

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	http://www.mrsk-yuga.ru http://www.e-disclosure.ru/portal/company.aspx?id=11999		
2. Statement content			
<p>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.</p> <table> <tr> <td> <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>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 4:</p> </td><td> <p>On item 8:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 9:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 10:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 11:</p> </td></tr> </table>		<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>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 4:</p>	<p>On item 8:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 9:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 10:</p> <p>“FOR” – 11 votes</p> <p>“AGAINST” – 0 votes</p> <p>“ABSTAINED” – 0 votes</p> <p>On item 11:</p>
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<p align="center">Disclosure of insider information</p> <p>On item 1: “Approval of redrafted business plan of “IDGC of the South” JSC, including investment programme for 2015 and estimates for 2016-2019”</p>	
<p>2.2.1 Content of decision:</p> <ol style="list-style-type: none"> 1. To approve redrafted business plan of “IDGC of the South” JSC, including investment programme for 2015 and estimates for 2016-2019, in accordance with Annex 1 to the decision of the BoD. 2. To instruct “IDGC of the South” JSC Director General to provide the implementation of key indicators of business plan as part of quarterly dynamics of debt on a loan, compliance with the limits of the debt position and the level of leverage in terms of the debt / EBITDA. 3. To instruct Director General of “IDGC of the South” JSC to carry out the events on support of Company’s financial stability in accordance with Appendix 2 to present decision of Company’s BoD. 	
<p align="center">On approving internal documents /Disclosure of insider information</p> <p>On item 2 “Approval of key indicators of cash flows of the Company for the 2nd quarter of 2015”</p>	

2.2.2. Content of decision:

1. To approve key indicators of cash flow for the 2nd quarter of 2015

Month	Services on organization of functioning and development of distribution grid complex	Dividends (tax excluded)
April	13 088	0
May	13 088	0
June	13 088	0

2. To instruct director general of the Company:

- within 5 (five) business days after the adoption of this resolution to prepare the draft of key indicators of cash flow and ensure its approval;
- within 1 (one) working day after the approval of key indicators of cash flow to send the document to members of Company's BoD.

Disclosure of insider information

On item 3 “Approval of the report of Director General of “IDGC of the South” JSC on results of key performance indicators implementation of Director General and top management of the Company for the 4th quarter and 2014”

2.2.3. Content of decision:

To approve the report of Director General of “IDGC of the South” JSC on results of key performance indicators implementation of Director General and top management of the Company for the 4th quarter and 2014 in accordance with Appendix 3 to present decision of Company's BoD.

Disclosure of insider information

On item 4 “Consideration of report on efficiency of internal control system of the Company in 2014”.

2.2.4. Content of decision:

1. To approve the report on efficiency of internal control system of the Company in 2014 in accordance with Appendix 4 to present decision.
2. To instruct Company's sole executive body to carry out the events on development of internal control and risks management system of the Company for 2014, providing

the increasing maturity level of internal control and risks management system.

Disclosure of insider information

On item 5 “Consideration of Company’s sole executive body report on implementation of decisions adopted at meetings of Company’s Board of Directors in 4th quarter of 2014.”

2.2.5. Content of decision:

1. To take into consideration the report of Company’s Director General “On implementation of decisions adopted at meetings of Company’s Board of Directors in 4th quarter of 2014” in accordance with Appendix 5 to present decision of Company’s BoD.

2. Director General of the Company should quarterly submit as part of report on decisions implementation, issued by Company’s BoD:

- the information on inspections carried out by supervision and control bodies and measures the management took to eliminate revealed violations;
- information on claims of participants of tender procedures, recommendations and resolutions of Federal Anti-Monopoly Service and measures the management took to eliminate revealed violations in sphere of tender procedures.

Disclosure of insider information

On item 6 “Approval of list of investment projects that are subject to public process and price audit”

2.2.6. Content of decision

To take into consideration information submitted by Director General on absence of investment projects that are subject to public process and price audit.

