



OPEN JOINT-STOCK COMPANY  
INTERREGIONAL DISTRIBUTIVE  
GRID COMPANY OF URALS  
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## AUDIT COMMITTEE

### Protocol # KA - 29 Of Audit Committee session IDGC of Urals, OAO

September 27, 2013  
Session form:

Ekaterinburg  
absentee voting (by questionnaires)

The following Committee members took part in the session: E.N. Zhuykov, M.V. Azovtsev, A.M. Kislyakov.

Quorum for decision-taking on all agenda issues reached.

#### **Agenda:**

1. Approval of an adjusted IA&RMD working plan for 2013.
2. Review of a 2Q 2013 IA&RMD progress report.
3. Review of a 1H 2013 key risk report.
4. Review of a 2Q 2013 IA&RMD report on the control over insider information protection and circulation.
5. Review of 6M 2013 IAS financial statements.

#### **Issue 1: Approval of an adjusted IA&RMD working plan for 2013.**

##### **Resolution:**

To approve an adjusted IA&RMD working plan for 2013 according to the Appendix hereof.

##### **Voting results:**

“FOR” – 3 (Three) votes: E.N. Zhuykov, M.V. Azovtsev, A.M. Kislyakov.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

**The resolution is adopted unanimously.**

#### **Issue 2: Review of a 2Q 2013 IA&RMD progress report.**

##### **Resolution:**

1. To take into account a 2Q 2013 IA&RMD progress report.
2. Internal Audit and Risk Management Department should submit a report containing information on substantiality of revealed violations and real effect from measures following recommendations to inspections (number of filed cases, invoices, bonus reduction, etc.) to the Audit Committee since 3Q 2013.

##### **Voting results:**

“FOR” – 3 (Three) votes: E.N. Zhuykov, M.V. Azovtsev, A.M. Kislyakov.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

**The resolution is adopted unanimously.**

### **Issue 3: Review of a 1H 2013 key risk report.**

#### **Resolution:**

1. To take into account a 1H 2013 key risk report in view of a report from an AC expert according to Appendices hereof.
2. To recommend the CEO to arrange the involvement of risk owners into the following processes:
  - 2.1. Processing of measures in the form of risk passports, indication of goals and terms of accomplishment is obligatory;
  - 2.2. Updating of measures on risk management and execution control during quarterly completion of risk passports.
3. To entrust IA&RM Department to prepare proposals regarding integration of risk register.
4. To recommend the BoD to acknowledge as ceased to be in force item 2.3 of BoD resolution on issue #12 Approval of the Company's internal documents:
  - Risk Management Policy at IDGC of Urals, OAO;
  - Internal Control Policy at IDGC of Urals, OAO (protocol #70 dd. 07.06.2010), with regard to submission to the AC of information on the implementation of local documents aimed at the perfection and evolution of internal control, audit and risk management system.

#### **Voting results:**

“FOR” – 3 (Three) votes: E.N. Zhuykov, M.V. Azovtsev, A.M. Kislyakov.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

**The resolution is adopted unanimously.**

### **Issue 4: Review of a 2Q 2013 IA&RMD report on the control over insider information protection and circulation.**

#### **Resolution:**

To take into account a 2Q 2013 IA&RMD report on the control over insider information protection and circulation according to the Appendix hereof.

#### **Voting results:**

“FOR” – 3 (Three) votes: E.N. Zhuykov, M.V. Azovtsev, A.M. Kislyakov.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

**The resolution is adopted unanimously.**

### **Issue 5: Review of 6M 2013 IAS financial statements.**

#### **Resolution:**

1. To note the following tendencies in changes of financial profile of the Company as of 30.06.2013 in comparison to the top of the year:
  - 1.1. Balance-sheet total increased by RUR 817 832 thous. or by 1.2%.
  - 1.2. Assets and liabilities mainly increased due to the upsurge of the following indicators:  
Credits and loans (174% of overall balance-sheet total increase), other tax payables (24% of overall balance-sheet total increase) against decreased income tax payables (-23% of overall balance-sheet total increase) and decreased negative value of other reserves (-30% of overall balance-sheet total increase).
  - 1.3. Property grew mainly due to:  
Increased fixed assets (73% of overall balance-sheet total increase), increased inventory (36% of overall balance-sheet total increase), increased trade and other receivables (35% of overall balance-sheet total increase) against decreased other non-current assets (-33% of overall balance-sheet total increase).
  - 1.4. Current liquidity increased by 0.12 due to increased total receivables and inventory against decreased payables, financial independence decreased by 1%, ROA according to the comparable period of the previous year decreased by 0.45% due to significant profit decline.

- 1.5. To note negative balance of other operating (- RUR 3 277 thous., -121.8% on the previous year) and financial revenues and expenses (- RUR 328 852 thous., a 4.5% decrease on the previous year).
2. To recommend the Company's management to take measures to increase the efficiency of control over productivity in receivables.
3. The secretary of the Audit Committee should inform the BoD on the results of the Company's performance analysis according to 1H 2013 IAS statements.

**Voting results:**

“FOR” – 3 (Three) votes: E.N. Zhuykov, M.V. Azovtsev, A.M. Kislyakov.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

**The resolution is adopted unanimously.**

**The Committee Chairperson**

**E.N. Zhuykov**

**The Committee Secretary**

**D.V. Tikhanov**

The Protocol was compiled on: 01.10.2013.