



Interregional Distribution Grid Company of Centre,
Public Joint-Stock Company
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MINUTES
of meeting of the Board of Directors of IDGC of Centre, PJSC
(in the form of absent voting)

«31» October 2016

Moscow

No. 30/16

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

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

Participants of the voting: **A.E. Bogashov, O.Y. Isaev, D.A. Malkov, Y.N. Mangarov, I.B. Masaleva, M.M. Saukh, D.A. Spirin, R.A. Filkin, O.V. Shatokhina, A.V. Shevchuk, N.I. Erpsher**.

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

The quorum is **present**.

Date of the minutes: **01.11.2016**.

AGENDA:

1. On consideration of the report of General Director of the Company «On the reasons for existing deviations in the implementation of the approved Investment Program of IDGC of Centre, PJSC in 2Q and 1H 2016».
2. On approval of a land sublease agreement, concluded between IDGC of Centre, PJSC and Russian Railways, which is a related party transaction.
3. On approval of the Program to consolidate electric grid assets of IDGC of Centre, PJSC for 2016-2018.
4. On approval of an agreement to organize the process of IDGC of Centre's cable line crossing infrastructure of Russian Railways at the section Sumovskaya - Tomarovka of South-Eastern Railroad, concluded between IDGC of Centre, PJSC and Russian Railways, which is a related party transaction.

Item 1: On consideration of the report of General Director of the Company «On the reasons for existing deviations in the implementation of the approved Investment Program of IDGC of Centre, PJSC in 2Q and 1H 2016».

Decision:

To take into consideration the report of General Director of the Company «On the reasons for existing deviations in the implementation of the approved Investment Program of IDGC of Centre, PJSC in 2Q and 1H 2016» in accordance with Appendix # 1 to this decision of the Board of Directors of the Company.

Voting results:

1. Alexander Evgenyevich Bogashov - «ABSTAINED»
2. Oleg Yuryevich Isaev - «FOR»
3. Denis Alexandrovich Malkov - «FOR»
4. Yury Nikolayevich Mangarov - «FOR»
5. Irina Borisovna Masaleva - «FOR»
6. Maxim Mikhailovich Saukh - «FOR»
7. Denis Alexandrovich Spirin - «FOR»

8. Roman Alexeyevich Filkin - «FOR»
 9. Oxana Vladimirovna Shatokhina - «FOR»
 10. Alexander Viktorovich Shevchuk - «FOR»
 11. Natalia Ilyinichna Erpsher - «FOR»

Total:

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

Decision is taken.

Item 2: On approval of a land sublease agreement, concluded between IDGC of Centre, PJSC and Russian Railways, which is a related party transaction.

In accordance with paragraph 1 of Article 81 of the Federal Law «On Joint Stock Companies» the deal between IDGC of Centre, PJSC and Russian Railways is recognized as a related party transaction of the shareholder of the Company – PJSC «Rosseti», whose affiliate (N.R. Podguzov) is a member of the Board of Directors of Russian Railways.

Decision:

1. To determine the annual cost of a land plot sublease agreement, concluded between IDGC of Centre, PJSC (IDGC of Centre - Belgorodenergo division) and Russian Railways (South-Eastern Infrastructure Directorate-structural subdivision of Central Infrastructure Directorate – a branch of OJSC "Russian Railways"), which is a related party transaction, in the amount of 53,23 (Fifty-three) rubles 23 kopecks, including VAT (18 %) – 8,12 (Eight) rubles 12 kopecks.

2. To approve the land plot sublease agreement, concluded between IDGC of Centre, PJSC (IDGC of Centre - Belgorodenergo division) and Russian Railways (South-Eastern Infrastructure Directorate-structural subdivision of Central Infrastructure Directorate – a branch of OJSC "Russian Railways"), which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

IDGC of Centre, PJSC (IDGC of Centre - Belgorodenergo division) - Sub-lessee;
 Russian Railways (South-Eastern Infrastructure Directorate-structural subdivision of Central Infrastructure Directorate – a branch of OJSC "Russian Railways") - Lessee.

