



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

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MINUTES

of meeting of the Strategy and Development Committee
of the Board of Directors of IDGC of Centre

12 September 2014

Moscow

No. 13/14

Form of the meeting: joint presence.

Time of the meeting: 16 hours 00 minutes – 18 hours 20 minutes.

Total number of members of the Strategy and Development Committee: 13 persons.

Participants of the voting: S.V. Belevantsev, A.N. Zharikov, S.Y. Lebedev, Y.N. Pankstyanov, S.Y. Rumyantsev, M.M. Saukh, R.A. Filkin, A.V. Shevchuk.

The written opinion (questionnaire) of the following members was taken into account while defining the results: A.V. Gritsenko, S.V. Podlutsky, Y.A. Savvin.

Members who neither participated nor provided questionnaires: E.V. Bogach, V.I. Isaev.

The quorum is present.

Date of the minutes: 15.09.2014.

The meeting of the Strategy and Development Committee was audiotaped (hereinafter – the Committee), which is stored in the materials to the meeting of the Committee.

The meeting of the Strategy and Development Committee was chaired by Chairman of the Strategy and Development Committee, Yury Nikolayevich Pankstyanov.

The following representatives of the management of IDGC of Centre were present:

A.K. Akhmedova - Legal Director;

I.V. Gromova – Deputy General Director for Human Resources and Organizational Design;

E.V. Kabanova – Head of Electricity Delivery Department;

K.V. Kotikov - Deputy General Director of IDGC of Centre - Yarenergo division director, Acting Director of JSC “Yargorelectroset”;

A.V. Pilyugin – Member of the Management Board, Deputy General Director for Technical Issues – Chief Engineer;

D.V. Sklyarov – Deputy General Director for Logistics and Procurement;

V.N. Startsun - Deputy General Director for Security.

At the beginning of the meeting Chairman of the Strategy and Development Committee, Y.N. Pankstyanov, informed the audience about the presence of a quorum for the meeting of the Committee, opened the meeting and announced the agenda for the meeting.

AGENDA:

1. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the adjusted Business plan of the Company (including the Investment program) for 2014».

2. On preliminary approval of the report of General Director of the Company «On execution of the Business plan of the Company (including the Investment program) in 2Q and 1H 2014».

3. On the recommendation to the Board of Directors of the Company regarding the item «On approval of the liquidation of JSC “Yargorelectroset”».

On the proposal of the Company's management and with the consent of all members of the Committee present at the meeting of the Strategy and Development Committee the order of consideration of items was changed. Item # 3 was offered to be considered first «On the recommendation to the Board of Directors of the Company regarding the item «On approval of the liquidation of JSC “Yargorelectroset”».

Item 3: On the recommendation to the Board of Directors of the Company regarding the item «On approval of the liquidation of JSC “Yargorelectroset”».

Speaker – K.V. Kotikov - Deputy General Director of IDGC of Centre - Yarenergo division director, Acting Director of JSC “Yargorelectroset”.

The report (presentation) on the item is stored in the materials for the meeting of the Committee.

In discussing the reports the questions were received from: Y.N. Pankstyanov, S.Y. Lebedev, M.M. Saukh, A.N. Zharikov, R.A. Filkin.

The explanations and answers to the questions were given by: K.V. Kotikov, E.V. Kabanova.

Following the discussion the Company's management was recommended:

1. Additionally to prepare and submit to the Board of Directors' meeting information on the physical and economic parameters of the implementation of the Concept on the integration of the property complex of JSC “Yargorelectroset” into IDGC of Centre (Branch of «Yarenergo»).

Deadline: no later than 15.09.2014.

2. To valuate financial consequences of the liquidation of JSC “Yargorelectroset” and submit this information to members of the Strategy and Development Committee no later than 10.10.2014.

3. To provide a comprehensive analysis and present information on the economic effects received by the Company resulting from the acquisition of JSC “Yargorelectroset” in 2010 to members of the Strategy and Development Committee no later than 10.10.2014.

