

Corporate Action Statement/Disclosure of insider information
“Information on decisions adopted by Board of Directors of “IDGC of the South” PJSC

1. General information	
1.1. Full company name of the issuer	Public Open Joint Stock Company “Interregional Distribution Grid Company of the South”
1.2. Short company name of the issuer	“IDGC of the South” PJSC
1.3 Location of the issuer	Rostov-on-Don, the Russian Federation
1.4 PSRN of the issuer	1076164009096
1.5 TIN of the issuer	6164266561
1.6 Unique issuer’s code assigned by the registration authority	34956-E
1.7 Internet website address used by the issuer for information disclosure	http://www.mrsk-yuga.ru; http://www.e-disclosure.ru/portal/company.aspx?id=11999
2. Statement content	
2.1. Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions: 11 out 11 members of BoD participated in the meeting; quorum is present.	
On item 1: “FOR” – 10 votes “AGAINST” – 0 votes “ABSTAINED” – 1 vote	On item 2: “FOR” – 10 votes “AGAINST” – 0 votes “ABSTAINED” – 0 votes
On item 3: “FOR” – 6 votes “AGAINST” – 2 votes “ABSTAINED” – 2 votes	
BoD member Ebzeev B.B., being a person implementing functions of sole executive body (Director general) of the Company, is considered as dependent director and does not participate in voting on this issue	

On item 4:

“FOR” – 7 votes

“AGAINST” – 2 votes

“ABSTAINED” – 1 vote

BoD member Ebzeev B.B., being a person implementing functions of sole executive body (Director general) of the Company, is considered as dependent director and does not participate in voting on this issue

On item 5:

“FOR” – 6 votes

“AGAINST” – 2 votes

“ABSTAINED” – 3 votes

BoD member Bogashov A.E., being simultaneously a BoD member of Kubanenergo PJSC is considered as dependent director and does not participate in voting on this issue.

BoD member Ebzeev B.B., being a person implementing functions of sole executive body (Director general) of the Company, is considered as dependent director and does not participate in voting on this issue

On item 6:

“FOR” – 11 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

Disclosure of insider information on item 1: “On approval of Credit plan of IDGC of the South PJSC for the 4th quarter of 2016”

2.2.1 Content of decision:

To approve the Credit plan of IDGC of the South PJSC for the 4th quarter of 2016, in accordance with Appendix 1 to this decision of Company’s BoD.

Disclosure of insider information on item 2: “On taking into consideration the report on observance of procedure of accepting and commissioning completed construction projects of IDGC of the South PJSC”

2.2.1 Content of decision:

To take into consideration the report on observance of procedure of accepting and commissioning completed construction projects of IDGC of the South PJSC, in accordance with Appendix 2 to this decision of Company's BoD.

Approving of transactions recognized in accordance with legislation of Russian Federation as large-scale transaction and (or) transactions of interest/Disclosure of insider information on item 3: "On approval of contract on maintenance of display wall Barco grid control center between IDGC of the South PJSC and "FOCL-Power Lines Directorate" JSC as interested party transaction"

2.2.3. Content of decision:

1. To determine that the price of the contract on maintenance of display wall Barco grid control center between IDGC of the South PJSC and "FOCL-Power Lines Directorate" JSC as interested party transaction, shall amount 1 889 018 (one million eight hundred eighty nine thousand and eighteen) rubles 99 kopecks, including 18% VAT – 288 155 (two hundred eighty eight thousand one hundred fifty five) rubles 44 kopecks.

2. To approve the contract on maintenance of display wall Barco grid control center between IDGC of the South PJSC and "FOCL-Power Lines Directorate" JSC (hereinafter – the Contract, annex 3 to the resolution of the BoD) as interested party transaction on the following essential terms:

Parties to the Contract:

IDGC of the South PJSC – Customer; "FOCL-Power Lines Directorate" JSC – Contractor

Subject of the Contract: 1.1 Under the contract the Contractor undertakes to personally provide services on maintenance of display wall Barco grid control center of IDGC of the South at the address: 15 Prospekt Lenina, Volgograd. The Customer undertakes to accept and pay for the services rendered, in the manner and amount established by this Contract.

1.2 The scope, contents and the quality of services must comply with the Terms of Reference (Annex No.2 to the Contract).

1.3 Services on maintenance of Barco grid control center of IDGC of the South PJSC are performed upon the customer's request within 2 weeks after receipt of the application by the Contractor, not later than 30.12.2016.

Contract price: The total cost of services under the Contract is 1 889 018 (one million eight hundred eighty nine thousand and eighteen) rubles 99 kopecks, including 18% VAT – 288 155 (two hundred eighty eight thousand one hundred fifty five) rubles 44 kopecks.

Contract time: The Contract shall enter into force upon signature and is valid until the Parties fulfill their obligations under the Contract.

