

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

1. General information	
1.1. Full company name of the issuer	Open Joint Stock Company “Interregional Distribution Grid Company of the South”
1.2. Short company name of the issuer	“IDGC of the South”, JSC
1.3 Location of the issuer	49 Bolshaya Sadovaya str., Rostov-on-Don, the Russian Federation, 344002
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 resolutions: 11 out 11 members of BoD participated in the meeting, quorum is present.	
<p>On item 1:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 vote</p> <p>On item 2:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 vote</p> <p>On item 3:</p> <p>“FOR” – 11 votes</p>	<p>On item 6:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 7:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 8:</p> <p>“FOR” – 11 votes</p>

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

On item 4:

“FOR” – 11 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

On item 5:

“FOR” – 11 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

On item 9:

“FOR” – 11 votes

“AGAINST” – 0 votes

“ABSTAINED” – 0 votes

Disclosure of insider information on item 1: “Approval of key annual and quarterly performance indicators of the Director general of the Company for 2015”

2.2.1 Content of resolution:

To approve the key annual and quarterly performance indicators of the Director general of the Company for 2015, in accordance with Appendix 1 to the present resolution of the Company’s BoD.

Disclosure of insider information on item 2 “Consideration of report prepared by the Director general of IDGC of the South JSC on Company’s credit policy in the 1st quarter of 2015”

2.2.2. Content of resolution:

1. To take into consideration the report prepared by the Director general of IDGC of the South JSC on Company’s credit policy in the 1st quarter of 2015, in accordance with Appendix 2 to the present resolution of the Company’s BoD.

2. To note that the maximum allowed limit of capital leverage was exceeded.

3. To instruct director general of the Company to ensure implementation of the requirements set forth in the Regulations on credit policy that was approved by the Board of Directors.

On item 3 “Consideration of report prepared by the Director general of IDGC of the South JSC on implementation of Project on centralization and automation of

treasury function”

2.2.3. Content of resolution:

To take into consideration of report prepared by the Director general of IDGC of the South JSC on implementation of Project on centralization and automation of treasury function, in accordance with Appendix 3 to the present resolution of the Company’s BoD.

Disclosure of insider information on item 4 “Approval of an internal document: restated Regulations on Insider information of IDGC of the South JSC”.

2.2.4. Content of resolution:

To approve the restated Regulations on Insider information of IDGC of the South JSC, in accordance with Appendix 4 to the present resolution of the Company’s BoD.

Disclosure of insider information on item 5 “Expanding of the list of non-core assets of IDGC of the south JSC”

2.2.5. Content of resolution:

To introduce additions to the list of non-core assets of IDGC of the south JSC, in accordance with Appendix 5 to the present resolution of the Company’s BoD.

Disclosure of insider information on item 6 “Approval of candidates for particular positions in the executive body of the Company as determined by the Board of Directors of the Company”

2.2.6. Content of resolution

1. To approve the candidature of Zhuravlyov Dmitriy Olegovich for the position of deputy director general in charge of development and grid connection of IDGC of the South JSC.
2. To approve the candidature Lednev Eduard Vitalievich for the position of deputy director general in charge of special projects of IDGC of the South JSC.

Approval of transactions considered in accordance with the legislation of the Russian Federation as large transactions or/and interested party transactions/Disclosure of insider information on item 7 “Approval of trip purchase contract between IDGC of the South JSC and “Recreation centre

“Energetik” JSC as interested party transaction”

2.2.7. Content of resolution

1. To determine the price of the contract for the provision of services between “Recreation centre “Energetik” JSC and IDGC of the South JSC as interested party transaction, in the amount of 8 260 770 (eight million two hundred sixty thousand seven hundred seventy) rubles 00 kopecks (VAT free).

2. To approve the service contract between “Recreation centre “Energetik” JSC and IDGC of the South JSC (hereinafter – the Contract, Appendix 6 to the present resolution of the Board of Directors), as interested party transaction on the following essential terms:

Parties of the Contract:

Customer – IDGC of the South JSC.

