

OPEN JOINT STOCK COMPANY

**IDGC of
the South**

**“Interregional Distribution Grid Company
of the South”**

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Minutes No.42/2010 of the Board of Directors meeting Open Joint Stock Company “Interregional Distribution Grid Company of the South” dated April 2, 2010.

Date of holding:	02.04.2010
Form of holding:	Absentee voting (through questionnaires)
Place of voting results summarizing:	(postal address of “IDGC of South” JSC) 327 Severnaya str., Krasnodar
Time of voting results summarizing:	02.04.2010, 05 p.m.
Date of the minutes drawing:	05.04.2010

Members of Board of Directors: 11 persons.

Questionnaires have been submitted by: Okley P. I. (Chairman of Board of Directors), Vasilyev S. V., Gavrilov A. I., Ivanov M. S., Maslov A. V., Mikhailov S. A., Perepelkin A. Y., Popovskiy S. N., Ptitsyn I. V.,

Questionnaires have not been submitted by: Ilyenko V. V., Shogenov V. M.

Quorum is present.

Agenda on Board of Directors meeting:

1. On approval of Additional Agreement to Contract No.407/30-1143/26 for transfer of powers of sole executive body dated September 14, 2007 concluded between “IDGC of the South”, JSC and “Kubanenergo”, JSC as transaction of interest.
2. On approval of Business-plan (including investment programme) of the Company for 2010.

1. On approval of Additional Agreement to Contract No.407/30-1143/26 for transfer of powers of sole executive body dated September 14, 2007 concluded between "IDGC of the South", JSC and "Kubanenergo", JSC as transaction of interest.

According to item 3 article 83 FZ (Federal Law) "On Joint Stock Companies" decision on this issue shall be adopted by a majority vote of independent directors not interested in the transaction conclusion.

Member of Board of Directors of "IDGC of the South" Gavrilov Aleksander Ilyich holding the post of CEO of "IDGC of the South", JSC shall not participate in voting on the item and shall not be considered independent director according to item 3 article 83 FZ (Federal Law) "On Joint Stock Companies".

It is suggested to adopt the following decision:

1. To set the price of Additional Agreement No.6 to Contract No.407/30-1143/26 for transfer of powers of sole executive body dated September 14, 2007 concluded between "IDGC of the South", JSC and "Kubanenergo", JSC as transaction of interest in relation to its invariable component from April 1 till December 31, 2010 according to Appendix No.1 hereto.

2. To approve Additional Agreement No.6 to Contract No.407/30-1143/26 on transfer of powers of sole executive body of "Kubanenergo", JSC dated September 14, 2007 concluded between "IDGC of the South", JSC and "Kubanenergo", JSC as transaction of interest according to Appendix No.1 hereto.

Voting results:

Okley P.I.	-	"FOR"	Mikhailov S.A.	-	"FOR"
Vasyliiev S.V.	-	"FOR"	Perepelkin A.Yu.	-	"FOR"
Ivanov M.S.	-	"FOR"	Popovskiy S.N.	-	"FOR"
Maslov A.V.	-	"FOR"	Ptitsyn I.V.	-	"FOR"

Thus, the suggested decision on the first item **has been unanimously adopted** by the members of Board of Directors participating in voting.

2. On approval of Business-plan (including investment programme) of the Company for 2010.

It is suggested to adopt the following decision:

1. To approve Business-plan (including investment programme) of the Company for 2010 according to Appendices No.2, 3 hereto.

2. To entrust CEO of the Company with ensuring implementation of investment programme for 2010 approved in item 1 with a view to branches (the RF constituent territories) and taking measures for its approval by authorized power authorities of the RF constituent territories.

Voting results:

Okley P.I.	-	"FOR"	Mikhailov S.A.	-	"FOR"
Vasyliiev S.V.	-	"FOR"	Perepelkin A.Yu.	-	"FOR"
Gavrilov A.I.	-	"FOR"	Popovskiy S.N.	-	"FOR"
Ivanov M.S.	-	"FOR"	Ptitsyn I.V.	-	"ABSTAINED"
Maslov A.V.	-	"FOR"			

Thus, the suggested decision on the second issue **has been adopted by a majority vote** of the Board of Directors members.

Chairman of Board of Directors

Okley P. I.

Corporate Secretary

Kantsurov A. A.