

Statement of material fact

«On holding meeting of the Board of Directors of the issuer, as well as the separate decisions taken by the Board of Directors of the issuer»

Statement on insider information

«On the agenda of the meeting of the Board of Directors of the issuer, as well as the decisions taken by it»

1. General information

1.1. Full issuer's business name (for non-commercial organization – name)	Interregional Distribution Grid Company of Centre, Joint-Stock Company
1.2. Brief issuer's business name	IDGC of Centre, JSC
1.3. Issuer's location	127018, Moscow, Russia, 2nd Yamskaya, 4
1.4. Primary State Registration Number of the issuer	1046900099498
1.5. Tax payer number of the issuer	6901067107
1.6. Issuer's Unique code, assigned by registering authority	10214-A
1.7. Web page address used by the issuer for information disclosure	http://www.e-disclosure.ru/portal/company.aspx?id=7985; http://www.mrsk-1.ru/ru/information/

2. Contents of the statement

2.1. The quorum of the meeting of the Board of Directors and the voting results:

Total number of members of the Board of Directors: 11 persons. Participants of the meeting: 11 persons. The quorum for all the items is present.

Voting results:

Item 1: «FOR» - 8; «AGAINST» - 0; «ABSTAINED» - 3.

Item 2: «FOR» - 8; «AGAINST» - 0; «ABSTAINED» - 3.

Item 3: «FOR» - 7; «AGAINST» - 2; «ABSTAINED» - 2.

Item 4: «FOR» - 7; «AGAINST» - 0; «ABSTAINED» - 4.

Item 5: «FOR» - 10; «AGAINST» - 0; «ABSTAINED» - 1.

Item 6: «FOR» - 10; «AGAINST» - 0; «ABSTAINED» - 1.

Item 7: «FOR» - 8; «AGAINST» - 2; «ABSTAINED» - 1.

Item 8: «FOR» - 9; «AGAINST» - 2; «ABSTAINED» - 0.

Item 9: «FOR» - 8; «AGAINST» - 0; «ABSTAINED» - 3.

Item 10: «FOR» - 5; «AGAINST» - 0; «ABSTAINED» - 3.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies», and also one member of the Board of Directors of the Company did not take part in the voting on this item, recognized as an interested director in accordance with paragraph 1 of Article 81 of the Federal Law «On Joint Stock Companies».

Item 11: «FOR» - 9; «AGAINST» - 0; «ABSTAINED» - 0.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

Item 12: «FOR» - 6; «AGAINST» - 0; «ABSTAINED» - 3.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

Item 13: «FOR» - 6; «AGAINST» - 0; «ABSTAINED» - 3.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

Item 14: «FOR» - 7; «AGAINST» - 0; «ABSTAINED» - 2.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies».

Item 15: «FOR» - 6; «AGAINST» - 2; «ABSTAINED» - 0.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On

Joint Stock Companies», and also one member of the Board of Directors of the Company did not take part in the voting on this item, recognized as an interested director in accordance with paragraph 1 of Article 81 of the Federal Law «On Joint Stock Companies».

Item 16: «FOR» - 6; «AGAINST» - 2; «ABSTAINED» - 0.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies», and also one member of the Board of Directors of the Company did not take part in the voting on this item, recognized as an interested director in accordance with paragraph 1 of Article 81 of the Federal Law «On Joint Stock Companies».

Item 17: «FOR» - 8; «AGAINST» - 0; «ABSTAINED» - 3.

Item 18: «FOR» - 7; «AGAINST» - 3; «ABSTAINED» - 1.

Item 19: «FOR» - 4; «AGAINST» - 3; «ABSTAINED» - 1.

Two members of the Board of Directors of the Company did not take part in the voting on this item, recognized as dependent directors in accordance with paragraph 3 of Article 83 of the Federal Law «On Joint Stock Companies», and also one member of the Board of Directors of the Company did not take part in the voting on this item, recognized as an interested director in accordance with paragraph 1 of Article 81 of the Federal Law «On Joint Stock Companies».

2.2. The content of the decisions taken by the Board of Directors of the issuer:

Item 1: On approval 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 and senior managers of the Company for 4Q 2013 and 2013».

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 and senior managers of the Company for 4Q 2013 and 2013» in accordance with Appendix # 1 to this decision of the Board of Directors of the Company.

DECISION IS TAKEN.