Decision (put for voting):

To recommend to the Board of Directors of the Company to take the following decision:

«To instruct representatives of IDGC of Centre regarding the item of the agenda of the Extraordinary General Meeting of the Shareholders of JSC “Yargorelectroset” - «On the liquidation of the Company and the appointment of the liquidation commission» to vote «FOR»:

1. *To liquidate the Company on a voluntary basis;*

2. *To assign the Company's liquidation commission of the following members:*

#	Full name	Title
<i>Chairman of the liquidation commission</i>		
1.	K.V. Kotikov	<i>Deputy General Director of IDGC of Centre - Yarenergo division director, Acting Director of JSC “Yargorelectroset”</i>
<i>Deputy Chairman of the liquidation commission</i>		
2	D.A. Menelylyuk	<i>Head of Department for property management and consolidation of electric grid assets of IDGC of Centre</i>
<i>Members of the liquidation commission</i>		
3	V.V. Grigoriev	<i>Deputy Director for Technical Issues - Chief Engineer of IDGC of Centre - Yarenergo division</i>
4	O.Y. Gerus	<i>Chief Accountant - Head of Financial and Tax Accounting and</i>

		<i>Reporting Department of Yarenergo</i>
5	<i>A.K. Akhmedova</i>	<i>Legal Director of IDGC of Centre</i>
6	<i>N.N. Bulan</i>	<i>Head of HR Department of IDGC of Centre</i>
7	<i>A.Y. Arinina</i>	<i>Head of Finance Department of IDGC of Centre</i>
8	<i>A.G. Lyakhov</i>	<i>Advisor to Director of JSC “Yargorelectroset”</i>
9	<i>S.N. Sharapov</i>	<i>Head of Economic Security and Anti-Corruption Department of IDGC of Centre</i>
10	<i>I.V. Zomberg</i>	<i>Advisor to First Deputy General Director of IDGC of Centre</i>
11	<i>E.K. Rakovsky</i>	<i>Head of Grid Connection Department of IDGC of Centre</i>

3. To approve the terms and procedure for the liquidation of the Company in accordance with the schedule of activities on liquidation of the Company in accordance with the Appendix».

Voting results at the meeting:

Yury Nikolayevich Pankstyanov - «FOR»
Sergey Vsevolodovich Belevantsev - «FOR»
Alexey Nikolayevich Zharikov - «ABSTAINED»
Sergey Yuryevich Lebedev - «FOR»
Sergey Yuryevich Rumyantsev - «FOR»
Maxim Mikhailovich Saukh - «FOR»
Alexander Viktorovich Shevchuk - «FOR»
Roman Alexeevich Filkin - «FOR»

Voting results by filling in the questionnaires:

Andrey Vitalyevich Gritsenko - «FOR»
Sergey Vasilyevich Podlutsky - «FOR»
Yury Alexandrovich Savvin - «FOR»

Total:

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

Decision is taken.

Item 1: On the recommendation to the Board of Directors of the Company regarding the item «On approval of the adjusted Business plan of the Company (including the Investment program) for 2014».

Speaker in terms of the adjusted Business plan – S.Y. Rumyantsev – Member of the Management Board, Deputy General Director for Economy and Finance.

Co-speaker in terms of the adjusted Investment program – D.V. Sklyarov – Deputy General Director for Logistics and Procurement.

The reports (presentations) on the item are stored in the materials for the meeting of the Committee.

In discussing the reports the questions were received from: Y.N. Pankstyanov, S.Y. Lebedev, M.M. Saukh, R.A. Filkin., A.N. Zharikov.

The explanations and answers to the questions were given by: S.Y. Rumyantsev, E.V. Kabanova.

Following the discussion the Company’s management was recommended:

1. Additionally to prepare and submit to members of the Strategy and Development

Committee and the Board of Directors of the Company detailed information about the reasons for the growth of accounts receivable by the end of 2014 and information on the reduction of accounts receivable from retail activities.

Deadline: no later than 15.09.2014.

2. To expand the presentation on the item, presented to the members of the Board of Directors of the Company on this item, with slides, discussed at this meeting of the Strategy and Development Committee.

