



IDGC OF CENTRE

“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)

«30» September 2015

Moscow

No. 20/15

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

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

Participants of the voting: **A.M. Branis, 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: **T.P. Dronova, O.Y. Isaev.**

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: **01.10.2015.**

AGENDA:

1. On consideration of the report of General Director of the Company «On the results of execution of the target values of key performance indicators of General Director of the Company in 2Q 2015».
2. On consideration of the report of General Director «On implementation of the assignment issued by the Board of Directors of the Company on 31.03.2015 (Minutes # 07/15 of 01.04.2015) within consideration of item # 1».
3. On determination of cases (amounts) of transactions, subject to prior approval by the Board of Directors of the Company.
4. On coordination of nominations for certain positions in the Executive Office of the Company, determined by the Board of Directors of the Company.
5. On approval of nomination of the Insurer of IDGC of Centre, PJSC.
6. On approval of an electric grid facility lease agreement, concluded between IDGC of Centre and FGC UES, PJSC, which is a related party transaction.
7. On amendment of the decision of the Board of Directors of the Company dated 30.10.2014 (Minutes # 24/14 of 31.10.2014) regarding item # 1 «On approval of the Action Plan of the Company for implementation of not performed grid connection contracts by IDGC of Centre - Tverenergo division not later than Q3 2015».

Item 1: On consideration of the report of General Director of the Company «On the results of execution of the target values of key performance indicators of General Director of the Company in 2Q 2015».

Decision:

To approve the report of General Director of the Company «On the results of execution of the target values of key performance indicators of General Director of the Company in 2Q

2015» in accordance with Appendix # 1 to this decision of the Board of Directors of the Company.

Voting results:

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

Total:

«FOR»	- «7»
«AGAINST»	- «0»
«ABSTAINED»	- «2»

Decision is taken.

Item 2: On consideration of the report of General Director «On implementation of the assignment issued by the Board of Directors of the Company on 31.03.2015 (Minutes # 07/15 of 01.04.2015) within consideration of item # 1».

Decision:

1. To take into consideration the report of General Director «On implementation of the assignment issued by the Board of Directors of the Company on 31.03.2015 (Minutes # 07/15 of 01.04.2015) within consideration of item # 1» in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.
2. To instruct General Director of IDGC of Centre, PJSC to ensure approval by the Company's Board of Directors of the Action Plan to increase the efficiency and improve the economic and financial condition of the Company, which provides for the achievement of the Company's break-even operations, including from the provision of electricity transmission services, and compliance with the ratio Debt/EBITDA less than 3 in the period of 2016-2019 until 15.10.2015.

Voting results:

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

Total:

«FOR»	- «7»
«AGAINST»	- «2»
«ABSTAINED»	- «0»

Decision is taken.

Item 3: On determination of cases (amounts) of transactions, subject to prior approval by the Board of Directors of the Company.

Decision:

1. To determine that, in accordance with part e) of subparagraph 40 of paragraph 15.1 of

Article 15 of the Articles of Association of IDGC of Centre, PJSC, decisions on the Company's transactions for more than 5 years for transfer of temporary ownership and use or temporary use of real estate, electric grid facilities, or more than 5 years for receiving temporary possession and use or for temporary use of real estate, the purpose of which is not transmission, distribution of electricity, in cases where the book or market value of the transferred or received property is more than 30 mln rubles, are subject to prior approval by the Board of Directors, except receiving temporary possession and use or for temporary use of:

- land plots for use or for construction (reconstruction) of electric power facilities in accordance with investment projects, as well as land plots under the real estate of the Company;

- electric grid facilities, carried out in accordance with paragraphs 6 - 8 of Article 8 of Federal Law from March 26, 2003 № 35-FZ "On Electric Power Industry".

2. To consider the decision of the Company's Board of Directors dated 28.08.2014 (Minutes # 19/14) regarding item # 8 «On determination of cases (amounts) of the Company's property transactions, subject to prior approval by the Board of Directors» to have lost force.

Voting results:

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

Total:

«FOR»	- «6»
«AGAINST»	- «2»
«ABSTAINED»	- «1»

Decision is taken.

Item 4: On coordination of nominations for certain positions in the Executive Office of the Company, determined by the Board of Directors of the Company.

Decision:

1. To agree upon the nomination of Andrey Vladimirovich Dudin for the position of Deputy General Director of IDGC of Centre - Orelenergo division director.

Voting results:

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

Total:

«FOR»	- «6»
«AGAINST»	- «0»

«ABSTAINED» - «3»

Decision is taken.

