**Notification on essential fact/Disclosure of insider information
 "The information on the decisions made by the court of directors of IDGC of the South, PJSC"**

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| 1. General information |
| 1.1. Full firm name of the issuer | **Public Joint Stock Company «Interregional Distribution Grid Company of the South»** |
| 1.2. Short company name of the issuer | **IDGC of the South, PJSC** |
| 1.3. Location of the issuer | **Rostov-on-Don, Russian Federation** |
| 1.4. PSRN code of the Issuer | **1076164009096** |
| 1.5. TIN code of the issuer | **6164266561** |
| 1.6. Unique issuer code assigned by the registering authority | **34956-E** |
| 1.7. Web pages used by the Issuer to disclose information | [**http://www.mrsk-yuga.ru**](http://www.mrsk-yuga.ru/)[**http://www.e-disclosure.ru/portal/company.aspx?id=11999**](http://www.e-disclosure.ru/portal/company.aspx?id=11999) |
| 2. Message content |
| 2.1. Quorum of issuer court of directors meeting and the voting results on items of decision making: ***11 of 11 members of the Court of directors took part in the Court of directors meeting, the quorum is possessed.***Voting results: **on agenda** item 1:“FOR” – 9 votes;“Against” – 2 votes;“ABSTAINED” –0 votes; **on agenda** item 2:"FOR" - 9 votes;“AGAINST” – 2 votes;“ABSTAINED” –0 votes; **on agenda** item 3:“FOR” – 9 votes;“Against” – 2 votes;“ABSTAINED” –0 votes; **on agenda** item 4:“FOR” – 9 votes;“AGAINST” – 0 votes;“ABSTAINED” – 2 votes; **on agenda** item 5:“FOR” – 9 votes;“AGAINST” – 0 votes;“ABSTAINED” – 2 votes; **on agenda** item 6:“FOR” – 11 votes;“AGAINST” – 0 votes;“ABSTAINED” –0 votes; **on agenda** item 7:“FOR” – 8 votes;“Against” – 2 votes;“ABSTAINED” –0 votes;*Member of the Board of Directors of the company Ebzeev B.B. not take part in the voting, because he was in the one year preceding the decision, the person exercising the functions of the sole executive Body of the company (the general Director), member of the collegial executive Body of the company (Chairman of the Board).***on agenda** item 1:“FOR” – 9 votes;“AGAINST” – 0 votes;“ABSTAINED” – 2 votes. |
| **Insider Information disclosure on agenda item 1: "On consideration of the plan of procurement of goods, works and services of PJSC" IDGC of the South "for 2018."** |
| 2.2.1. Content of the resolution adopted by the issuer’s board of directors:To approve the plan of procurement of goods, works and services of PJSC "IDGC of the South" for 2018 in accordance with annex № 1 to the present decision of the Board of Directors of the company. |
| **Insider Information Disclosure on agenda item 2: "On approval of scenario conditions for the formation of the company's business plan for 2018 and forecasting indicators for 2019-2022 year"** |
| 2.2.2. Content of the resolution adopted by the issuer’s board of directors:To approve the scenario conditions of formation of the company's business plan for 2018 and forecast indicators for 2019-2022 years in accordance with annex № 2 to the present decision of the Board of Directors of the company. |
| **Insider Information Disclosure on agenda item 3: "On approval of the program of insurance Protection of PJSC" IDGC of the South "for 2018»** |
| 2.2.3. Content of the resolution adopted by the issuer’s board of directors:To approve the program of insurance Protection of PJSC "IDGC South" for 2018 according to annex № 3 to the present decision of the Board of Directors of the company. |
| **Insider information disclosure on agenda item 4: "On approval of the company's insurers"** |
| 2.2.4. Content of the resolution adopted by the issuer’s board of directors: To approve as insurers of the company the following candidates:

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| Type of insurance | Insurance Company | Insurance period (issuance of insurance policies) |
| Insurance of property of legal entities "from all risks" | JSC "Sogaz" | From 01.01.2018 to 31.12.2020 |
| Compulsory civil liability insurance for vehicle owners | SAO "VSK" | From 01.01.2018 to 31.12.2018 |