Decision (put for voting):

To recommend to the Board of Directors of the Company to take the following decision:

«1. To approve the adjusted Business plan of IDGC of Centre (including the Investment program) for 2014 in accordance with the Appendices.

2. To instruct General Director of the Company:

2.1. on the results of 2014 to ensure the reduction of administrative and management costs of IDGC of Centre and Group of Companies of IDGC of Centre in 2014 no less than 15% of their actual value in 2013.

2.2. to repay transaction loans provided by the adjusted Business plan of the Company for 2014, in a period not exceeding two years and submit a schedule of repayment of the above transaction loans.

2.3. to send the adjusted Investment program to the executive authorities of subjects of the Russian Federation for approval ».

2.4. to submit adjustment for consideration of the Board of Directors of the Company of the Business plan (including the Investment program) for 2014 and forecast figures for the period 2015-2018 in the presence of deviations from the approved indicators of the Business plan on the basis of the approval of the Investment program in accordance with Resolution of the Government of the Russian Federation dated 01.12.2009 №977 within 15 calendar days».

Voting results at the meeting:

Yury Nikolayevich Pankstyanov	- «FOR»
Sergey Vsevolodovich Belevantsev	- «FOR»
Alexey Nikolayevich Zharikov	- «ABSTAINED»
Sergey Yuryevich Lebedev	- «FOR»
Sergey Yuryevich Rummyantsev	- «FOR»
Maxim Mikhailovich Saukh	- «FOR»
Alexander Viktorovich Shevchuk	- «ABSTAINED»
Roman Alexeevich Filkin	- «ABSTAINED»

Voting results by filling in the questionnaires:

Andrey Vitalyevich Gritsenko	- «FOR»
Sergey Vasilyevich Podlutsky	- «FOR»
Yury Alexandrovich Savvin	- «FOR»

Total:

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

Decision is taken.

Item 2: On the recommendation to the Board of Directors of the Company regarding the item «On execution of the Business plan of the Company (including the Investment program) in 2Q and 1H 2014».

Speaker in terms of the Business plan execution report – S.Y. Rummyantsev

Co-speaker in terms of the Investment program execution report – D.V. Sklyarov.

Co-speaker in terms of the report on the execution of the Program of energy conservation and energy efficiency and the Program of long-term development of electricity metering systems in the retail market - E.V. Kabanova. – Acting Deputy General Director for Development and

Sale of Services.

The reports (presentations) on the item are stored in the materials for the meeting of the Committee.

In discussing the reports the questions were received from: S.Y. Lebedev.

The explanations and answers to the questions were given by: S.Y. Rumyantsev, A.V. Pilyugin.

Decision (put for voting):

To recommend to the Board of Directors of the Company to take the following decision:

«To approve the report of General Director of the Company «On execution of the Business plan of the Company (including the Investment program) in 2Q 2014 and 1H 2014 in accordance with the Appendices».

Voting results at the meeting:

Yury Nikolayevich Pankstyanov	- «FOR»
Sergey Vsevolodovich Belevantsev	- «FOR»
Alexey Nikolayevich Zharikov	- «FOR»
Sergey Yuryevich Lebedev	- «FOR»
Sergey Yuryevich Rumyantsev	- «FOR»
Maxim Mikhailovich Saukh	- «FOR»
Alexander Viktorovich Shevchuk	- «FOR»
Roman Alexeevich Filkin	- «FOR»

Voting results by filling in the questionnaires:

Andrey Vitalyevich Gritsenko	- «FOR»
Sergey Vasilyevich Podlutsky	- «FOR»
Yury Alexandrovich Savvin	- «FOR»

Total:

«FOR»	- «11»
«AGAINST»	- «0»
«ABSTAINED»	- «0»

Decision is taken.

The agenda of the meeting of the Strategy and Development Committee of the Board of Directors of the Company on 12.09.2014 was exhausted.

The meeting of the Strategy and Development Committee was adjourned.

**Chairman
of the Strategy and Development Committee
of the Board of Directors of IDGC of Centre**

Y.N. Pankstyanov

**Secretary
of the Strategy and Development Committee
of the Board of Directors of IDGC of Centre**

S.V. Lapinskaya