cid:image001.png@01D51F9F.BAFAFE10**MINUTES**

**of the Meeting of the Board of Directors, Rosseti South PJSC**

Rostov-on-Don

11.09.2020 №396/2020

**Meeting format:** in absentia (by poll)

**Members of the Board of Directors who took part in absentee voting:** Grebtsov P.V., Guryanov D.L., Zarkhin V.Yu., Kapitonov V.A., Kolyada A.S., Korotkova M.V., Mikhailik K.A., Romankov A.O., Selivanova L.V., Ebzeev B.B.

**The polling forms were not provided and did not take part in the voting:** Perets A.Yu.

**A quorum is present.**

**Date of the minutes:** 14.09.2020.

**AGENDA**

1. *On consideration of the RAS-based summary and IFRS-based consolidated business plans of the Rosseti South Group of Companies for 2019.*
2. *On additional award of the General Director of Rosseti South PJSC".*
3. *On consideration of the Credit Policy Report of Rosseti South PJSC for the 2nd quarter of 2020.*
4. *On approval of the Credit Plan of Rosseti South PJSC for the 4th quarter of 2020.*
5. *On determination of the Company's position on the agenda of the meeting of the Board of Directors of VMES JSC "On consent to a major transaction".*

**Item No.1: On consideration of the RAS-based summary and IFRS-based consolidated business plans of the Rosseti South Group of Companies for 2019.**

**RESOLUTION:**

1. Take in consideration the report on performance of the RAS-based summary and IFRS-based consolidated business plans of the Rosseti South Group for 2019 in accordance with Annexes 1, 2 to this Resolution of the Company's Board of Directors.

2. Note following the results of work for 2019 the non-fulfillment of planned indicators in accordance with Annex 3 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Korotkova M.V. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"AGAINST"** | Romankov A.O. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Selivanova L.V. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |

**The resolution was carried.**

**Item No.2: On additional award of the General Director of Rosseti South PJSC".**

**RESOLUTION:**

In accordance with paragraph 3.4 of the Regulations on material incentives of the General Director of the Company pay additional bonus to B.B. Ebzeev, General Director of Rosseti South PJSC, in accordance with Annex 4 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Korotkova M.V. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"ABSTAINED"** | Romankov A.O. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Selivanova L.V. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |

**The resolution was carried.**

**Item No.3: On consideration of the Credit Policy Report of Rosseti South PJSC for the 2nd quarter of 2020.**

**RESOLUTION:**

1. Take in consideration the report on the credit policy of the Company for the 2nd quarter of 2020 in accordance with Annex 5 to this Resolution of the Company's Board of Directors.

2. Note the excess of the maximum permissible limits on financial leverage, debt coverage and debt service coverage.

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Korotkova M.V. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"AGAINST"** | Romankov A.O. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Selivanova L.V. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |

**The resolution was carried.**

**Item No.4: On approval of the Credit Plan of Rosseti South PJSC for the 4th quarter of 2020.**

**RESOLUTION:**

Approve the Credit Plan of Rosseti South PJSC for the 4th quarter of 2020 in accordance with Annex No. 6 to this Resolution of the Company's Board of Directors.

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Korotkova M.V. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"AGAINST"** | Romankov A.O. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Selivanova L.V. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |

**The resolution was carried.**

**Item No.5: On determination of the Company's position on the agenda of the meeting of the Board of Directors of VMES JSC "On consent to a major transaction".**

**RESOLUTION:**

Instruct the representatives of Rosseti South PJSC in the Board of Directors of VMES JSC on the agenda item "On authorization of a major transaction" to vote FOR the adoption of the following decision:

"Authorise a major transaction - an agreement on the settlement of disagreements and debt restructuring between VMES JSC and Volgogradenergosbyt PJSC (hereinafter - the Agreement) on the following essential terms:

Parties to the Agreement:

VMES JSC - Creditor;

Volgogradenergosbyt PJSC - Debtor;

Subject of the Agreement:

The Agreement defines the procedure for settlement of disagreements and terms of repayment of the Debtor's debt to the Creditor on payment of the cost of electric power transmission services provided by the Creditor in the process of execution of contracts for the provision of electric power transmission services and compensation for losses concluded between VMES JSC and Volgogradenergosbyt PJSC dated November 1, 2013 No. 466 and November 1, 2013 No. 368. (hereinafter - Contracts), as well as penalties in connection with default (late performance) by the Debtor of obligations to pay for electricity transmission services.

The price, term and other essential terms of the Agreement:

The Price of the Agreement includes the undisputed size of indebtedness for the electric power transmission services of the Debtor to the Creditor under the Agreement on the provision of electric power transmission services dated November 1, 2013 No. 368, which arose before the date of conclusion of the Agreement for the period from January 2019 to May 2020, in the total amount of 1,850,012,439.07 rubles and interest for the use of funds, accrued on the amount of the Debtor's undisputed indebtedness starting from the date of the Agreement.

The interest rate is set in the amount of the MOSPRIME 3M credit rate effective at the beginning of the accounting period (quarter), increased by 3.52 percentage points.

The price of the Agreement cannot be 50 percent or more of the book value of the assets of VMES JSC according to its financial statements as of the last reporting date.

The rights and obligations of the Parties to the Agreement, including obligations of the Creditor to pay current charges arising after the date of conclusion of the Agreement, settlement of the size of indebtedness uncontested by the Parties that arose before the date of conclusion of the Agreement, settlement of the disputed size of indebtedness, settlement by the Parties of the issue of payment of penalty and interest for the use of other people's funds, as well as other essential terms of the Agreement are defined in the annex to this Resolution".

**Result of the vote:**

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| --- | --- | --- | --- | --- | --- |
| Grebtsov P.V. | **-** | **"FOR"** | Korotkova M.V. | **-** | **"FOR"** |
| Guryanov D.L. | **-** | **"FOR"** | Mikhailik K.A. | **-** | **"FOR"** |
| Zarkhin V.Yu. | **-** | **"ABSTAINED"** | Romankov A.O. | **-** | **"FOR"** |
| Kapitonov V.A. | **-** | **"FOR"** | Selivanova L.V. | **-** | **"FOR"** |
| Kolyada A.S. | **-** | **"FOR"** | Ebzeev B.B. | **-** | **"FOR"** |

**The resolution was carried.**

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| **Chairman of the Board of Directors** |  | **P.V. Grebtsov** |
| **Corporate Secretary** | **E.N. Pavlova** |