Subject of the Agreement: Lessee shall transfer and Sub-lessee takes under sub-lease (temporary possession and use for a fee) a piece of the land plot of railway ROW, with 3896 sq. m., located at the following address (it has address reference points): Belgorod region, Shebekinsky district, 35 km PK 9 - 36 km PK 6 of the section between stations Nezhegol-Volchansk.

The land plot, part of which is transferred to the sub-lease with a total area of 1 946 200 sq.m. of land with cadastral № 31:17:00 00 000:0021, is located at the address (it has address reference points): Belgorod region, within the boundaries of Shebekinsky district of cadastral district 31:17, permitted use: railway ROW, which is federal property and granted to Lessee under lease agreement dated 22.08.2004 №3arz by the Territorial Administration of the Federal Agency for State Property Management in the Belgorod region (as amended by supplementary agreement dated 01.12.2014) from 26.01.2005 to 06.08.2053.

Price of the Agreement: The amount of rent for the use of the Land Plot is 53,23 (Fifty-three) rubles 23 kopecks per year, including VAT – 8,12 (Eight) rubles 12 kopeck.

Lessee shall be entitled to unilaterally change in an indisputable order the value of rent under the Agreement, but not more often than once a year.

Settlement procedure: The rent under the Agreement each year shall be transferred in full to Lessee's account.

The first payment of rent shall be made within ten days from the date of entry into force of

the sublease agreement. The subsequent payment of the rent is made in advance for each year until the tenth day of the first month of the year.

Simultaneously with the first rent payment Sub-lessee makes a deposit of 100% of annual rent. The obligation to pay the rent arises with the sub-lessee from the date of signing the act of acceptance and transfer of the land plot and terminates from the date of its return by sub-lessee, issued by a relevant act of acceptance and transfer.

The rent amount of the first and last calendar month of the period of the agreement validity is determined based on the number of days of actual rent.

Within ten days from the date of rent increase Sub-lessee is obliged to make a corresponding increase in the deposit amount.

Duration of the Agreement:

The Agreement is concluded for an indefinite period, but no more than the term of lease agreement dated 22.08.2004 №3arz, and shall enter into force on the date of its signature by the Parties.

Voting results:

1. Alexander Evgenyevich Bogashov - «FOR»
2. Denis Alexandrovich Malkov - «FOR»
3. Yury Nikolayevich Mangarov - «FOR»
4. Irina Borisovna Masaleva - «FOR»
5. Maxim Mikhailovich Saukh - «FOR»
6. Denis Alexandrovich Spirin - «AGAINST»
7. Roman Alexeyevich Filkin - «AGAINST»
8. Oxana Vladimirovna Shatokhina - «FOR»
9. Alexander Viktorovich Shevchuk - «FOR»
10. Natalia Ilyinichna Erpsher - «FOR»

Total:

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

Member of the Board of Directors of IDGC of Centre, PJSC 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».

Decision is taken.

Item 3: On approval of the Program to consolidate electric grid assets of IDGC of Centre, PJSC for 2016-2018.

Decision:

1. To approve the Program to consolidate electric grid assets of IDGC of Centre, PJSC for 2016-2018 in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.
2. To mark the absence of activities in the approved Investment Program of IDGC of Centre, PJSC, included into the Program to consolidate electric grid assets of IDGC of Centre, PJSC for 2016-2018.

Voting results:

1. Alexander Evgenyevich Bogashov - «ABSTAINED»
2. Oleg Yuryevich Isaev - «FOR»
3. Denis Alexandrovich Malkov - «FOR»
4. Yury Nikolayevich Mangarov - «FOR»
5. Irina Borisovna Masaleva - «FOR»
6. Maxim Mikhailovich Saukh - «FOR»

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| 7. | Denis Alexandrovich Spirin | - «ABSTAINED» |
| 8. | Roman Alexeyevich Filkin | - «ABSTAINED» |
| 9. | Oxana Vladimirovna Shatokhina | - «FOR» |
| 10. | Alexander Viktorovich Shevchuk | - «ABSTAINED» |
| 11. | Natalia Ilyinichna Erpsher | - «FOR» |

Total:

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

Decision is taken.