Item 2: On approval 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 and senior managers of the Company for 1Q 2014».

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 and senior managers of the Company for 1Q 2014» in accordance with Appendix # 2 to this decision of the Board of Directors of the Company.

DECISION IS TAKEN.

Item 3: On approval of an internal document of the Company: the Policy of Innovative Development, Energy Conservation and Energy Efficiency.

Decision:

1. To approve the «Policy of Innovative Development, Energy Conservation and Energy Efficiency of JSC Russian Grids» as an internal document of the Company in accordance with Appendix # 3 to this decision of the Board of Directors.

2. To instruct General Director of the Company to ensure implementation of the Policy in the Company's production and commercial operations.

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:

To agree upon the nomination of Dmitry Vladimirovich Sklyarov for the position of Deputy General Director for Logistics and Procurement of IDGC of Centre.

DECISION IS TAKEN.

Item 5: On recognition of the Regulations for the development and adoption of a five-year investment program of IDGC of Centre and Northern Caucasus to have lost force.

Decision:

To recognize the Regulations for the development and adoption of a five-year investment program of IDGC of Centre and Northern Caucasus to have lost force.

DECISION IS TAKEN.

Item 6: On consideration of the report of the Committee for Audit of the Board of Directors of the Company on the work performed in 2013-2014 corporate year.

Decision:

To take into consideration the report of the Committee for Audit of the Board of Directors of the Company on the work performed in 2013-2014 corporate year in accordance with Appendix # 4 to this decision of the Board of Directors.

DECISION IS TAKEN.

Item 7: On approval of the target values of Cash Flow of the Company for 3Q 2014.**Decision:**

1. 1. To approve the following target values of Cash Flow of the Company for 3Q 2014:

thousand RUB

Name	Services for operation and development of the distribution electric grid complex	Dividends (without tax)
July	33 669	75 992
August	33 669	0
September	33 669	0

2. To instruct General Director of the Company:

- no later than 5 (Five) working days from the date of this decision to ensure the formation of Cash Flow draft and its approval;
- no later than 1 (One) day from the date of Cash Flow approval to forward the document to the members of the Board of Directors of the Company.

DECISION IS TAKEN.

Item 8: On approval of candidatures of insurers of IDGC of Centre.**Decision:**

To approve the following insurance companies as the Company's Insurers:

Type of insurance	Insurance company	Period of insurance
Personal accident and sickness insurance	Allianz	01.05.2014-31.12.2016
Voluntary medical insurance	SOGAZ	01.05.2014-31.12.2016

DECISION IS TAKEN.

Item 9: On consideration of the report of General Director of the Company «On implementation of the assignments taken in 1Q 2014 at the meetings of the Board of Directors of the Company».**Decision:**

1. To take into consideration the report of General Director of the Company «On implementation of the assignments taken in 1Q 2014 at the meetings of the Board of Directors of the Company» in accordance with Appendices # 5 - 9 to this decision of the Board of Directors of the Company.

2. To read item 3 of the decision of the Board of Directors of the Company dated 28.11.2013 (Minutes # 28/13 of 02.12.2013) regarding agenda item # 6 «On approval of a list of projects in the field of energy conservation and economic efficiency improvement, feasible for implementation on the conditions of conclusion of energy service agreements (contracts)» as follows:

« 3. To submit for a meeting of the Board of Directors of the Company a report on the status and results of implementation of activities, included in the List of energy service projects.

Deadline: 1 August 2014».

3. To change the date of the item consideration «Om amendments of the Strategy of the Company in the area of information technology, automation and telecommunications up to 2016 in terms of updating the road map» for a meeting of the Board of Directors no later than 30.08.2014.

4. To recognize the decision of the Board of Directors of IDGC of Centre dated 30.01.2014 regarding item # 3 «On approval of the Action Plan to implement the Strategy of the Company in the area of information technology, automation and telecommunications up to 2016», in terms of subitem 2.2. (Minutes # 01/14 of 03.02.2014) to have lost force.

DECISION IS TAKEN.

Item 10: On approval of an agreement to perform emergency and restoration operations, concluded between IDGC of Centre and MOESK, which is a related party transaction.**Decision:**

1. To determine that the agreement to perform emergency and restoration operations, concluded between IDGC of Centre and MOESK, is a purchase from a sole contractor.

