



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 absent voting)

23 January 2018

Moscow

No. 02/18

Form of the meeting: absent voting.

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

Participants of the voting: T.P. Dronova, A.I. Pavlov, M.M. Saukh, O.V. Shatokhina, A.V. Shevchuk.

Members who did not provide questionnaires: none.

The quorum is present.

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.

Date of the minutes: 25.01.2018.

AGENDA:

1. On preliminary consideration of the terms and conditions for conducting procurement procedures for the selection of an external auditor for the right to conclude an agreement for the audit of the Company's accounting (financial) statements.

Item 1. On preliminary consideration of the terms and conditions for conducting procurement procedures for the selection of an external auditor for the right to conclude an agreement for the audit of the Company's accounting (financial) statements.

Decision:

1. To agree on the terms and conditions of the procurement procedure for the right to conclude an agreement on the mandatory annual audit of RAS statements and the audit of IFRS statements for 2018-2020, in particular, to determine the set and significance of evaluation criteria for procurement participants, the procedure for evaluating bids of the procurement participants in accordance with Appendix # 1 to this decision of the Audit Committee of the Board of Directors of the Company.

2. To recommend to the Company to carry out the procurement procedures for the right to conclude an agreement on the mandatory annual audit of RAS statements and the audit of IFRS statements for 2018-2020 by participating in a centralized public tender organized by PJSC Rosseti.

Voting results:

Alexander Viktorovich Shevchuk	- «AGAINST»
Oxana Vladimirovna Shatokhina	- «FOR»
Tatiana Petrovna Dronova	- «FOR»
Alexey Igorevich Pavlov	- «FOR»

Maxim Mikhailovich Saukh

- «FOR»

Total:

«FOR»	- «4»
«AGAINST»	- «1»
«ABSTAINED»	- «0»

Decision is taken.

The following dissenting opinion on this item was received from Chairperson of the Audit Committee of the Board of Directors of the Company, A.V. Shevchuk: «*Regarding item #1 I vote against with the following opinion:*

1) the proposed selection terms and conditions do not meet the generally accepted normal practices of independent selection of the auditor, involving not only the majority of accounting specialists, who in fact will be auditors themselves, but also independent experts, I have not seen a single chairman of the audit committee or an independent member of the Audit Committee among the list of colleagues from the main shareholder;

2) questions are raised by the criteria used for the selection, which in fact were not discussed by anyone at the committee level and proposed by a strong-willed decision of the main shareholder with an incomprehensible logic for me

3) we run the risk of remaining with auditors without a proper international reputation or with the change of teams during the 3-year period in the direction of reducing their quality characteristics (no sanctions are provided for in the draft agreement)».

Appendices: The terms and conditions of the procurement procedure for the right to conclude an agreement on the mandatory annual audit of RAS statements and the audit of IFRS statements for 2018-2020 (Appendix # 1).

Chairperson of the Audit Committee

A.V. Shevchuk

Secretary of the Audit Committee

S.V. Lapinskaya