Item 4: On approval of an agreement to organize the process of IDGC of Centre's cable line crossing infrastructure of Russian Railways at the section Sumovskaya - Tomarovka of South-Eastern Railroad, concluded between IDGC of Centre, PJSC and Russian Railways, which is a related party transaction.

In accordance with paragraph 1 of Article 81 of the Federal Law «On Joint Stock Companies» the deal between IDGC of Centre, PJSC and Russian Railways is recognized as a related party transaction of the shareholder of the Company – PJSC «Rosseti», whose affiliate (N.R. Podguzov) is a member of the Board of Directors of Russian Railways.

Decision:

To approve the Agreement to organize the process of IDGC of Centre's cable line crossing infrastructure of Russian Railways at the section Sumovskaya - Tomarovka of South-Eastern Railroad, concluded between IDGC of Centre, PJSC and Russian Railways, which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

«Customer» - IDGC of Centre, PJSC

«Contractor» - Russian Railways

Subject of the Agreement: Under the Agreement Contractor undertakes to provide a contracting company of Customer, in accordance with Agreement dated 25.07.2016 №3100/20774/16 to perform work between IDGC of Centre, PJSC (IDGC of Centre - Belgorodenergo division) and the contracting company of Customer, the following services: to perform a commission review of technical conditions of Customer's cable line crossing infrastructure of Russian Railways at the section Sumovskaya - Tomarovka of South-Eastern Railroad, to develop and issue technical specifications for Customer's cable line crossing infrastructure of Russian Railways at the section Sumovskaya - Tomarovka of South-Eastern Railroad, to consider and coordinate project documentation for crossing infrastructure of Russian Railways at the section Sumovskaya - Tomarovka of South-Eastern Railroad, provided that the Agreement is concluded between Russian Railways and the contracting company of Customer.

The Agreement is concluded pursuant to the requirements of the «Rules of interaction of involved departments of OJSC "Russian Railways" at the site of South-Eastern Railroad in the organization of processes of construction and installation and other works by third parties on land plots owned by OJSC "Russian Railways" on the right of ownership and leasehold rights, including land plots of ROW", approved by Order of the chief of South-Eastern Railroad – a branch of OJSC" Russian railways" dated 20.04.2015 № YUVOST-212r, Regulation "On ensuring the safe operation of technical installations and railway equipment in the construction, reconstruction and (or) repair of infrastructure of OJSC "Russian Railways" dated 30.08.2013 № 1932r, which are binding upon the Parties under this Agreement.

Price of the Agreement: Nonmonetary.

Duration of the Agreement: The Agreement shall enter into force on the day of its

signature and shall be valid until 31.12.2016.

Voting results:

1. Alexander Evgenyevich Bogashov - «FOR»
2. Denis Alexandrovich Malkov - «FOR»
3. Yury Nikolayevich Mangarov - «FOR»
4. Irina Borisovna Masaleva - «FOR»
5. Maxim Mikhailovich Saukh - «FOR»
6. Denis Alexandrovich Spirin - «AGAINST»
7. Roman Alexeyevich Filkin - «AGAINST»
8. Oxana Vladimirovna Shatokhina - «FOR»
9. Alexander Viktorovich Shevchuk - «FOR»
10. Natalia Ilyinichna Erpsher - «FOR»

Total:

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

Member of the Board of Directors of IDGC of Centre, PJSC 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».

Decision is taken.

Appendices:

1. The report of General Director of the Company «On the reasons for existing deviations in the implementation of the approved Investment Program of IDGC of Centre, PJSC in 2Q and 1H 2016» (Appendix # 1).
2. The Program to consolidate electric grid assets of IDGC of Centre, PJSC for 2016-2018 (Appendix # 2).

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

Y.N. Mangarov

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

S.V. Lapinskaya