2. To determine that the cost of the work under the agreement to perform emergency and restoration operations, concluded between IDGC of Centre and MOESK, which is a related party transaction, is 1 731 698 rubles (One million seven hundred thirty-one thousand six hundred ninety-eight rubles) 78 kopecks, including VAT (18%) 264 157 rubles (Two sixty-four thousand one hundred fifty-seven rubles) 44 kopecks, in accordance with the scope of work specified in the local estimates (Appendix #1 to the Agreement).

3. To approve the agreement to perform emergency and restoration operations, concluded between IDGC of Centre and MOESK, which is a related party transaction (hereinafter - the Agreement, Appendix # 10 to this decision of the Board of Directors of the Company), on the following essential conditions:

Parties of the Agreement:

the Customer – Interregional Distribution Grid Company of Centre, Joint-Stock Company (IDGC of Centre).

the Contractor - JSC “Moscow United Electric Grid Company” (MOESK).

Scope of the Agreement:

The Contractor shall perform emergency and restoration operations and repair work in the aftermath of failures at electric power facilities of the Customer’s branches (branches of IDGC of Centre – «Kostromaenergo» and «Tverenergo», hereinafter – the Facilities), caused by damage to equipment as a result of natural disasters, and pass the result of work to the Customer.

Price of the Agreement and Settlement procedure:

The cost of the work under the Agreement is 1 731 698 rubles (One million seven hundred thirty-one thousand six hundred ninety-eight rubles) 78 kopecks, including VAT (18%) 264 157 rubles (Two sixty-four thousand one hundred fifty-seven rubles) 44 kopecks.

The Customer shall pay the Contractor for performed emergency and restoration operations and repair work on the basis of the actual amount of work performed in accordance with the actual estimates approved by the Customer after the final determination of the amount of the work performed, within 5 (five) working days from the date of signing of the Work Performance Certificate by the Parties.

Turnaround time:

Start of work performance under the Agreement - «27» November 2013.

Completion of the work performance under the Agreement - «18» December 2013.

Duration of the Agreement:

The Agreement shall enter into force upon signature by both Parties and shall continue until the Parties fulfill their commitments. Validity of this Agreement covers the relations between the parties arising in fact from «27» November 2013.

DECISION IS TAKEN.

Item 11: On approval of an agreement to repair electric grid equipment, concluded between IDGC of Centre (IDGC of Centre - Yarenergo division) and OJSC «YarEGC», which is a related party transaction.

Decision:

1. To determine that the price consists of the cost of work actually performed according to requests from the Customer and signed by both parties acts of acceptance of the work and should not exceed 118 000 (One hundred eighteen thousand) rubles 00 kopecks per month, including VAT – 18 000 (Eighteen thousand) rubles 00 kopecks.

The cost of the work performed under the Agreement is determined in accordance with Appendix # 4 to the Agreement.

2. To approve the agreement to repair electric grid equipment, concluded between IDGC of Centre (IDGC of Centre - Yarenergo division) and OJSC «YarEGC» (hereinafter - the agreement) (Appendix # 11 to this decision of the Board of Directors of the Company), which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

«Customer» - OJSC «YarEGC»;

«Contractor» - IDGC of Centre (IDGC of Centre - Yarenergo division).

Scope of the Agreement: The Contractor undertakes in the period from the date of signing the agreement until «31» March 2015 to perform the work (Appendix # 2 to this Agreement), associated with emergency and restoration repair of electric grid equipment at requests of the Customer (Appendix # 6 to this Agreement), using its own material (or without material) at the facilities (Appendix #1 to this Agreement), which is the property of the Customer.

When performing work under the agreement the requirements of Appendix # 5 to this Agreement shall be complied with (Memo to the consumer-owner of existing electrical installations up to 220 kV).

Repair of electric grid equipment is a set of organizational and technical measures to recover the function of faulty equipment and includes:

- travel to the location of electric grid equipment of the Customer;

- work package performance on troubleshooting in the electric grid equipment with replacement of parts of equipment which are nonoperable for further use (Appendix #1 to this Agreement).

Price of the agreement: The total value of the agreement consists of the cost of work actually performed according to requests from the Customer and signed by both parties acts of acceptance of the work and should not exceed 118 000 (One hundred eighteen thousand) rubles 00 kopecks per month, including VAT – 18 000

(Eighteen thousand) rubles 00 kopecks. The cost of the work performed under the Agreement is determined in accordance with Appendix # 4 to this Agreement;

Duration of the agreement: The Agreement shall enter into force upon its signature and is valid till «31» March 2015.

