

Minutes No. 10

of extraordinary General meeting of shareholders of Open joint-stock company “Interregional Distribution Grid Company of the South”

Full Company name and the Company`s location:	Open Joint-Stock Company “Interregional Distribution Grid Company of the South” 49, Bolshaya Sadovaya str., Rostov-on-Don, the Russian Federation, 344002
Type of the general meeting:	extraordinary
Form of general meeting holding:	meeting
Date of general meeting holding:	14 March 2014
Place of general meeting holding:	147 2 nd Krasnodarskaya street, Rostov-on-Don
Registration start time:	09:00 a.m.
Meeting starting time:	10:00 a.m.
Registration end time:	10:20 a.m.
Poll start time:	10:50 a.m.
Meeting closing time:	11:15 a.m.
Postal addresses completed ballots were sent to:	- IDGC of the South, JSC, 49, Bolshaya Sadovaya str., Rostov-on-Don, the Russian Federation, 344002 - ROST Registrar, JSC (Company registrar), bld. 13, 18, Stromynka str., Moscow, RF, 107996
Ballots reception end date:	11 March 2014
Minutes date:	14 March 2014

The meeting is held on the basis of decision adopted by the Board of Directors of the Open Joint-Stock Company “Interregional Distribution Grid Company of the South” (IDGC of the South, JSC), minutes No.122/2014 dated 23.12.2013.

Date of compiling of the list of persons entitled to participate in the annual General Meeting of Shareholders of IDGC of the South, JSC – **23 December 2013.**

Notice on holding the Extraordinary General Meeting of Shareholders of IDGC of the South, JSC was published in “Novye Izvestiya” newspaper on **25 December 2013.**

As of the record date of IDGC of the South, JSC (23 December 2013), **49 811 096 064 (forty nine billion eight hundred and eleven million ninety six thousand and sixty four)** shares of the Company are considered as voting shares.

In accordance with paragraph 7.1 of Regulations on procedure of preparation and holding General meeting of shareholders of IDGC of the South, JSC the working bodies of the meetings are:

- Chairperson
- Ballot committee
- Secretary at General Meeting of Shareholders

In accordance with paragraph 10.10 of article 10 of Company Charter the functions of Chairperson of the General meeting of shareholders of IDGC of the South, JSC are fulfilled by Vashkevich Vladimir Frantishkovich, member of IDGC of the South, JSC Board of Directors, director general of IDGC of the South, JSC.

According to Federal Law “About Joint-Stock Companies”, article 56 and paragraph 11.3 of Company’s charter, the functions of ballot committee shall be performed by Open Joint-Stock Company “R.O.S.T. Registrar” (“R.O.S.T. Registrar” JSC), registrar of the Company, represented by **Lopatina Galina Yurievna, Pogulyak Mariya Vladimirovna and Matlakhova Alexandara Vladimirovna.**

Functions of the secretary at AGM are performed in accordance with resolution of the BoD by Pavlova Yelena Nikolaevna – Corporate secretary of the Company/

According to the report of Lopatina Galina Yurievna, Chairperson of the ballot committee, as of 10:00 a.m. by local time persons registered at the meeting in total had 40 255 243 672 votes , which is 80.8158% from total amount of votes of persons entitled to participate in the Meeting.

Quorum for the meeting is present.

Agenda of the Extraordinary General Meeting of Shareholders of IDGC of the South, JSC:

1. Early termination of term of office of members of Company’s Board of Directors.
2. Election of members of Company’s Board of Directors.
3. Early termination of term of office of members of Company’s Auditing Committee.
4. Election of members of Company’s Auditing Committee.

On item No. 1: “Early termination of term of office of members of Company’s Board of Directors”, item No. 2 “Election of members of Company’s Board of Directors”, item No.3 “Early termination of term of office of members of Company’s Auditing Committee” and item No.4 “Election of members of Company’s Auditing Committee” report was made by chairperson of the meeting - Vashkevich Vladimir Frantishkovich , director general of IDGC of the South, JSC.

On 18.12.2013 the Company received a duly executed letter from Open joint stock company “Russian Grids” (Rosseti, JSC) – the holder of more than 10% of company’s voting shares; the letter contained a request for calling an extraordinary general meeting of shareholders of IDGC of the South, JSC, the meeting agenda should comprise issues on early termination of term of office of members of Company’s Board of Directors, election of members of Company’s Board of Directors, early termination of term of office of members of Company’s Auditing Committee and on election of members of Company’s Auditing Committee.

