



Interregional Distribution Grid Company of Centre,
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MINUTES
of the meeting of the Audit Committee
of the Board of Directors of IDGC of Centre, PJSC
(in the form of joint presence)

16 November 2016

Moscow

No. 12/16

Form of the meeting: joint presence.

Total number of members of the Audit Committee: 5 persons.

Place of the meeting: Moscow, 2nd Yamskaya, 4, floor 5, office 507.

Time of the meeting: 11 hours 00 minutes – 12 hours 00 minutes.

Participants of the meeting: O.V. Shatokhina, M.M. Saukh, R.A. Filkin, A.V. Shevchuk (regarding items ## 2-3), N.I. Erpsher.

The written opinion of the following members was taken into account while defining the results: none.

Members who neither participated nor provided questionnaires: none.

The quorum is present.

Date of the minutes: 16.11.2016.

The Expert conclusion of the expert of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC M.A. Lelekova was taken into account at drawing up of the minutes.

The meeting of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC was opened by Chairperson of the Audit Committee of the Board of Directors of IDGC of Centre, Oxana Vladimirovna Shatokhina.

The following invited representatives of the management of PJSC «Rosseti» were present:

M.A. Lelekova - Director of Control Department (Expert of the Audit Committee of the Board of Directors of IDGC of Centre)

The following invited representatives of IDGC of Centre's management were present:

A.K. Akhmedova - Legal Director of Legal Provision Department

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

E.V. Kabanova – Deputy General Director for Development and Sale of Services

R.P. Mitrofanov - Deputy General Director for Capital Construction

S.Y. Rummyantsev – Deputy General Director for Economy and Finance

D.V. Sklyarov – Deputy General Director for Investment

L.A. Sklyarova - Chief Accountant - Head of Financial and Tax Accounting and Reporting Department

V.V. Ozhkalo - Acting Deputy General Director for Security

A.V. Pilyugin - First Deputy General Director - Chief Engineer
S.N. Sharapov - Deputy General Director for Corporate Governance
S.V. Shpakova – Head of Internal Audit Department.

After the announcement of a quorum regarding the agenda items, the meeting of the Audit Committee was called to order.

AGENDA:

1. On consideration of the report of the Internal Audit Department of the Company «On execution of the Work Plan for 9 months of 2016 and results of the internal audit activity».
2. On preliminary consideration of the Work Plan of the Internal Audit Department of the Company for 2017.
3. On preliminary consideration of the budget of the Internal Audit Department of the Company for 2017.

Item 1. On consideration of the report of the Internal Audit Department of the Company «On execution of the Work Plan for 9 months of 2016 and results of the internal audit activity».

Speaker – Svetlana Valeryevna Shpakova.

In discussing the report the questions and comments were received from M.M. Saukh, M.A. Lelekova.

After the discussion the members of the Audit Committee of the Board of Directors proceeded to vote.

Decision taken at the meeting:

To approve the Report of the Internal Audit Department of IDGC of Centre, PJSC «On execution of the Work Plan for 9 months of 2016 and results of the internal audit activity» in accordance with Appendix # 1 to this decision of the Audit Committee of the Board of Directors of IDGC of Centre, PJSC.

Voting results under the decision draft, announced at the meeting:

Oxana Vladimirovna Shatokhina	- «FOR»
Maxim Mikhailovich Saukh	- «FOR»
Roman Alexeyevich Filkin	- «FOR»
Natalia Ilyinichna Erpsher	- «FOR»

Total:

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

Decision is taken.

Item 2. On preliminary consideration of the Work Plan of the Internal Audit Department of the Company for 2017.

Speaker – Svetlana Valeryevna Shpakova.

In discussing the report the questions and comments were received from M.M. Saukh, N.I. Erpsher, R.A. Filkin, A.V. Shevchuk, M.A. Lelekova.

After the discussion the members of the Audit Committee of the Board of Directors proceeded to vote.

Decision taken at the meeting:

1. To note that, based on the availability of labour resources of the Internal Audit Department, the frequency of internal audit inspections of financial and economic activities of branches of IDGC of Centre, PJSC is not provided: at least 1 time every 2 years.

2. To recommend the internal audit in the implementation of thematic audits to include the branches into audited items, in respect of which the financial and economic activity was not audited in 2016 and inspection of the financial and economic activity is not scheduled for 2017.

3. To recommend to the Board of Directors of IDGC of Centre, PJSC to take the following decision:

«To approve the Work Plan of the Internal Audit Department of IDGC of Centre, PJSC for 2017 in accordance with the Appendix».

Voting results under the decision draft, announced at the meeting:

Oxana Vladimirovna Shatokhina - «FOR»

Maxim Mikhailovich Saukh - «FOR»

Roman Alexeyevich Filkin - «FOR»

Alexander Viktorovich Shevchuk - «FOR»

Natalia Ilyinichna Erpsher - «FOR»

Total:

«FOR» - «5»

«AGAINST» - «0»

«ABSTAINED» - «0»

Decision is taken.

Item 3. On preliminary consideration of the budget of the Internal Audit Department of the Company for 2017.

Speaker – Svetlana Valeryevna Shpakova.

In discussing the report the questions and comments were received from R.A. Filkin, A.V. Shevchuk, M.A. Lelekova.

After the discussion the members of the Audit Committee of the Board of Directors proceeded to vote.

Decision taken at the meeting:

1. To agree upon the budget of the Internal Audit Department of IDGC of Centre, PJSC for 2017 in accordance with Appendix # 3 to this decision of the Audit Committee of the Board of Directors of the Company.

2. To recommend to the Board of Directors of IDGC of Centre, PJSC to take the following decision:

«To approve the budget of the Internal Audit Department of IDGC of Centre, PJSC for 2017 in accordance with the Appendix».

Voting results under the decision draft, announced at the meeting:

Oxana Vladimirovna Shatokhina - «FOR»

Maxim Mikhailovich Saukh - «FOR»

Roman Alexeyevich Filkin - «FOR»

Alexander Viktorovich Shevchuk - «FOR»

Natalia Ilyinichna Erpsher - «FOR»

Total:

«FOR» - «5»

«AGAINST» - «0»

«ABSTAINED» - «0»

Decision is taken.

Appendices:

1. The Report of the Internal Audit Department of IDGC of Centre, PJSC «On execution of the

- Work Plan for 9 months of 2016 and results of the internal audit activity» (Appendix # 1).
2. The Work Plan of the Internal Audit Department of IDGC of Centre, PJSC for 2017 (Appendix # 2).
 3. The budget of the Internal Audit Department of IDGC of Centre, PJSC for 2017 (Appendix # 3).

Chairperson of the Audit Committee

O.V. Shatokhina

**Secretary of the Audit Committee
Lapinskaya**

S.V.