The Contractor may at any time unilaterally cancel obligations under this Agreement by written notice of refusal to fulfill of the Customer 3 (three) calendar days prior the date of the unilateral refusal to fulfill the obligations under the Agreement. The Agreement is terminated at the end of 3 (three) calendar days of receipt by the Customer of the written notice of refusal to fulfill the obligations under the Agreement.

DECISION IS TAKEN.

Item 12: On approval of an amendment to movable property lease agreement dated 10.03.2009 №40025096, concluded between IDGC of Centre (IDGC of Centre - Kurskenergo division) and SO UES (Kursk TCC, a branch of SO UES), which is a related party transaction.

Decision:

To approve an amendment to movable property lease agreement dated 10.03.2009 № 40025096, concluded between IDGC of Centre (IDGC of Centre - Kurskenergo division) and SO UES (Kursk TCC, a branch of SO UES), which is a related party transaction, on the following essential conditions:

Parties of the Amendment:

IDGC of Centre - Lessor;

SO UES - Lessee.

Scope of the Amendment:

Paragraph 11.1. of the Agreement to read as follows: «This agreement shall enter into force upon its signature and is valid till 24 hours 00 minutes on 30.06.2015»

Duration of the Amendment:

The Amendment shall enter into force from 00 hours 00 minutes 01.07.2014 and is valid for the entire duration of movable property lease agreement dated 10 March 2009 №40025096.

The terms and conditions of the amendment shall apply to the legal relationship between the parties arising from 01.01.2014.

DECISION IS TAKEN.

Item 13: On approval of a non-residential premises lease agreement between IDGC of Centre and SO UES, which is a related party transaction.

Decision:

1. To determine in accordance with Valuation Report FSUE "Rostehinventarizatsiya - Federal TIB" dated 21.01.2014 № 0000/12.12.2013/05116-9000-D/YU-15/0008 the market value of monthly rent under the non-residential premises lease agreement, located at: Tambov region, Tambov, Morshanskoye highway, 23, concluded between IDGC of Centre (IDGC of Centre - Tambovenergo division) and SO UES (Lipetsk and Tambov TCC, a branch of SO UES), which is a related party transaction, taking into account utility bills in the amount of 152 416 (One hundred fifty-two thousand four hundred sixteen) rubles 67 kopecks, including VAT 18 % - 23 250 (Twenty-three thousand two hundred fifty) rubles 00 kopecks.

2. To approve the non-residential premises lease Agreement, concluded between IDGC of Centre (IDGC of Centre - Tambovenergo division) and SO UES (Lipetsk and Tambov TCC, a branch of SO UES), which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

IDGC of Centre - Lessee;

SO UES - Lessor.

Scope of the Agreement

Lessor shall provide Lessee with temporary gratuitous use (hereinafter – the Lease) of non-residential premises on floor 3 of the building: №№ 7, 9, 10, 11, 12, 13, 14, 14a, 14b, 14c, 14d, 15, 63 and non-residential premises on floor 4 of the building №№ 9, 10, 11, 12, 12a, 55, with floor area of 340,80 sq. m. (hereinafter – the Premises), individualized by their graphical selection on the floor plan of premises (Appendix # 2 to the agreement), located at: Tambov region, Tambov, Morshanskoye highway, 23.

Price of the services and settlement procedure

The monthly rent is 152 416 (One hundred fifty-two thousand four hundred sixteen) rubles 67 kopecks, including VAT 18 % - 23 250 (Twenty-three thousand two hundred fifty) rubles 00 kopecks.

The rent includes compensation cost for the provision of operational and public services (including the costs of providing heat, power, water and disposal of household waste).

The Lessee is obliged to pay a monthly rental fee for the current calendar month's rent in the prescribed amount, not later than the 10th (tenth) day of each calendar month of the current rent in accordance with the payment details as specified in the Agreement.

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

Duration of the Agreement

This Agreement shall enter into force upon its (conclusion) signature by the Parties. Duration of the Agreement is 11 (Eleven) months upon its signature by the Parties.

DECISION IS TAKEN.