Approving of transactions recognized in accordance with legislation of Russian Federation as large-scale transaction and (or) transactions of interest/Disclosure of insider information /Disclosure of insider information on item 4: “On approval of contract on construction, re-equipment and modernization of gird facilities between IDGC of the South PJSC and “FOCL-Power Lines Directorate” JSC as interested party transaction”

2.2.4. Content of decision:

1. To determine that the cost of contract on construction, re-equipment and modernization of gird facilities between IDGC of the South PJSC and “FOCL-Power Lines Directorate” JSC is 15 264 448 (fifteen million two hundred sixty four thousand four hundred forty eight) rubles 56 kopecks, including 18% VAT – 2 328 475 (two million three hundred twenty eight thousand four hundred seventy five) rubles 20 kopecks.

2. To approve the contract on construction, re-equipment and modernization of gird facilities between IDGC of the South PJSC and “FOCL-Power Lines Directorate” JSC (hereinafter – the Contract, annex 4 to the resolution of the BoD) as interested party transaction on the following terms:

Parties to the Contract:

IDGC of the South PJSC – Customer; "FOCL-Power Lines Directorate" JSC – Contractor

Subject of the Contract: The Contractor undertakes, in accordance with the task of the Customer (the basic requirements listed in the Terms of Reference for choosing a construction company, annex 7 to the Contract) and in accordance with the design and estimate documentation developed by RTSOFT CJSC cipher D0308, approved by Order No.32 on 05.02.2016, to carry out work on the project: “Construction of live data multi-display system for ”, unless otherwise stated in the terms of reference for auction (annex number 7 to the contract) and deliver results to the Customer, and the Customer undertakes to accept the result of work and pay for it in the manner prescribed by the Contract.

Approving of transactions recognized in accordance with legislation of Russian Federation as large-scale transaction and (or) transactions of interest/Disclosure of insider information on item 5: “On approval of contract o between IDGC of the South PJSC and Kubanenergo PJSC as interested party transaction”

2.2.5. Content of decision:

1.1. To set the preliminary price of the contract between Kubanenergo PJSC and IDGC of the South PJSC, as an interested-party transaction: 922 524.87 rubles (nine hundred twenty two thousand five hundred twenty four rubles 87 kopecks), including 18% VAT – 140 724.13 rubles (one hundred forty thousand seven hundred twenty four rubles 13 kopecks). To specify that the cost of work under the Contract cannot equal 2 or more % from balance sheet cost of assets owned by IDGC of the South PJSC in accordance with the accounts as of the last reporting date.

1.2. To approve the contract between Kubanenergo PJSC and IDGC of the South PJSC, as an interested-party transaction on the following conditions:

Contract parties:

Customer – Kubanenergo PJSC; Contractor – IDGC of the South PJSC

Subject of the contract: The Contractor undertakes to perform work to eliminate the consequences of accidents at facilities of the Customer, caused by damaged equipment in result of natural disaster and to deliver the results of work to the Customer. Types of work, the volume and description are discussed by the Parties in the activity dependent cost estimate (Annexes 1, 1.1-1.5 to the Contract).

The concept (definition) of the accident is understood in the sense in which it is treated by the Rules of investigation of the causes of accidents in the power industry, approved by RF Government Decree No.846 dated 28 October 2009.

Contract price: The preliminary price of the work performed by the Contractor amounts to 3 103 922 524.87 rubles (nine hundred twenty two thousand five hundred twenty four rubles 87 kopecks), including 18% VAT – 140 724.13 rubles (one hundred forty thousand seven hundred twenty four rubles 13 kopecks), in accordance with planned volume of work specified in the activity dependent cost estimate (Annexes 1, 1.1-1.5 to the Contract).

Term of the Contract: The Contract comes into force upon the signature and covers legal relationship between the parties that occurred from 26 June 2015 and is valid until complete fulfillment of all contractual obligations by the Parties.

Term of fulfilling the work: 26 June 2015 to 29 June 2015

3. To note that the item was submitted for consideration of the BoD late.

Disclosure of insider information on item 6 “On approval of Regulations for the Company’s Corporate Secretary”

2.2.6. Content of decision:

1. To approve the restated Regulations for the Company’s Corporate Secretary, in accordance with Appendix 6 to this decision of Company’s BoD.
2. Director General of the Company shall ensure that position the Corporate Secretary shall be included in the Company’s staff list without increase of salary budget and the Company’s staff size.

2.3. Date of holding the meeting of Board of Directors: **30 September 2016.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 202/2016 dated 3 October 2016**

3. Signature

3.1 Head of corporate governance and shareholders _____ Pavlova Ye.N.
interaction department (attorney dd 11.02.2016 No.45-16) (signature)

3.2. Date 3 October 2016