongs to Seller on a leasehold basis in accordance with contract № 63 dated 12.03.2012, concluded with the Territorial Administration of the Federal Agency for State Property Management in the Bryansk region.

Price of the Agreement:

The price of the Property is 259 600,00 (Two hundred fifty nine thousand six hundred) rubles 00 kopecks, including VAT 18% - 39 600,00 (Thirty nine thousand six hundred) rubles 00 kopecks.

Other conditions of the Agreement:

Buyer pays cost of the property by transferring cash to Seller's bank account within 60 (sixty) business days from the date of receipt of the invoice issued by Seller after the state registration of title to the Property by Buyer.

Voting results:

Member of the Board of Directors of IDGC of Centre, O.Y. Isaev, 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 | - «ABSTAINED» |
| 2. Denis Viktorovich Kulikov | - «FOR» |
| 3. Maria Valeryevna Lazareva | - «FOR» |
| 4. Yury Nikolayevich Mangarov | - «FOR» |
| 5. Maxim Mikhailovich Saukh | - «FOR» |
| 6. Vladimir Vladimirovich Sofyin | - «FOR» |
| 7. Pavel Nikolayevich Snikkars | - «FOR» |
| 8. Roman Alexeyevich Filkin | - «ABSTAINED» |
| 9. Oxana Vladimirovna Shatokhina | - «FOR» |
| 10. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «8»
«AGAINST»	- «0»
«ABSTAINED»	- «2»

Decision is taken.

Item 8: On approval of the agreement to perform scientific and research and development work, concluded between IDGC of Centre (IDGC of Centre - Belgorodenergo division) and Federal State Budget Institution of Higher Education «National Research University «MPEI», which is a related party transaction.

Decision:

1. To determine the cost of performance of scientific and research and development work in accordance with the Cost estimates (Appendix # 3 to the Agreement) in the amount of 22 569 840,00 (Twenty two million five hundred sixty nine thousand eight hundred forty) rubles 00 kopecks, VAT is not charged on the basis of subparagraph 16 of paragraph 3 of

Article 149 of the Tax Code the Russian Federation.

2. To approve the agreement to perform scientific and research and development work, concluded between IDGC of Centre (IDGC of Centre - Belgorodenergo division) and Federal State Budget Institution of Higher Education «National Research University «MPEI», which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

«Customer» - IDGC of Centre (IDGC of Centre - Belgorodenergo division)

«Contractor» - Federal State Budget Institution of Higher Education «National Research University «MPEI»

Scope of the Agreement:

Contractor in accordance with the Terms of Reference of Customer (Appendix # 1 to the Agreement, which is an integral part of the Agreement) shall perform scientific and research and development work in order to create software that implements the functions of the Simulator of operational and maintenance personnel on the basis of virtual reality models of a transformer substation of IDGC of Centre (hereinafter SW «TS VR»).

Price of the Agreement:

The cost of work under the Agreement is determined according to the Cost estimates to perform scientific and research and development work (Appendix # 3 to the Agreement), which is 22 569 840,00 (Twenty two million five hundred sixty nine thousand eight hundred forty) rubles 00 kopecks, VAT is not charged on the basis of subparagraph 16 of paragraph 3 of Article 149 of the Tax Code the Russian Federation.

Turnaround time:

The Work is performed in accordance with the Schedule of the Agreement (Appendix # 2 to the Agreement):

- Delivery time of performance of scientific and research work:

start – 01.12.2014, completion – 27.02.2015.

- Delivery time of performance of development work:

start – 28.02.2014, completion – 29.04.2016.

The total period of the work performance under the Agreement - not more than 17 months from the date of the Agreement conclusion.

Duration of the Agreement:

The Agreement shall enter into force on the date of its signature and shall be valid until the Parties fulfill their obligations (including warranty ones).

Voting results:

Member of the Board of Directors of IDGC of Centre, O.Y. Isaev, 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 | - «ABSTAINED» |
| 2. Denis Viktorovich Kulikov | - «ABSTAINED» |
| 3. Maria Valeryevna Lazareva | - «FOR» |
| 4. Yury Nikolayevich Mangarov | - «FOR» |
| 5. Maxim Mikhailovich Saukh | - «FOR» |
| 6. Vladimir Vladimirovich Sofyin | - «FOR» |
| 7. Pavel Nikolayevich Snikkars | - «ABSTAINED» |
| 8. Roman Alexeyevich Filkin | - «ABSTAINED» |
| 9. Oxana Vladimirovna Shatokhina | - «FOR» |
| 10. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «6»
«AGAINST»	- «0»
«ABSTAINED»	- «4»

Decision is taken.