Item 14: On approval of amendment #3 to real estate lease agreement dated 10.03.2009 № 40025111, concluded between IDGC of Centre (IDGC of Centre - Kurskenergo division) and SO UES (Kursk TCC, a branch of SO UES), which is a related party transaction.

Decision:

To approve conclusion of amendment #3 to real estate lease agreement dated 10.03.2009 № 40025111, which is a related party transaction, on the following essential conditions:

Parties of the Amendment:

IDGC of Centre - Lessor;

SO UES - Lessee.

Scope of the Amendment:

The Parties have agreed to amend real estate lease agreement dated 10.03.2009 № 40025111 as follows:

Paragraph 12.1. of the Agreement to read as follows «This agreement shall enter into force from the moment of its state registration and is valid until 24 hours 00 minutes 30.06.2015»

Duration of the Amendment:

The Amendment shall enter into force from the moment of its state registration and is valid for the entire duration of real estate lease agreement dated 10.03.2009 № 40025111.

The terms and conditions of the amendment shall apply to the legal relationship between the parties arising from 01.07.2014.

DECISION IS TAKEN.

Item 15: On approval of amendment # 2 to real estate lease agreement of 16.08.2010 № 07-6/559(2010)KC, concluded between IDGC of Centre and FGC UES, which is a related party transaction.

Decision:

1. To determine the price of amendment # 2 to real estate lease agreement of 16.08.2010 № 07-6/559(2010)KC, concluded between IDGC of Centre (IDGC of Centre - Kostromaenergo division) and FGC UES (Volgo-Okskoye PMES, a branch of FGC UES), which is a related party transaction, in the amount of 137 809 (One hundred thirty-seven thousand eight hundred and nine) rubles 59 kopecks per month, including VAT 18 % - 21 021 (Twenty one thousand twenty-one) ruble 80 kopecks from 01.07.2014.

The rent includes public services.

2. To approve amendment # 2 to real estate lease agreement of 16.08.2010 № 07-6/559(2010)KC, concluded between IDGC of Centre (IDGC of Centre - Kostromaenergo division) and FGC UES (Volgo-Okskoye PMES, a branch of FGC UES), which is a related party transaction, on the following essential conditions:

Parties of the Amendment:

IDGC of Centre - Lessor;

FGC UES - Lessee.

Scope of the Amendment: To amend real estate lease agreement of 16.08.2010 № 07-6/559(2010)KC:

1.1.1. To read paragraph 5.1 of the Agreement as follows: «The rent for the use and possession of «the Leased Premises» is set as a fixed ruble amount of 1 515 905 (One million five hundred fifteen thousand nine hundred and five) rubles 49 kopecks, including VAT at 18% in the amount of 231 239 (Two hundred thirty one thousand two hundred thirty-nine) rubles 82 kopecks, for the entire duration of the agreement referred to in paragraph 11.1. of this agreement.

This rental fee is determined based on Report of the independent appraiser LLC "LAIR" dated 23.01.2014 № N-16431/13».

1.1.2. To read paragraph 5.3. of the Agreement as follows: «The Lessee is obliged to pay rent monthly in equal installments of 137 809 (One hundred thirty-seven thousand eight hundred and nine) rubles 59 kopecks per month, including VAT at 18% in the amount of 21 021 (Twenty one thousand twenty-one) ruble 80 kopecks».

1.2. Appendix # 5 to the Agreement shall be void. Appendix # 1 to this Amendment shall be deemed an integral part of the Agreement.

Duration of the Amendment:

This Amendment shall enter into force upon its signature by the Parties and shall cover legal relations of the Parties arising from 01.07.2014.

DECISION IS TAKEN.

Item 16: On approval of amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC, concluded between IDGC of Centre and FGC UES, which is a related party transaction.

Decision:

1. To determine the price of amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC, concluded between IDGC of Centre (IDGC of Centre - Kostromaenergo division) and FGC UES (Volgo-Okskoye PMES, a branch of FGC UES), which is a related party transaction, in the amount of 14 151 (Fourteen thousand one hundred fifty one) ruble 19 kopecks per month, including VAT 18 % - 2 158 (Two thousand one hundred fifty eight) rubles 66 kopecks from 01.07.2014.

The rent includes operational and public services.

2. To approve Amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC, concluded between IDGC of Centre (IDGC of Centre - Kostromaenergo division) and FGC UES (Volgo-Okskoye PMES, a branch of FGC UES), which is a related party transaction, on the following essential conditions:

Parties of the Amendment:

IDGC of Centre - Lessee;

FGC UES - Lessor.