2. To agree upon the nomination of Alexander Anatolyevich Kornilov for the position of Deputy General Director of IDGC of Centre - Yarenergo division director.

Voting results:

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

Total:

«FOR» - «6»
«AGAINST» - «0»
«ABSTAINED» - «3»

Decision is taken.

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

Decision:

To approve the following insurance company as the Company's Insurer:

Type of insurance	Insurance company	Period of insurance
Insurance of civil liability for damage resulting from defects of work on preparation of project documentation, which affect the safety of capital construction projects	Ingosstrakh Insurance Company	14.10.2015-25.12.2016

Voting results:

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

Total:

«FOR» - «7»
«AGAINST» - «0»
«ABSTAINED» - «2»

Decision is taken.

Item 6: On approval of an electric grid facility lease agreement, concluded between IDGC of Centre, PJSC and FGC UES, PJSC, which is a related party transaction.

Decision:

1. To determine the monthly rent under the electric grid facility lease agreement, located at the address: Voronezh region, from the SS "Pridonskaya" in the city of Rossosh to pole №325 in Kantemirovsky district, Rossoshansky district, Kantemirovsky district, in the

amount of 11 607,24 (Eleven thousand sixty-seven) rubles 24 kopecks, including 18% VAT – 1 770,60 (One thousand seven hundred seventy) rubles 60 kopecks.

2. To approve the electric grid facility lease agreement, concluded between IDGC of Centre, PJSC and FGC UES, PJSC, which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

IDGC of Centre, PJSC - Lessor;

FGC UES, PJSC - Lessee.

Scope of the Agreement:

Lessor transfers and Lessee accepts for payment for temporary possession and use of electric grid facilities owned by Lessor.

Cost of the service and payment procedure:

The Parties established the rent for use of the Facility in the amount of 11 607,24 (Eleven thousand sixty-seven) rubles 24 kopecks, including 18% VAT – 1 770,60 (One thousand seven hundred seventy) rubles 60 kopecks. Payment obligations are considered fulfilled from the moment of debiting the funds from the settlement account of Lessee.

The rent shall be transferred by Lessee to the settlement account of Lessor under invoices issued monthly by Lessor, not later than the 15th day of a current month. Lessor shall send invoices to Lessee no later than the 5th day of the current month.

Duration of the Agreement:

The Agreement shall enter into force upon signature, and is concluded for a term of 11 (eleven) months.

This Agreement is considered each time renewed for a new period equal to 11 (eleven) months, under the same conditions, if none of the Parties notifies in writing the other Party of disagreement on the extension of the Agreement within a period not fewer than 30 (thirty) calendar days prior to its expiration.

Voting results:

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

Total:

«FOR»	- «6»
«AGAINST»	- «2»
«ABSTAINED»	- «1»

Decision is taken.

Item 7: On amendment of the decision of the Board of Directors of the Company dated 30.10.2014 (Minutes # 24/14 of 31.10.2014) regarding item # 1 «On approval of the Action Plan of the Company for implementation of not performed grid connection contracts by IDGC of Centre - Tverenergo division not later than Q3 2015».

Decision:

1. To take into consideration the report of General Director of the Company «On the execution forecast to perform the Action Plan for implementation of not performed grid connection contracts by IDGC of Centre - Tverenergo division not later than 30.09.2015» in

accordance with Appendix # 3 to this decision of the Board of Directors of the Company.

2. To set up a new term to perform the Action Plan of IDGC of Centre - Tverenergo division to reduce the number of not performed grid connection contracts, approved by the decision of the Board of Directors of the Company dated 30.10.2014 (Minutes # 24/14 of 31.10.2014) - not later than 31.12.2015.

Voting results:

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

Total:

«FOR»	- «7»
«AGAINST»	- «0»
«ABSTAINED»	- «2»

Decision is taken.

Appendices:

1. The report of General Director of the Company «On the results of execution of the target values of key performance indicators of General Director of the Company in 2Q 2015» (Appendix # 1).
2. The report of General Director «On implementation of the assignment issued by the Board of Directors of the Company on 31.03.2015 (Minutes # 07/15 of 01.04.2015) within consideration of item # 1» (Appendix # 2).
3. The report of General Director of the Company «On the execution forecast to perform the Action Plan for implementation of not performed grid connection contracts by IDGC of Centre - Tverenergo division not later than 30.09.2015» (Appendix #3).

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

Y.N. Mangarov

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

S.V. Lapinskaya