Disclosure of insider information

On item 7 “Consideration of report on implementation of plan of commissioning facilities of Company’s investment programme and report on carrying out of public process and price audit of Company’s investment projects, containing results of summary analysis on implemented audits and conclusions by the results of public and expert consideration”

2.2.7. Content of decision

To take into consideration information of Director General of absence of necessity to make a report on implementation of plan of commissioning facilities of Company's investment programme and report on carrying out of public process and price audit of Company's investment projects, containing results of summary analysis on implemented audits and conclusions by the results of public and expert consideration due to absence of facilities in the Company's investment programme that are subject to public process and price audit.

Disclosure of insider information

On item 8 "Approval of service contract between "IDGC of the South" JSC and "RusHydro" JSC as transaction of interest"

2.2.8. Content of decision

1. To determine the price of service contract between "IDGC of the South" JSC and "RusHydro" JSC as transaction of interest amounting 171 109 (one hundred seventy one thousand one hundred nine) rubles 44 kopecks, including 18% VAT – 26 101 (twenty six thousand one hundred and one) rubles 44 kopecks.

2. To approve service contract between "IDGC of the South" JSC and "RusHydro" JSC as transaction of interest on the following conditions:

Customer – "RusHydro" JSC

Contractor – "IDGC of the South" JSC

Subject of the Contract: Under the Contract the Contractor undertakes to render in accordance with conditions of the Contract services on metrological service of metering devices specified in estimates of cost of services on metrological maintenance of metering devices of Volzhskaya HPP, branch of "RusHydro" JSC (Appendix 1 to the Contract). The Contractor also obliges to produce the result of rendered services to the Customer and the Customer undertakes to pay for the rendered service in amount and on conditions specified by the Contract.

Services listed in paragraph 1.1. of the Contract are rendered by the Contractor as the Contractor receives metering devices at the address: 66, Elektrolesovskaya street, Volgograd 400011 (delivery of metering devices as well as load discharge are carried out the Customer at Customer's expense). The period of metrological maintenance of

metering devices cannot exceed 10 working days after Contractor received them.

Contract price:

The cost of services rendered by the Contractor is defined on the basis of cost estimates on metrological maintenance of metering devices of Volzhskaya HPP, branch of “RusHydro” JSC (Appendix 1 to the Contract) and amounts 171 109 (one hundred seventy one thousand one hundred nine) rubles 44 kopecks, including 18% VAT – 26 101 (twenty six thousand one hundred and one) rubles 44 kopecks.

Contract term:

The Contract comes into force upon the signature and is valid till 31.12.2015, and in the part of mutual payments – till its complete performance. The Contract is applied to relations of Parties occurred on 01.01.2015.

Disputes settlement:

In case the Parties do not reach any agreement during negotiations all the disputes should be considered by Commercial Court of Volgograd region.

Disclosure of insider information

On item 9 “Consideration of report of “IDGC of the South” JSC Director General on management of Housing and public facilities in 2014”

2.2.9. Content of decision

Remove the item from the agenda.

Disclosure of insider information

On item 10 “Expressing opinion of the Company on agenda item of the extraordinary general meeting of shareholders of “IDGC of the South” JSC subsidiaries and affiliates – “Energoservice Yuga” JSC: “Approving the contractor contract between “Energoservice Yuga” JSC and “Stroytrest” LLC as a major transaction”

2.2.10. Content of decision

To instruct the representatives of “IDGC of the South” JSC at extraordinary general meeting of shareholders of “Energoservice Yuga” JSC to vote FOR the adoption of resolution on the following agenda: “Approving the contractor contract between “Energoservice Yuga” JSC and “Stroytrest” LLC as a major transaction”:

To approve the contractor contract between “Energoservice Yuga” JSC and “Stroytrest” LLC as a major transaction (hereinafter – Contract, Appendix to the Resolution) on the following conditions:

Contract Parties:

Contractor - “Energoservice Yuga” JSC

Customer – “Stroytrest” LLC

Subject of the Contract:

The Customer instructs and the Contractor undertakes obligations to perform using its own sources, technical means, materials at its own risk the range of works on construction of two cable lines of 10kV from the main substation to complete containerized transformer substation of 10kV located on land plot of the Customer, specified in paragraph 2.1. of the Contract.

