

**Corporate Action Statement/Disclosure of insider information “Information on decisions 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	<a href="http://www.mrsk-yuga.ru">http://www.mrsk-yuga.ru</a> ; <a href="http://www.e-disclosure.ru/portal/company.aspx?id=11999">http://www.e-disclosure.ru/portal/company.aspx?id=11999</a>		
2. Statement content			
<p>2.1. Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions: <b>11 out 11 members of BoD participated in the meeting, quorum is present.</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><b>On item 1:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 vote</p> <p><b>On item 2:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 vote</p> <p><b>On item 3:</b></p> <p>“FOR” – 11 votes</p> </td> <td style="width: 50%; vertical-align: top;"> <p><b>On item 6:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p><b>On item 7:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p><b>On item 8:</b></p> <p>“FOR” – 11 votes</p> </td> </tr> </table>		<p><b>On item 1:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 vote</p> <p><b>On item 2:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 vote</p> <p><b>On item 3:</b></p> <p>“FOR” – 11 votes</p>	<p><b>On item 6:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p><b>On item 7:</b></p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p><b>On item 8:</b></p> <p>“FOR” – 11 votes</p>
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<p><b>Disclosure of insider information on item 1: “Approving of refined target values of yearly and quarterly key performance indicators of Director General and top managers of the Company for 2014”</b></p>	
<p>2.2.1 Content of decision:</p> <p>To approve refined target values of yearly and quarterly key performance indicators of Director General and top managers of the Company for 2014 in accordance with Appendix 1 to present decision of Company’s BoD.</p>	
<p><b>Disclosure of insider information on item 2 “Approving of target values of yearly and quarterly key performance indicators of Director General and top managers of the Company for 2015”</b></p>	
<p>2.2.2. Content of decision:</p> <p>To approve refined target values of yearly and quarterly key performance indicators of Director General and top managers of the Company for 2015 in accordance with Appendix 2 to present decision of Company’s BoD.</p>	
<p><b>Disclosure of insider information on item 3 “Approving of refined Credit plan of “IDGC of the South” JSC for the 4<sup>th</sup> quarter of 2014”</b></p>	
<p>2.2.3. Content of decision:</p> <p>To instruct Director General of the Company to submit for consideration by BoD versions of settlement of a debt on bill loan for “Rosseti” JSC no later than 31.01.2015</p>	

**Disclosure of insider information on item 4 “Approving of target values of cash flows of the Company for the 1<sup>st</sup> quarter of 2015”**

2.2.4. Content of decision:

1. To approve the following target values of cash flows of the Company for the 1<sup>st</sup> quarter of 2015:

<b>Month</b>	<b>Services on arranging of operating and development of distributive power grid complex</b>	<b>Dividends (without tax)</b>
January	13 088	0
February	13 088	0
March	13 088	0

2. To instruct Director General of the Company:

- to provide the drawing of project of cash flows and its approval no later than 5 (five) working days from the moment of adoption of current decision;
- to send specified document to Company’s BoD members no later than 1 (one) day from the moment of adoption of cash flows;
- do not submit for consideration by Company’s BoD the following issue: “On consideration of report on implementation of target values of cash flows of the Company” if the adopted target values of cash flows are be implemented in 2015.

**Disclosure of insider information on item 5 “Consideration of refined Plan of goods purchase, works and services of “IDGC of the South” JSC for 2014”**

2.2.5. Content of decision:

To defer the consideration of item to a later date.

**Disclosure of insider information on item 6 “Approving of internal document of the Company: redrafted Regulation on insider information of “IDGC of the South” JSC”**

2.2.6. Content of decision

To defer the consideration of item to a later date.

**Disclosure of insider information on item 7 “Approving of insurer of the**

## Company”

### 2.2.7. Content of decision

To approve the following insurance companies as insurer of the Company:

Type of insurance	Insurance company	Insurance period
Property insurance	“SOGAZ” JSC	From 01.01.2015 to 31.12.2017
Optional insurance of vehicles (KASKO)	“SOGAZ” JSC	From 01.01.2015 to 31.12.2015

**Disclosure of insider information on item 8 “Approving of additional agreement to Contract No. 884/12/037 dd. 31.10.2012 on implementation of technological development “Technical rules and regulations of distribution grid companies” between “IDGC of the South” JSC and “Research and Development Engineering Centre of IDGC” JSC as transaction of interest”**

### 2.2.8. Content of decision

1. To determine that procedure of calculating the value of works on Contract No. 884/12/037 dd. 31.10.2012 taking into account additional agreement concluding between “IDGC of the South” JSC and “Research and Development Engineering Centre of IDGC” JSC as transaction of interest does not change.

2. To approve additional agreement to Contract No. 884/12/037 dd. 31.10.2012 on implementation of technological development “Technical rules and regulations of distribution grid companies” between “IDGC of the South” JSC and “Research and Development Engineering Centre of IDGC” JSC” (Hereafter – Additional agreement, Appendix 4 to present decision of Company’s BoD) as transaction of interest at the following conditions:

Parties of Additional agreement:

Party 1 – “IDGC of the South” JSC;

Party 2 – “Research and Development Engineering Centre of IDGC” JSC.

Object of additional agreement:

1. To consider the Contract as annulled since the date of signing of additional

agreement.

2. The Parties have no claims on payment, quality and terms of implementation of technological development to each other at the moment of signing of additional agreement.

Additional agreement comes into force since the moment of signing by the Parties.

**Disclosure of insider information on item 9 “Approving of internal document of the Company: Anti-corruption policy of “Rosseti” JSC and subsidiaries and affiliates of “Rosseti” JSC”**

2.2.9. Content of decision

1. To approve anti-corruption policy of “Rosseti” JSC and subsidiaries and affiliates of “Rosseti” JSC as internal document in accordance with Appendix 5 to present decision of Company’s BoD.

