

AUDIT COMMITTEE

MINUTES OF THE COMMITTEE MEETING No.KA – 56 IDGC of Urals (OAO)

22 July 2016

Ekaterinburg

Meeting form:

in-absentia (by ballots)

Attending members:

Yulia Vitalyevna Yascheritsyna	Director of Economic Planning and Budgeting Department at Rosseti (PAO), the Chair;
Vladimir Vladimirovich Sofyin	Director of Technological Development and Innovations Department at Rosseti (PAO);
Aleksandr Viktorovich Shevchuk	Executive Director of Professional Investor Association;
Roman Avgustovich Dmitrik	General Director at RRSK (OOO).

4 out of 4 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. Election of the Deputy Committee Chair.
2. Election of the Committee Secretary.
3. Engagement of an expert in the Committee activities.
4. Adoption of the Committee action plan for 2016-2017 corporate year.
5. Preliminary examination of the Committee budget for 2H 2016 and 1H 2017.
6. Preliminary examination of the auditor fee for the audit of FY2016 Company's financial statements.

Issue 1: Election of the Deputy Committee Chair.

Resolution:

To elect V.V. Sofyin, Director of Technological Development and Innovations Department at Rosseti (PAO), as the Deputy Committee Chair.

Voting results:

“FOR” - 2 (Two) votes: Y.V. Yascheritsyna, V.V. Sofyin.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 2 (Two) votes: R.A. Dmitrik, A.V. Shevchuk.

PASSED.

Pursuant to clause 10.5.3. of the Regulations on the Board Audit Committee, in case of equality of votes, a vote of the Chair shall be decisive.

Issue 2: Election of the Committee Secretary.

Resolution:

To elect D.V. Tikhanov, Head of Corporate Events Section of Corporate Governance and Shareholder Relations Department at IDGC of Urals (OAO), as the Committee Secretary.

Voting results:

“FOR” - 3 (Three) votes: Y.V. Yascheritsyna, V.V. Sofyin, A.V. Shevchuk.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 1 (One) vote: R.A. Dmitrik.

PASSED BY THE MAJORITY.

Issue 3: Engagement of an expert in the Committee activities.

Resolution:

To engage E.B. Sinitsyna, Head of Oversight and Expertize Directorate of Oversight and Audit Department at Rosseti (PAO), in the Committee activities as an expert.

Voting results:

“FOR” - 3 (Three) votes: Y.V. Yascheritsyna, V.V. Sofyin, A.V. Shevchuk.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 1 (One) vote: R.A. Dmitrik.

PASSED BY THE MAJORITY.

Issue 4: Adoption of the Committee action plan for 2016-2017 corporate year.

Resolution:

To adopt the Committee action plan for 2016-2017 corporate year in line with Appendix No.1 hereof.

Voting results:

“FOR” - 4 (Four) votes: Y.V. Yascheritsyna, V.V. Sofyin, A.V. Shevchuk, R.A. Dmitrik.

“AGAINST” - 0 (Zero) votes.

“ABSTAIN” - 0 (Zero) votes.

PASSED UNANIMOUSLY.

Issue 5: Preliminary examination of the Committee budget for 2H 2016 and 1H 2017.

Resolution:

To recommend the Company's Board of Directors to adopt the Committee budget for 2H 2016 and 1H 2017 in line with Appendix No.2 hereof.

Voting results:

"FOR" - 3 (Three) votes: Y.V. Yascheritsyna, V.V. Sofyin, A.V. Shevchuk.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 1 (One) vote: R.A. Dmitrik.

PASSED BY THE MAJORITY.

Issue 6: Preliminary examination of the auditor fee for the audit of FY2016 Company's financial statements.

Resolution:

To recommend the Company's Board of Directors to set the value of the contract with regard to the audit of FY2016 RAS and IFRS financial statements, to be concluded between the Company and RSM RUS (OOO) at RUB 2,611,251.52, incl. VAT.

Voting results:

"FOR" - 3 (Three) votes: Y.V. Yascheritsyna, V.V. Sofyin, A.V. Shevchuk.

"AGAINST" - 0 (Zero) votes.

"ABSTAIN" - 1 (One) vote: R.A. Dmitrik.

PASSED BY THE MAJORITY.

Appendix No.1 The Committee action plan for 2016-2017 corporate year.

Appendix No.2 The Committee budget for 2H 2016 and 1H 2017.

The Chair

Y.V. Yascheritsyna

The Secretary

D.V. Tikhanov

Minutes date: 25.07.2016.