Scope of the Amendment: To amend real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC:

1. To read paragraph 5.1 of Section 5 of the Agreement as follows: «The rent is 14 151 (Fourteen thousand one hundred fifty one) ruble 19 kopecks per month, including VAT 18 % 2 158 (Two thousand one hundred fifty eight) rubles 66 kopecks.

The rent per 1 sq. metre per month is 428 (Four hundred twenty eight) rubles 82 kopecks per month, including VAT (18 %) in the amount of 65 (Sixty five) rubles 41 kopecks.

The rent calculation is an integral part of this agreement (Appendix # 1 to amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC)».

2. Appendix # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC shall be void from 01 July 2014.

Appendix # 1 to amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC shall be deemed an integral part of the Agreement.

3. To read paragraph 4.2. «Lessee undertakes» of Section 4. «Legal obligations of parties», supplementing it with subparagraph 4.2.16 as follows:

«The Lessee shall provide to Lessor within 5 days from the date of signing of this Amendment information on the whole chain of owners, including the final beneficiaries, their data, details of managers with copies of supporting documents (by-laws, an extract from the register, an extract from the register of shareholders, passport data, etc.), as well as consent to the processing of personal data according to the attached forms (Appendix # 2 to amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC, Appendix # 3 to amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC).

The Lessee shall provide to Lessor information about changes in the composition (as compared to existing on the date of signing of this Agreement) of the owners of the Lessee (participants, with respect to participants who are legal persons - the composition of the participants, etc.), including beneficiaries (including final ones), and the composition of the executive bodies of the Lessee; information on the composition of the owners (participants, and in respect of participants who are legal persons - the composition of the participants, etc.), involved Subcontractors of the Lessee. Information is presented in the form specified in Appendix # 2, Appendix # 3 to amendment # 2 to real estate lease agreement of 01.11.2010 № 07-6/756(2010)KC, not later than 3 calendar days from the date occurrence of the relevant event (legal fact), with supporting documents confirmation by sending them by fax, as well as a way that allows to confirm the date of receipt».

4. To amend Section 6. «Legal obligations of parties», supplementing it with paragraph 6.6. and paragraph 6.7., and to read them as follows:

«6.6. The Lessee is aware that the Lessor conducts anti-corruption policy and develops a culture that does not allow for corruption.

6.6.1. In the performance of their obligations under this Agreement, the Lessee and Lessor, their affiliates, employees or intermediaries do not pay, do not offer to pay, and do not allow the payment of any money or property, directly or indirectly, to any person for influencing actions or decisions of these persons in order to obtain any improper advantage or other illegal purpose.

In the performance of their obligations under this Agreement, the Lessee and Lessor, their affiliates, employees or intermediaries do not realize actions that are qualified by the applicable legislation for the purposes of this Agreement as giving / receiving a bribe, commercial bribery, abuse of power, as well as actions that violate the requirements of applicable laws and international instruments on combating legalization (laundering) of proceeds from crime.

The Lessee and Lessor reject any way to stimulate each other's employees, including by providing money, gifts, gratuitous performance works (services) for them, and other means not named herein that place the employee in a certain dependence and are aimed at ensuring performance of any action by the employee in favour of the stimulating party (of the Lessee and Lessor).

The actions of the employee, carried out in favour of the stimulating party (of the Lessee and Lessor), mean:

providing an unfair advantage over other contractors;

any kind of warranty;

acceleration of existing procedures;

other actions performed by the employee as part of his/her official duties, but contrary to the principles of transparency and openness in the relationship between the Lessee and Lessor.

In case the Lessee or Lessor happen to have any suspicion that breach of any of the provisions of this paragraph has occurred or will occur, then the Lessee and Lessor shall notify the other Party in writing. Upon written notice, the Lessee and / or Lessor has the right to suspend performance of obligations under this Agreement until receiving confirmation that no breach has occurred or will occur. This acknowledgment must be sent within ten working days from the date of written notification.

In the written notice the Lessee and/or Lessor shall refer to facts or to provide materials reliably confirming or giving reason to believe that the breach of any of the provisions of this paragraph has occurred or may occur by the Lessee and/or Lessor, its affiliates, employees or intermediaries expressed in actions that are qualified by the applicable legislation as giving or receiving a bribe, commercial bribery, as well as actions that violate the requirements of applicable laws and international instruments on combating legalization (laundering) of proceeds from crime.