2. To determine the anti-corruption policy of “IDGC of the South” JSC approved by “IDGC of the South” JSC BoD dd. 31.03.2014 as invalid (Minutes of meeting of “IDGC of the South” JSC Board of Directors No. 129/2014 dd. 03.04.2014).

3. To instruct Sole executive body of the Company to provide the implementation of Anti-corruption policy of “Rosseti” JSC and subsidiaries and affiliates of “Rosseti” JSC in the Company.

**Disclosure of insider information on item 10 “Convening of extraordinary general meeting of shareholders of “IDGC of the South” JSC”**

2.2.10. Content of decision

1. To convene extraordinary general meeting of shareholders of the Company in form of meeting (joint attendance).

2. To determine the date of extraordinary general meeting of shareholders of the Company – 27 March, 2015.

3. To determine the time of beginning of extraordinary general meeting of shareholders of the Company – 10 a.m.

4. To determine the place of holding of extraordinary general meeting of shareholders of the Company – 147, 2<sup>nd</sup> Krasnodarskaya street, Rostov-on-Don, Russian Federation.

5. To determine the starting time of registration of persons participating in extraordinary general meeting of shareholders of the Company – 9 a.m.
6. To approve the following agenda of extraordinary general meeting of shareholders of the Company:
  - 1). On preliminary termination of authorities of Company's BoD members.
  - 2). On electing members of Company's BoD.
7. To determine the date of making a list of persons who have the right to participate in extraordinary general meeting of shareholders of the Company – 12 January, 2015.
8. Due to the fact that preference shares have not been issued by the Company, it is proposed not to adopt decision on choosing the type (types) of preference shares owners of which have the voting right on agenda items at the annual General meeting of shareholders.
9. To determine that information (materials) provided to persons who have right to participate in extraordinary general meeting of shareholders of the Company is:
  - information on candidates to Company's BoD;
  - information on existence or absence of written consent of candidates proposed for election to Company's BoD;
  - the projects of decision of extraordinary general meeting of shareholders of the Company.
10. To determine that persons entitled to participate at annual General meeting Company's shareholders can find the information within the period of 06 March 2015 – 26 March 2015 (except weekends and holydays) from 9:00 a.m. to 15:00 p.m., as well as on March 27, 2015 at:
  - IDGC of the South, JSC, 49 Bolshaya Sadovaya St., Rostov-on-Don
  - IDGC of the South, JSC, 147, 2nd Krasnodarskaya street, Rostov-on-Don
  - Registrar R.O.S.T. (Company's registrar), 18/13 Stromynka St., Moscow
  - 32 Krasnaya Naberezhnaya St., Astrakhan ("Astrakhanenergo" – branch of IDGC of the South, JSC) 1

- 15, Prospect Lenina, Volgograd (“Volgogradenergo” – branch of IDGC of the South, JSC)
- Northern industrial zone, Elista, Kalmykia Republic (“Kalmenergo” — branch of IDGC of the South, JSC)

The information will also be available from 06 March 2015 at company’s website: [www.mrsk-yuga.ru](http://www.mrsk-yuga.ru)

If person/entity registered in registry of Company’s shareholders is a nominee holder, the specified information will be sent by 05 March 2015 in e-form (electronic documents with digital signature) to such nominee holder.

11. To determine that voting ballots should be sent in form of registered letter (hand out against receipt) to persons who have right to participate in extraordinary general meeting of shareholders of the Company no later than 06 March 2015.

12. To determine that filled-in voting bulletins may be sent at one of the following addresses:

– IDGC of the South, JSC, 49 Bolshaya Sadovaya St., Rostov-on-Don, RF;

– “Registrar ROST” JSC, post office box 9, 18, Stromynka street, Moscow 107996 (Company’s registrar).

13. To determine that for the purposes of quorum and summing up the results of voting only those votes will be accounted that were submitted via voting bulletins to the Company no later than 24 March 2015.

14. To approve form and text of message on holding extraordinary general meeting of shareholders of the Company in accordance with Appendix 1 to present decision.

15. To inform persons who have right to participate in extraordinary general meeting of shareholders of the Company on holding of extraordinary general meeting of shareholders of the Company:

- to publish the message at the web-site of the Company: [www.mrsk-yuga.ru](http://www.mrsk-yuga.ru) no later than 15 January, 2015.

If the person registered in registry of shareholding of the Company is nominee shareholder, the specified information is sent no later than 14 January 2015 in e-form

(electronic documents with digital signature) to such nominee holder.

16. To determine that shareholders of “IDGC of the South” JSC owning no less than 2 (two) percent of voting shares of “IDGC of the South” JSC may send to Company suggestion on nomination of candidates for election to “IDGC of the South” JSC Board of Directors, the number of them cannot exceed the number of Board of Directors members (11 candidates or less).

The suggestion should be sent to “IDGC of the South” JSC no later than 24 February 2015 at the following address: 49, Bolshaya Sadovaya street, Rostov-on-Don.

17. To determine the date of meeting of Company’s BoD on consideration of suggestions of shareholders on nomination of candidates for election to “IDGC of the South” JSC Board of Directors and other items connected with preparation to holding of extraordinary meeting of shareholders of “IDGC of the South” JSC no later than 27 February 2015.

2.3. Date of holding the meeting of Board of Directors: **30 December 2015.**

2.4. Date of drawing up and number of the minutes of meeting: **No. 149/2015 dated 12 January 2015.**

### 3. Signature

3.1 Head of corporate governance

(signature) Musinov O.V.

3.2. Date 12 January 2015