Rosseti, JSC nominated the following candidates for the voting list of nominees for the Company’s Board of Directors:

Belenkii Dan Mikhailovich	First deputy Director general in charge of investment activity, Rosseti, JSC
Serebryakov Konstantin Sergevich	Head of sector for corporate events of affiliated companies at Department of corporate management and interaction with shareholders of Rosseti, JSC
Ivanov Vitaliy Valerievich	Deputy director general in charge of emergency control, Russian Grids JSC
Terekhov Dmitriy Yurievich	Head of directorate for budgeting at Department of economic planning and budgeting, Rosseti, JSC
Solod Aleksandr Viktorovich	Director general of branch of Federal Grid Company of Unified Energy System, JSC - MES of the South
Airapetyan Arman Mushegovich	Director of Department for property recording and management, Rosseti, JSC
Vashkevich Vladimir Frantishkovich	Director general of IDGC of the South, JSC
Shaidulin Farit Gabdulatovich	Head of directorate for assets analysis at Department of production assets management, Rosseti, JSC
Yuriev Aleksandr Vladimirovich	Head of directorate for construction of grid facilities, Rosseti, JSC
Katina Anna Yurievna	Deputy head of directorate for corporate relations- head of division for analysis and control of corporate governance at Department for corporate governance and interaction with shareholders and investors, Rosseti, JSC
Erpsher Nataliya Ilinichna	Head of directorate for organization development at Department of HR policy and organization development, Rosseti, JSC

On 05.02.2015 the Company received a duly executed offer from Lancrenan Investments Limited Company, the company holding more than 2% of voting shares of the Company; the offer included information on nomination of the following candidates for the voting list of nominees for the Company's Board of Directors:

Branis Aleksandr Markovich	Director of Prosperity Capital Management Ltd (RF)
Spirin Denis Aleksandrovich	Representative office of Prosperity Capital Management RF Ltd, Director in charge of corporate governance
Filkin Roman Alekseevich	Co-director of representative office of Prosperity Capital Management Ltd (RF)
Shevchyuk Aleksandr	Deputy acting director general of Non-profit

Viktorovich	Partnership "Association for protection of investors' rights
Repin Igor Nikolaevich	Deputy executive director of Non-profit Partnership Association for investors rights protection

Other shareholder(s) owning minimum 2% of Company's voting shares did not send offers.

All offers concerning candidates for nominating for the Company's Board of Directors received from the Company's shareholders before 11 February 2014 were considered by the resolution of the Company's Board of Directors as of 14 February 2014, minutes of meeting No.125/2014 dated 17.02.2014; candidates nominated by the Company's shareholders holding at least 2% of the Company's voting shares were included in voting list for electing members of the Company's Board of Directors.

By the resolution of Company's BoD dated 14.02.2014 (minutes of meeting NO.125/2014 dated 17.02.2014) the list of candidates for their election to Audit Committee includes the following persons:

Shmakov Igor Nikolaevich	Head of Directorate for control and risks at Internal audit and control department, Rosseti, JSC
Kirillov Artyom Nikolaevich	Head of sector for investments audit at Directorate of investments activity and internal audit, Department of internal audit and control, Rosseti, JSC
Malyshev Sergey Vladimirovich	Leading expert of Audit activities and internal audit directorate at Department of internal audit and control, Rosseti, JSC
Guseva Yelena Yurievna	Leading expert of Directorate of inspection activity and internal audit at Department of internal audit and control, Rosseti, JSC
Ochikov Sergey Ivanovich	Leading expert of Audit activities and internal audit directorate at Department of internal audit and control, Rosseti, JSC

Voting Results

Agenda item No. 1: Early termination of authorities of Company BoD members.

Number of votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	49 811 096 064
Number of votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	49 811 096 064
Number of votes, held on this item by individuals, who participated in the meeting	40 255 869 259
Quorum on the item (%)	80.8171

The quorum was present. For voting bulletins No.1 were used.

Voting alternatives	Number of votes	% of the individuals participated in the voting
“FOR”	38 433 002 719	95.4718
“AGAINST”	1 478 325 815	3.6723
“ABSTAINED”	115 331 194	0.2865

Did not vote	1 565 441
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Number of votes that were not counted due to being declared invalid (including in part of voting on this issue)	227 644 090
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Decision adopted on agenda item No. 1:

To early terminate the powers of all members of the Company’s Board of Directors.

