

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No.KA – 55 IDGC of Urals (OAO)

31 May 2016
Meeting form: Ekaterinburg
in-absentia (by ballots)

Attending members:

Yulia Vitalyevna Yascheritsyna	Director of Economic Planning and Budgeting Department at Rosseti (PAO), the Chair;
Sergey Mikhailovich Kataev	Director of Production Asset Management Department at Rosseti (PAO);
Evgeny Rudolfovich Villevald	Project director at GK Renova (ZAO).

3 out of 3 members have participated in the meeting. A quorum for decision-making on agenda issues is duly constituted.

The Committee Secretary:

Dmitry Vyacheslavovich Tikhanov	Head of Corporate Events Section of Corporate Governance and Shareholder Relations Department
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Agenda:

1. Examination of the report of Internal Audit and Oversight Department with regard to performance of the Department during 1Q 2016 and progress of internal audit.
2. Examination of the interim 1Q 2016 RAS financial statements of the Company.
3. 2015-2016 progress report of the Audit Committee to the Board of Directors.

Issue 1: Examination of the report of Internal Audit and Oversight Department with regard to performance of the Department during 1Q 2016 and progress of internal audit.

Resolution:

To approve the report of Internal Audit and Oversight Department with regard to performance of the Department during 1Q 2016 and progress of internal audit in line with Appendix No.1 hereof.

Voting results:

“FOR” - 3 (Three) votes: Y.V. Yascheritsyna, S.M. Kataev, E.R. Villevald.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue 2: Examination of the interim 1Q 2016 RAS financial statements of the Company.

Resolution:

1. To take note of the 1Q 2016 RAS financial statements of the Company.
2. To note that:
 - 2.1. Profitability of sales downsized YoY.
 - 2.2. Overdue receivables upsized.
3. The Committee secretary should inform the Board of Directors on key changes of indicators of the interim 1Q 2016 RAS financial statements in line with Appendix No.2 hereof.

Voting results:

“FOR” - 3 (Three) votes: Y.V. Yascheritsyna, S.M. Kataev, E.R. Villevald.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue 3: 2015-2016 progress report of the Audit Committee to the Board of Directors.

Resolution:

1. To recommend the Board of Directors to take note of the 2015-2016 progress report of the Audit Committee in line with Appendix No.3 hereof.
2. The Committee secretary should update information with regard to meeting attendance of the Committee members (incl. attendance of the present meeting) prior to the signing of the 2015-2016 progress report of the Audit Committee by the Chair.

Voting results:

“FOR” - 3 (Three) votes: Y.V. Yascheritsyna, S.M. Kataev, E.R. Villevald.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Appendix No.1	Report of Internal Audit and Oversight Department with regard to performance of the Department during 1Q 2016 and progress of internal audit.
Appendix No.2	Key changes of indicators of the interim 1Q 2016 RAS financial statements.
Appendix No.3	2015-2016 progress report of the Audit Committee.

The Chair

Y.V. Yascheritsyna

The Secretary

D.V. Tikhanov

Minutes date: 31.05.2016.