

Minutes No.1

Meeting of Audit Committee

Attached to the Board of Directors of "IDGC of the South", JSC

dated April 23, 2010.

Date of holding:	23.04.2010
Form of holding:	Absentee voting
Place of voting results summarizing:	(postal address of "IDGC of the South", JSC) 327 Severnaya str., Krasnodar
Time of voting results summarizing:	23.04.2010, 05 p.m.
Date of the minutes drawing:	23.04.2010

Members of Audit Committee attached to Board of Directors: 3 persons.

Questionnaires have been submitted by: Perepelkin A.Yu. (Chairman of Audit Committee attached to Board of Directors), Vasilyev S.V., Mikhaylov S.A.

Questionnaires have not been submitted by: no persons.

According to subitem 10.3.5 item 10.3 article 10 Regulations on Audit Committee attached to Board of Directors of Open Joint Stock Company "Interregional Distribution Grid Company of the South" (approved by decision of Board of Directors of the Company dated December 01, 2009), a meeting of the Committee in the form of absentee voting shall be considered competent (has the quorum) if no less than half elected members of the Committee have participated in it.

Quorum is present.

Agenda on the meeting of Audit Committee attached to Board of Directors:

1. On election of Deputy Chairman of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.
2. On approval of Activity Plan of Audit Committee attached to Board of Directors of "IDGC of the South", JSC for the second quarter of 2010.
3. On election of Secretary of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.
4. On formation of proposal on the amount of the budget of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.

5. On consideration of the candidacy of Auditor of the Company.

6. On implementation of control over carrying out of annual independent audit of accounting and financial (accounting) reports of the Company.

1. On election of Deputy Chairman of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.

It is suggested to adopt the following decision:

To elect Vasilyev Sergey Vyacheslavovoch, Director for Legal Issues, Head of Legal Support Department of "IDGC Holding", JSC as Deputy Chairman of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.

Voting results:

Perepelkin A.Yu.	-	"FOR"	Mikhaylov S.A.	-	"FOR"
Vasilyev S.V.	-	"FOR"		-	"FOR"

Thus, the suggested decision on the first item **has been unanimously adopted** by the members of Audit Committee attached to Board of Directors.

2. On approval of Activity Plan of Audit Committee attached to Board of Directors of "IDGC of the South", JSC for the second quarter of 2010.

It is suggested to adopt the following decision:

To approve Activity Plan of Audit Committee attached to Board of Directors of "IDGC of the South", JSC for the second quarter of 2010 according to Appendix No.1 hereto.

Voting results:

Perepelkin A.Yu.	-	"FOR"	Mikhaylov S.A.	-	"FOR"
Vasilyev S.V.	-	"FOR"		-	"FOR"

Thus, the suggested decision on the second item **has been unanimously adopted** by the members of Audit Committee attached to Board of Directors.

3. On election of Secretary of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.

It is suggested to adopt the following decision:

1. To elect from the date of taking the present decision Shmakov Igor Vladimirovich, Head of Internal Check and Audit Department of "IDGC of the South", JSC as Secretary of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.

2. To recommend Board of Directors of the Company to authorize CEO of "IDGC of the South", JSC Gavrilov Aleksander Ilyich with signing of the contract with Secretary of the Committee on behalf of the Company.

Voting results:

Perepelkin A.Yu.	-	"FOR"	Mikhaylov S.A.	-	"FOR"
Vasilyev S.V.	-	"FOR"		-	"FOR"

Thus, the suggested decision on the third item **has been unanimously adopted** by the members of Audit Committee attached to Board of Directors.

4. On formation of proposal on the amount of the budget of Audit Committee attached to Board of Directors of "IDGC of the South", JSC.

It is suggested to adopt the following decision:

To submit to Board of Directors of the Company the proposal on the amount of budget of Audit Committee attached to Board of Directors of "IDGC of the South", JSC (with item-by-item information disclosure) according to Appendix No.2 hereto.

Voting results:

Perepelkin A.Yu.	-	"FOR"	Mikhaylov S.A.	-	"FOR"
Vasilyev S.V.	-	"FOR"		-	"FOR"

Thus, the suggested decision on the fourth item **has been unanimously adopted** by the members of Audit Committee attached to Board of Directors.

5. On consideration of the candidacy of Auditor of the Company.

It is suggested to adopt the following decision:

To introduce to Board of Directors of the Company the candidacy of "Auditinform" AAF", CJSC – license No.E003505, validity term – till March 04, 2013, member of self-regulatory non-profit partnership "Moscow Audit Chamber", certificate dated February 15, 2010 – for approval at annual General meeting of shareholders.

Voting results:

Perepelkin A.Yu.	-	"FOR"	Mikhaylov S.A.	-	"FOR"
Vasilyev S.V.	-	"FOR"		-	"FOR"

Thus, the suggested decision on the fifth item **has been unanimously adopted** by the members of Audit Committee attached to Board of Directors.

6. On implementation of control over carrying out of annual independent audit of accounting and financial (accounting) reports of the Company.

It is suggested to adopt the following decision:

To consider information on the issuance of positive auditor opinion concerning accounting (financial) reports of the Company for 2009, prepared by Auditor "Nexia Pacioli", LLC.

Voting results:

Perepelkin A.Yu.	-	"FOR"	Mikhaylov S.A.	-	"FOR"
Vasilyev S.V.	-	"FOR"		-	"FOR"

Thus, the suggested decision on the sixth item **has been unanimously adopted** by the members of Audit Committee attached to Board of Directors.

Deputy Chairman of the Committee

Perepelkin A.Yu.

Corporate Secretary

Kantsurov A.A.