Item 9: On approval of the agreement to perform scientific and research work, concluded between IDGC of Centre and NTC POWER, which is a related party transaction.

Decision:

1. To determine the cost of performance of scientific and research in accordance with the Cost estimates (Appendix # 3 to the Agreement) in the amount of 46 288 135,59 (Forty six million two hundred eighty eight thousand one hundred thirty five) rubles 59 kopecks, plus VAT 8 331 864,41 (Eight million three hundred thirty-one thousand eight hundred sixty-four) rubles 41 kopecks.

Total cost of the work with VAT under this Agreement is 54 620 000,00 (Fifty four million six hundred twenty thousand) rubles 00 kopecks.

2. To approve conclusion of the agreement to perform scientific and research work between IDGC of Centre and NTC POWER, which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

Customer - IDGC of Centre.

Contractor - NTC POWER.

Scope of the Agreement:

Contractor in accordance with the Terms of Reference of Customer undertakes to perform scientific and research work «Development of anti-icing coatings and methods of their application to bare conductors of overhead power lines based on ferromagnetic materials with Curie temperature close to 0°C».

The content and scope of the Work, technical and other requirements for the Work under the Agreement are defined in the Terms of Reference (Appendix # 1 to the Agreement).

Stages and turnaround time for the Work Contractor are determined in the Schedule (Appendix # 2 to the Agreement).

Price of the Agreement:

The cost of work under the Agreement is determined according to the Cost estimates to perform scientific and research work (Appendix # 3 to the Agreement), which is 46 288 135,59 (Forty six million two hundred eighty eight thousand one hundred thirty five) rubles 59 kopecks, plus VAT 8 331 864,41 (Eight million three hundred thirty-one thousand eight hundred sixty-four) rubles 41 kopecks.

Total cost of the work with VAT under this Agreement is 54 620 000,00 (Fifty four million six hundred twenty thousand) rubles 00 kopecks.

Turnaround time:

The Work is performed in accordance with the Schedule (Appendix # 2 to the Agreement):

Start: 01.12.2014.

Completion: 31.12.2018.

Duration of the Agreement:

The Agreement shall enter into force on the date of its signature and shall be valid until the Parties fulfill their obligations (including warranty ones).

Voting results:

Member of the Board of Directors of IDGC of Centre, O.Y. Isaev, 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 | - «ABSTAINED» |
| 2. Denis Viktorovich Kulikov | - «ABSTAINED» |
| 3. Maria Valeryevna Lazareva | - «FOR» |
| 4. Yury Nikolayevich Mangarov | - «FOR» |

- | | |
|---|---------------|
| 5. Maxim Mikhailovich Saukh | - «FOR» |
| 6. Vladimir Vladimirovich Sofyin | - «FOR» |
| 7. Pavel Nikolayevich Snikkars | - «ABSTAINED» |
| 8. Roman Alexeyevich Filkin | - «ABSTAINED» |
| 9. Oxana Vladimirovna Shatokhina | - «FOR» |
| 10. Natalia Ilyinichna Erpsher | - «FOR» |

Total:

«FOR»	- «6»
«AGAINST»	- «0»
«ABSTAINED»	- «4»

Decision is taken.

Appendices:

1. The report of General Director of the Company «On provision of insurance coverage in 3Q 2014» (Appendix # 1).
2. The amendments to the Strategy of the Company in the area of information technology, automation and telecommunications for the period up to 2016 in terms of updating the roadmap (Appendix # 2).
3. The Staffing and Social Policy of IDGC of Centre (Appendix # 3).
4. The amendment to the Collective Agreement of IDGC of Centre for 2013-2015 (Appendix # 4).
5. The System project of communications networks of IDGC of Centre (Appendix # 5).

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

O.V. Shatokhina

**Corporate Secretary
of IDGC of Centre**

S.V. Lapinskaya