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| **Insider information disclosure on agenda item 5: "On approval of the credit plan of PJSC" IDGC of the South "for the 1st quarter of 2018"** |
| 2.2.5. Content of the resolution adopted by the issuer’s board of directors:To approve the credit plan of PJSC "IDGC of the South" for the 1st quarter of 2018 in accordance with annex № 4 to the present decision of the Board of Directors of the company. |
| **Insider Information Disclosure on agenda item 6: "On the approval of the report on the implementation of the consolidated on the principles of RAS and consolidated on the principles of IFRS Business Plan of the group of companies IDGC the south for 9 months 2017 year"** |
| 2.2.6. Content of the resolution adopted by the issuer’s board of directors:Take note of the report on the performance of the consolidated on the principles of RAS Business Plan and consolidated on the principles of IFRS Business Plan of the group of companies of PJSC "IDGC South" for 9 months of 2017 in accordance with the Annexes № 5 to this decision of the Board of Directors Society. |
| **On the approval of transactions recognized in accordance with the legislation of the Russian Federation with large transactions and (or) transactions in which there is interest/disclosure of insider information on the issue of № 7: "On the consent to the execution of the transaction, in the commission of which there is an interest,-the agreement compensated provision of services for the implementation of technical supervision between PJSC" grids "and PJSC" IDGC of the South "** |
| 2.2.7. Content of the resolution adopted by the issuer’s board of directors:1. To determine the price of services under the contract compensated providing services for the implementation of technical supervision, which is a transaction in the commission of which there is an interest:- The cost of the Contractor's services under the Contract for the calendar year is 28 536 996 (twenty-eight million five hundred and thirty-six thousand nine hundred and ninety-six) RUB and 00 kopecks, moreover VAT 18%, calculated in accordance with the legislation of the Russian Federation, in the amount of 5 136 659 (five million one hundred and thirty-six thousand six hundred and fifty-nine) RUB and 28 kopecks.- The cost of customer services under the contract for the calendar year is 1 640 601 (one million six hundred forty thousand six hundred one) ruble 60 kopecks, besides VAT 18%, calculated in accordance with the legislation of the Russian Federation, in the amount of 295 308 (two hundred Ninety five thousand three hundred eight) rubles 29 kopecks.To determine that the marginal cost of services under the contract may not be 10 or more percent of the book value of the assets of PJSC "IDGC of the South" according to the data of its accounting reporting on the last reporting date.2. To give consent to the execution of the transaction, in the commission of which there is an interest,-the contract compensated providing services for the implementation of technical supervision between PJSC "grids" and PJSC "IDGC of the South" (hereinafter-the contract), under the following conditions:Parties of the Contract:Open Joint Stock Company “Interregional Distribution Grid Company of the South” (“IDGC of the South”, JSC) - "Customer".Public Joint Stock Company "Rosseti" (PJSC "ROSSETI") - "Contractor".Subject of the Contract:The Customer assigns and the Contractor agrees to the obligation for the implementation of technical supervision of electric grid facilities of the Customer, including new construction, reconstruction and technical retooling, and the Customer undertakes to accept and pay for these services.The Customer, in order to create the necessary conditions for the activities of the Contractor's personnel who directly provide services at the Customer's Facilities, provides the Contractor on a reimbursable basis throughout the entire term of the Contract the workplaces (rooms) provided with furniture, computer and organizational equipment, office equipment, communications tools, fixed-line and Internet services, office supplies.Contract price:The cost of the Contractor's services under the Contract for the calendar year is 28 536 996 (twenty-eight million five hundred and thirty-six thousand nine hundred and ninety-six) RUB and 00 kopecks, moreover VAT 18%, calculated in accordance with the legislation of the Russian Federation, in the amount of 5 136 659 (five million one hundred and thirty-six thousand six hundred and fifty-nine) RUB and 28 kopecks.The cost of customer services under the contract for the calendar year is 1 640 601 (one million six hundred forty thousand six hundred one) ruble 60 kopecks, besides VAT 18%, calculated in accordance with the legislation of the Russian Federation, in the amount of 295 308 (two hundred Ninety five thousand three hundred eight) rubles 29 kopecks.Other essential terms of the Contract/procedure for their determination:Term of rendering services under the ContractGeneral term of rendering services under the Contract: from 01.01.2018 to 31.12.2020Term of the Contract:The Contract comes into force from the moment of its signing by both parties and valid until termination by proper performance by the Parties of the obligations based on the Contract.In the event that within 30 (thirty) calendar days before the end of the contract period, neither of the parties notified the other party of the termination of the contract, the term of service under the Agreement shall be extended for 1 (one) calendar year, without limitation Number of such prolongations.Persons interested in the transaction and the grounds of interest: Public joint stock Company "Russian Networks" (PJSC "grids"), which is the controlling person of PJSC "IDGC of the South" and is at the same time a party in the transaction |
| **Disclosure of insider information on the issue of № 8: "On approval of the regulations for the implementation of the unified communication policy of PJSC" IDGC of the South "in the new edition»** |
| 2.2.8. Content of the resolution adopted by the issuer’s board of directors:1. To approve the rules of implementation of the unified communication policy of PJSC "IDGC of the South" in the new version according to annex № 6 to the present decision of the Board of Directors.2. To annul the rules of implementation of the unified communication policy of PJSC "IDGC of the South" approved by the decision of the Board of Directors of the company from 31.10.2017 (protocol from 31.10.2017 № 248/2017). |
| 2.3. Date of the Issuer’s board of directors meeting, at which the corresponding resolutions were accepted: ***19th of December, 2017.***2.4. Date of drafting and number of the minutes of the Issuer’s Board of Directors meeting, at which the corresponding decisions were accepted: ***January 09, 2018, protocol № 253/2018.*** |
| 3. Signature |
| 3.1. Head of department - Company Secretary (per procuration of 01.01.2018 №78-18) |  | E. N. Pavlova  |
| (Signature) |  |
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| 3.2. Date: January 09, 2018 | Stamp here. |  |