Contract price:

The total cost of works under the Contract is defined by fixed contractual price and amounts 60 000 000 (sixty million) rubles 00 kopecks, including 18% VAT – 9 152 542 (nine million one hundred fifty two thousand five hundred forty two) rubles 37 kopecks.

Performance time:

The works under the Contract are performed in accordance with the schedule of works (Appendix 6 to the Contract). The date of commencement of works is the date when the monetary assets are transferred to the account of the Contractor. Date of works completion is the date when the Completed facility acceptance report is signed (form No. KC-11).

Contract term:

The Contract enters into force upon the signature on condition of presence as of the date of approval of large transaction by the Board of Directors (General meeting of shareholders) of “Energoservice Yuga” JSC. The Contract is valid till complete performance of Parties’ obligations.

Disputes settlements:

In case the Parties do not reach any agreement during negotiations all the disputes

should be considered by Commercial Court of Rostov region.

Disclosure of insider information

On item 11 “Consideration of report of “IDGC of the South” JSC Director General on credit policy of the Company in 4th quarter of 2014”.

2.2.11. Content of decision

1. To take into consideration the report of Director General of the Company on credit policy in the 4th quarter of 2014 in accordance with Appendix 7 to the resolution of the BoD.
2. To note that the following indicator were exceeded: maximum allowed limit on capital leverage, maximum allowed limit on debt service coverage, maximum allowed limit debt coverage.
3. To instruct Director General of the Company to insure implementation of requirements of Regulations on credit policy approved by the BoD.

Disclosure of insider information

On item 12 “On taking into consideration information provided by Director General on level of reliability and quality of rendered in 2014 services in all branches of the Company, subject to tariff regulation on the basis of long-term parameters”.

2.2.12. Content of decision

1. To take into consideration information presented by Director General on level of reliability and quality of rendered in 2014 services in all branches of the Company, subject to tariff regulation on the basis of long-term parameters, in accordance with Appendix 8 to the Resolution of the BoD.
2. To instruct Director General to send to executive bodies of territorial subjects of Russian Federation in the sphere of tariff regulation actual values of level of reliability and quality of rendered services, specified in paragraph 1 of the resolution.

Deadline: 1 April 2015.

Disclosure of insider information

On item 13 “Expressing Company’s opinion on agenda item of BoD meeting of “PSKh named after A.A. Grechko”: “Election of Director General of PSKh

named after A.A. Grechko”		
2.2.13. Content of decision		
To instruct representatives of “IDGC of the South” JSC in BoD of “PSKh named after A.A. Grechko” on agenda item “Election of Director General of PSKh named after A.A. Grechko” to vote FOR adoption of the following resolution:		
1. Due to termination on 31.03.2015 of authorities and labor contract with Chekalenko Roman Vladimirovich, Director General of PSKh named after A.A. Grechko (paragraph 2 of Article 77 of RF Labor Code) to elect Rudenko Andrei Yevgenievich for the position of Director General of PSKh named after A.A. Grechko with term of office until 30 March 2016 inclusive.		
2. To authorize Ebzeev Boris Borisovich, Director General of “IDGC of the South” JSC to exercise rights and obligations of employee in respect of Rudenko Andrei Yevgenievich, Director General of PSKh named after A.A. Grechko, as well as to define terms of labor contract with Director General of PSKh named after A.A. Grechko and sign the labor contract, additional agreements and agreements related to termination of labor contract.		
2.3. Date of holding the meeting of Board of Directors: 26 March, 2015.		
2.4. Date of drawing up and number of the minutes of meeting: No. 155/2015 dated 27 March, 2015		
3. Signature		
3.1 Head of corporate governance and shareholders		
interaction department (attorney dd 19.01.2015 No.25-15)		Pavlova Ye.N.
		(signature)
3.2. Date	27 March	20 15