Agenda item No. 2: Election members of the Company’s Board of Directors.

Number of cumulative votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	547 922 056 704
Number of cumulative votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	547 922 056 704
Number of cumulative votes, held on this item by individuals, who participated in the meeting	442 814 561 849
Quorum on the item (%)	80.8171

The quorum was present. For voting bulletins No.2 were used.

	Name of candidate	Number of voting for cumulative voting
1.	Branis Aleksandr Markovich	38 020 702 178
2.	Spirin Denis Aleksandrovich	587 313
3.	Filkin Roman Alekseevich	38 007 665 592
4.	Shevchyuk Aleksandr Viktorovich	37 549 886 458
5.	Repin Igor Nikolaevich	37 974 400 999
6.	Belenkii Dan Mikhailovich	37 276 900 042
7.	Serebryakov Konstantin Sergevich	36 547 947 353
8.	Ivanov Vitaliy Valerievich	36 564 537 424
9.	Terekhov Dmitriy Yurievich	36 549 332 939
10.	Solod Aleksandr Viktorovich	42 215 487
11.	Airapetyan Arman Mushegovich	36 549 280 691
12.	Vashkevich Vladimir Frantishkovich	37 011 665 980
13.	Shaidulin Farit Gabdulatovich	36 55198 173

14.	Yuriev Aleksandr Vladimirovich	33 628 966 280
15.	Katina Anna Yurievna	6 316 896
16.	Erpsheer Nataliya Ilinichna	1 570 065

AGAINST all candidates	39 259
ABSTAINED all candidates	30 170 844

Did not participate	25 901 393
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Number of cumulative votes that were not counted due to being declared invalid (including in part of voting on this issue)	474 803 483
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Decision adopted on agenda item No. 2:

To elect Board of Directors of the Company composed of:

1. Airapetyan Arman Mushegovich
2. Belenkii Dan Mikhailovich
3. Branis Aleksandr Markovich
4. Vashkevich Vladimir Frantishkovich
5. Ivanov Vitaliy Valerievich
6. Repin Igor Nikolaevich
7. Serebryakov Konstantin Sergevich
8. Terekhov Dmitriy Yurievich
9. Filkin Roman Alekseevich
10. Shaidulin Farit Gabdulatovich
11. Shevchyuk Aleksandr Viktorovich

Agenda item No. 3: Early termination of term of office of members of Company's Auditing Committee.

Number of votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	49 811 096 064
Number of votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	49 811 096 064
Number of votes, held on this item by individuals, who participated in the meeting	40 255 869 259
Quorum on the item (%)	80.8171

The quorum was present. For voting bulletins No.1 were used.

Voting alternatives	Number of votes	% of the individuals
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		participated in the voting
“FOR”	39 915 715 502	99.1550
“AGAINST”	73 162	0.0002
“ABSTAINED”	113 347 259	0.2816

Did not vote	1 565 441
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Number of votes that were not counted due to being declared invalid (including in part of voting on this issue)	225 167 895
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Decision adopted on agenda item No. 13:

To early terminate the powers of all members of the Company’s Auditing Committee.

Agenda item No. 4: Election of members of Company’s Auditing Committee.

Number of votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	49 811 096 064
Number of votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	49 810 859 431
Number of votes, held on this item by individuals, who participated in the meeting	40 255 869 259
Quorum on the item (%)	80.8176

The quorum was present. For voting bulletins No.1 were used.

Votes pattern, % from participated in the meeting:

#	Candidate	FOR		AGAINST		ABSTAINED		INVALID	
		Votes	%	Votes	%	Votes	%	Votes	%
1	Shmakov Igor Nikolaevich	39 988 00 8 183	99.3346	2 383 294	0.0059	2 058 923	0.0051	261 85 3 418	0.6505
2	Ochikov Sergey Ivanovich	39 985 30 7 771	99.3279	6 747 286	0.0168	1 920 086	0.0048	260 32 8 675	0.6467
3	Guseva Yelena Yurievna	40 017 95 1 116	99.4090	9 108 254	0.0225	1 920 086	0.0048	225 32 4 362	0.5597
4	Kirillov Artyom Nikolaevich	39 984 08 1 282	99.3248	6 747 286	0.0168	1 570 996	0.0039	261 90 4 254	0.6506
5	Malyshev Sergey Vladimirovich	39 985 23 6 935	99.3277	7 096 376	0.0176	1 590 996	0.0040	260 37 9 511	0.6468