6.6.2. In case of violation by the Lessee and/or Lessor of the obligations to refrain from prohibited in paragraph 6.6.1. of this Agreement actions and/or non-receipt of the confirmation by the other party to confirm that no breach has occurred or will occur within the term specified by the legislation, the Lessee or Lessor has the right to terminate the agreement unilaterally in whole or in part by giving written notice of termination. The Party, on whose initiative this Agreement has been terminated, in accordance with the provisions of this paragraph shall be entitled to claim compensation for the actual loss resulting from such termination.

6.7. In case of non-performance of the obligations by the Lessee as specified in subparagraph 4.2.16. of this Agreement, the Lessor shall have the right to unilaterally withdraw from execution of this Agreement».

Duration of the Amendment:

This Amendment shall enter into force upon its signature by the Parties and shall cover the legal relations arising from 01.07.2014.

DECISION IS TAKEN.

Item 17: On the nomination of the Auditor of JSC “Yargorelectroset” by the Company.

Decision:

To recommend to the Annual General Meeting of Shareholders of the Company:

To approve LLC «Audit-Garant» (TIN 7604040270) as the Company’s auditor to audit the financial statements of the Company for 2014 under RAS.

DECISION IS TAKEN.

Item 18: On approval of an internal document of the Company – the Regulations on depositing idle cash of the Company.

Decision:

In order to reduce financial risks, as well as securing and monitoring the use of monetary funds to approve the internal document of the Company – the Regulations on depositing idle cash of the Company in the edition of Appendix # 12 to this decision of the Board of Directors.

DECISION IS TAKEN.

Item 19: On approval of a service agreement to maintain reference data, concluded between IDGC of Centre and IT Energy, which is a related party transaction.

Decision:

1. To determine that the price of services under the service agreement to maintain reference data, concluded between IDGC of Centre and IT Energy, which is a related party transaction, is not over 35 403 346,00 (Thirty-five million four hundred and three thousand three hundred forty-six) rubles 00 kopecks, and VAT - 6 372 602,28 (Six million three hundred seventy-two thousand six hundred and two) rubles 28 kopecks.

2. To approve the service agreement to maintain reference data, concluded between IDGC of Centre and IT Energy (hereinafter - the Agreement, Appendix # 13 to this decision), which is a related party transaction, on the following essential conditions:

Parties of the Agreement:

«Customer» - IDGC of Centre

«Contractor» - IT Energy

Scope of the Agreement:

The Contractor undertakes under a request of the Customer to provide services to maintain reference data of IDGC of Centre based on software products Reference Data Portal and ERP (SAP Software), including MDM, and services to update the directory for debtors/creditors who are natural persons in the Reference Data, according to the List of services (Appendix # 1 to the Agreement), which is an integral part of the Agreement, and the Customer agrees to accept these services and pay for them.

Price of the Agreement:

The price of the services under the Agreement is not over 41 775 948,28 (Forty-one million seven hundred seventy-five thousand nine hundred forty-eight) rubles 28 kopecks, including VAT 18% - 6 372 602,28 (Six million three hundred seventy-two thousand six hundred and two) rubles 28 kopecks.

Service provision period of time:

Service provision period of time is determined in accordance with Appendix # 1 to the Agreement, which is an integral part of the Agreement.

Duration of the Agreement:

The Agreement shall enter into force upon its signature by both Parties and is valid till 30.06.2017, provided their obligations are fully fulfilled under the Agreement.

3. To determine that the Agreement may be concluded by the Company only in the event that IT Energy is the winning bidder of the open procurement procedure for the right to conclude an agreement for the provision of services to maintain reference data.

DECISION IS NOT TAKEN.

2.3. Date of meeting of the Board of Directors of the issuer, at which the relevant decisions were taken: **20.06.2014.**

2.4. Date of drawing up and number of minutes of meeting of the Board of Directors of the issuer, at which the relevant decisions were taken: **Minutes # 15/14 of 23.06.2014.**

3. Signature

3.1. Director of Corporate Governance –
Head of corporate governance and interaction
with shareholders Department, acting under
power of attorney # D-CA/32 of 22.01.2014

(signature)

O.A. Kharchenko

Stamp here.

3.2. Date «23» June 2014.