Contractor – Recreation centre “Energetik” JSC;

Subject of the Contract:

Under the Contract the Contractor undertakes to sell trips to the recreation and health centre at the prices specified in Appendix 1 to the Contract, and the Customer shall accept and pay for the trips within the period specified in the Contract and in the amount and by items specified in Customer's application (application form – Appendix 2 to the Contract).

Term of service:

Services referred to in paragraph 1.1 of the Contract shall be provided by the Contractor from 25 May to 15 October 2015.

Price of the Contract:

The marginal cost of the contract is 8 260 770 (eight million two hundred sixty thousand seven hundred seventy) rubles 00 kopecks (VAT free) for 695 trips. The indicated price is final and is not subject to the increase.

Settlement procedure:

The Customer makes an advance payment of 30% from the total value of trips after the conclusion of the contract within 10 calendar days, which amounts to 2 478 231 (two million four hundred seventy eight thousand two hundred thirty one) rubles 00

kopecks.

The Customer makes the final payment of 70% from the total cost of trips, which amounts to 5 782 539 (five million seven hundred eighty two thousand five hundred thirty nine) rubles 00 kopecks, not later than 30 August 2015.

Payment is made on the basis of accounts, invoices by transferring money to the account of the seller in the Russian rubles.

Contract period:

The Agreement shall enter into force upon the signature and is valid until 31 December 2015.

Dispute resolution:

All disputes that may arise from this contract or in connection with it shall be settled by negotiation between the Parties. In case of not reaching an agreement the disputes between the parties shall be settled in the Commercial Court of the Rostov Region.

Disclosure of insider information on item 8 “Approval of corporate structure of executive body of IDGC of the South JSC”

2.2.8. Content of resolution

1. To approve corporate structure of executive body of IDGC of the South JSC, in accordance with Appendix 7 to the present resolution of the Company’s BoD and bring it into force with regard of terms determined by the legislation of the Russian Federation in case of changing or terminating the labour contracts with employees.

2. Upon the corporate structure of executive body of IDGC of the South JSC coming into force, the previous corporate structure of executive body of IDGC of the South JSC (approved by the BoD on 21.04.2015, minutes of meeting No.156/2015 dated 24.04.2015) shall be considered as invalid.

Disclosure of insider information on item 9 “Introduction changes to the list of positions considered as top managers of IDGC of the South JSC”

2.2.9. Content of resolution

To recommend the Board of Directors to adopt the following resolution:

1. To approve the restated list of positions considered as top managers of IDGC of the South JSC:

Top managers of the 1st category:

- Members of the Management Board of IDGC of the South JSC;
- Deputy Director general in charge of Economics and Finances;
- Deputy Director general in charge of Selling of Services;
- Deputy Director general in charge of Development and Grid Connection ;
- Deputy Director general in charge of Investment Activity;
- Deputy Director general in charge of Technical issues – Chief Engineer;
- Deputy Director general in charge of Corporate Governance;
- Deputy Director general in charge of Safety;
- Deputy Director general – Chief of Staff;
- Deputy Director general in charge of Special Projects;
- Chief Accountant – head of Debarment of financial records, accounts and tax returns;
- Deputy Director general – head of “Astrakhanenergo” branch;
- Deputy Director general – head of “Volgogradenergo” branch;
- Deputy Director general – head of “Kalmenergo” branch;
- Deputy Director general – head of “Rostovenergo” branch.

2. To consider as ineffective the list of positions considered as top managers of IDGC of the South JSC approved by the resolution of the BoD on 14.06.2011 (minutes of meeting NO.67/2011 dated 16.06.2011).

2.3. Date of holding the meeting of Board of Directors: **28 May 2015.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 160/2015 dated 29 May 2015**

3. Signature

3.1 Head of corporate governance and shareholders

interaction department (attorney dd 19.01.2015

No.25-15)

(signature) Pavlova Ye.N.

3.2. Date 29 May 2015