Did not vote	1 565 441
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Decision adopted on agenda item No. 4:

To elect the Auditing Committee consisting of:

1. Shmakov Igor Nikolaevich
2. Ochikov Sergey Ivanovich
3. Guseva Yelena Yurievna
4. Kirillov Artyom Nikolaevich
5. Malyshev Sergey Vladimirovich

Chairperson of the Extraordinary General Meeting

Vashkevich V.F.

Secretary of the Extraordinary General Meeting

Pavlova Ye.N.

Minutes No. 10

of extraordinary General meeting of shareholders of Open joint-stock company “Interregional Distribution Grid Company of the South”

Full Company name	Open Joint-Stock Company “Interregional Distribution Grid Company of the South”
Company`s location:	49, Bolshaya Sadovaya str., Rostov-on-Don, the Russian Federation, 344002
Type of the general meeting:	extraordinary
Form of general meeting holding:	meeting
Date of making the list of persons entitled to participate in the Meeting:	23.12.2013
Type of voting shares^	Ordinary registered shares
Date of general meeting holding:	14 March 2014
Place of general meeting holding:	147 2 nd Krasnodarskaya street, Rostov-on-Don
Registration start time:	09:00 a.m.
Meeting starting time:	10:00 a.m.
Registration end time:	10:20 a.m.
Poll start time:	10:50 a.m.
Meeting closing time:	11:15 a.m.
Minutes date:	14 March 2014

Agenda of the Meeting:

1. Early termination of term of office of members of Company’s Board of Directors.
2. Election of members of Company’s Board of Directors.
3. Early termination of term of office of members of Company’s Auditing Committee.
4. Election of members of Company’s Auditing Committee.

According to Federal Law No.208-FZ dated 26 December 1995 “About Joint-Stock Companies”, article 56, the functions of ballot committee shall be performed by Company’s Registrar – Open Joint-Stock Company “R.O.S.T. Registrar”.

Location of the Registrar: bld. 13, 18, Stromynka str., Moscow.

Registrar’s authorized representatives:

1. Lopatina Galina Yurievna, attorney No.0179 dd 05.03.2014.
2. Matlakhova Alexandara Vladimirovna, attorney No.0180 dd 05.03.2014.
3. Pogulyak Mariya Vladimirovna , attorney No.02124 dd 20.12.2013.

At 10:00 by local time persons owning in total 40 255 243 672 votes, which is 80.8158% from total amount of votes, and entitled to participate in the Meeting were registered.

In accordance with requirements of current legislation the general meeting held in form of joint presence shall be opened by if by the time of the meeting the quorum, on at least one agenda item, is present.

The quorum for the Meeting was present.

Results of registration of persons entitled to participate on the Meeting and results of voting on agenda item 1 “Early termination of authorities of Company BoD members”

Number of votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	49 811 096 064
Number of votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	49 811 096 064
Number of votes, held on this item by individuals, who participated in the meeting	40 255 869 259
Quorum on the item (%)	80.8171

The quorum was present. For voting bulletins No.1 were used.

When voting on item 1, the proposed resolution was: “To early terminate the powers of all members of the Company’s Board of Directors”

Voting alternatives	Number of votes	% of the individuals participated in the voting
“FOR”	38 433 002 719	95.4718
“AGAINST”	1 478 325 815	3.6723
“ABSTAINED”	115 331 194	0.2865

Did not vote	1 565 441
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Number of votes that were not counted due to being declared invalid (including in part of voting on this issue)	227 644 090
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Results of registration of persons entitled to participate on the Meeting and results of voting on agenda item 2 “Election of members of the Company’s Board of Directors”

Number of cumulative votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	547 922 056 704
Number of cumulative votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	547 922 056 704
Number of cumulative votes, held on this item by individuals, who participated in the meeting	442 814 561 849
Quorum on the item (%)	80.8171

The quorum was present. For voting bulletins No.2 were used.

When voting on item 2, the proposed resolution was: “To elect Board of Directors of the Company composed of:” the cumulative votes are distributed as follows:

#	Name of candidate	Number of voting for cumulative voting
17.	Branis Aleksandr Markovich	38 020 702 178
18.	Spirin Denis Aleksandrovich	587 313
19.	Filkin Roman Alekseevich	38 007 665 592
20.	Shevchyuk Aleksandr Viktorovich	37 549 886 458
21.	Repin Igor Nikolaevich	37 974 400 999
22.	Belenkii Dan Mikhailovich	37 276 900 042
23.	Serebryakov Konstantin Sergevich	36 547 947 353
24.	Ivanov Vitaliy Valerievich	36 564 537 424
25.	Terekhov Dmitriy Yurievich	36 549 332 939
26.	Solod Aleksandr Viktorovich	42 215 487
27.	Airapetyan Arman Mushegovich	36 549 280 691
28.	Vashkevich Vladimir Frantishkovich	37 011 665 980
29.	Shaidulin Farit Gabdulatovich	36 551 98 173
30.	Yuriev Aleksandr Vladimirovich	33 628 966 280
31.	Katina Anna Yurievna	6 316 896
32.	Erpsher Nataliya Ilinichna	1 570 065

AGAINST all candidates	39 259
ABSTAINED all candidates	30 170 844

Did not participate	25 901 393
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Number of cumulative votes that were not counted due to being declared invalid (including in part of voting on this issue)	474 803 483
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Results of registration of persons entitled to participate on the Meeting and results of voting on agenda item 3 “Early termination of term of office of members of Company’s Auditing Committee”

Number of votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	49 811 096 064
Number of votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	49 811 096 064
Number of votes, held on this item by individuals, who participated in the meeting	40 255 869 259

Quorum on the item (%)	80.8171
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The quorum was present. For voting bulletins No.1 were used.

When voting on item 3, the proposed resolution was: “To early terminate the powers of all members of the Company’s Auditing Committee” the cumulative votes are distributed as follows:

Voting alternatives	Number of votes	% of the individuals participated in the voting
“FOR”	39 915 715 502	99.1550
“AGAINST”	73 162	0.0002
“ABSTAINED”	113 347 259	0.2816

Did not vote	1 565 441
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Number of votes that were not counted due to being declared invalid (including in part of voting on this issue)	225 167 895
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Results of registration of persons entitled to participate on the Meeting and results of voting on agenda item 4 “Election of members of Company’s Auditing Committee”

Number of votes, held on this item by individuals, included in the list of persons entitled to participate in the general meeting (holders of outstanding voting shares)	49 811 096 064
Number of votes provided by voting shares determined with regard of paragraph 4.20 of Order of FFMS dated 02.02.2012 No. 12-6/ПЗ-Н	49 810 859 431
Number of votes, held on this item by individuals, who participated in the meeting	40 255 869 259
Quorum on the item (%)	80.8176

The quorum was present. For voting bulletins No.1 were used.

When voting on item 2, the proposed resolution was: “To elect the Auditing Committee consisting of:” the cumulative votes are distributed as follows:

#	Candidate	FOR		AGAINST		ABSTAINED		INVALID	
		Votes	%	Votes	%	Votes	%	Votes	%
1	Shmakov Igor Nikolaevich	39 988 00 8 183	99.3346	2 383 294	0.0059	2 058 923	0.0051	261 85 3 418	0.6505
2	Ochikov Sergey Ivanovich	39 985 30 7 771	99.3279	6 747 286	0.0168	1 920 086	0.0048	260 32 8 675	0.6467
3	Guseva Yelena	40 017 95 1 116	99.4090	9 108 254	0.0225	1 920 086	0.0048	225 32 4 362	0.5597

	Yurievna								
4	Kirillov Artyom Nikolaevich	39 984 08 1 282	99.3248	6 747 286	0.0168	1 570 996	0.0039	261 90 4 254	0.6506
5	Malyshev Sergey Vladimirovich	39 985 23 6 935	99.3277	7 096 376	0.0176	1 590 996	0.0040	260 37 9 511	0.6468

Did not vote	1 565 441
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Registrar's authorized representatives:

Lopatina G.Yu.
(attorney No.0179 dd 05.03.2014)

Matlakhova A.V.
(attorney No.0180 dd 05.03.2014)

Pogulyak M.V.
(attorney No.02124 dd 20.12.2013)