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**Minutes of Board of Directors Meeting No. 169/2013**

**Open joint stock company**

**of power industry and electrification of Kuban**

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| --- | --- |
| Date of meeting | August 7, 2013 |
| Form of holding the meeting | Absentee voting (questionnaire) |
| Place of vote counting | Office 105, building 1, 2 Stavropolskaya St., Krasnodar (postal address of “Kubanenergo”, JSC) |
| Date of vote counting | 07.08.2013, 5 p.m. |
| Date of drawing up minutes | August 9, 2013 |

Number of Board of Directors Members: 11

Questionnaires were submitted by: Vagapov S.G., Varvarin A.V., Gaichenya I.A., Katina A.Yu., Kolyada A.S. Lavrova M.A., Magadeyev R.R., Neganov L.V, Solod A.V., Cherezov A.V.

Questionnaires were not submitted by: Likhov Kh.M.

According to requirements of paragraph 7.3 of Regulation on order of conveying and holding meetings of “Kubanenergo”, JSC Board of Directors approved by decision of annual General meeting of “Kubanenergo”, JSC shareholders dated 22.06.2012, minutes No.31, quorum for holding the meeting should count at least half of elected members of Board of Directors.

Quorum is present

Agenda

1. On determining the source of financing of the events on project: “Reconstruction of radio network of operative dispatching unit 110 kV and operative dispatching unit 6-10 kV in Sochi power grids, the 1st stage
2. On determining the source of financing of the event on: “Remote control engineering of power distribution unit (6-10) kV of branch of “Kubanenergo” JSC Sochi Generating station including: РП20, РП21, РП23, РП31, РП37, РП55, РП86, РП97, ТРП46, ТРП8, ТРП-Д61, ТРП94, ТРП96, РП Д-61, РП-1, РП-19, РП-40, РП-52н, РП-56, РП-84, РП-98, РП-35Н, РП-3н, РП-5, РП Х-4, РП Х-57, РП 18

**Item 1**

**On determining the source of financing of the events on project: “Reconstruction of radio network of operative dispatching unit 110 kV and operative dispatching unit 6-10 kV in Sochi power grids, the 1st stage**

It is proposed to adopt the following decision:

1. To approve financing source of on project: “Reconstruction of radio network of operative dispatching unit 110 kV and operative dispatching unit 6-10 kV in Sochi power grids, the 1st stage” the money received from other shareholders in 2009-2013 as payment for additional shares of “Kubanenergo” JSC in amount of maximum 64.9 million rubles, including VAT.

2. To make allowance for financing project in 2013.

**Voting results**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Vagapov S.G. | - | FOR | Lavrova M.A. | - | FOR |
| Varvarin A.V. | - | FOR | Magadeyev R.R. |  | FOR |
| Gaichenya I.A. | - | FOR | Neganov L.V. | - | AGAINST |
| Katina A.Yu. | - | FOR | Solod A.V. | - | FOR |
| Kolyada A.S. | - | FOR |  |  |  |

Thus, the decision on the first item was adopted by majority of the BoD members.

**Item 2**

**On determining the source of financing of the event on: “Remote control engineering of power distribution unit (6-10) kV of branch of “Kubanenergo” JSC Sochi Generating station including: РП20, РП21, РП23, РП31, РП37, РП55, РП86, РП97, ТРП46, ТРП8, ТРП-Д61, ТРП94, ТРП96, РП Д-61, РП-1, РП-19, РП-40, РП-52н, РП-56, РП-84, РП-98, РП-35Н, РП-3н, РП-5, РП Х-4, РП Х-57, РП 18**

It is proposed to adopt the following decision:

1. To approve financing source of on project: “On determining the source of financing of the event on: “Remote control engineering of power distribution unit (6-10) kV of branch of “Kubanenergo” JSC Sochi Generating station including: РП20, РП21, РП23, РП31, РП37, РП55, РП86, РП97, ТРП46, ТРП8, ТРП-Д61, ТРП94, ТРП96, РП Д-61, РП-1, РП-19, РП-40, РП-52н, РП-56, РП-84, РП-98, РП-35Н, РП-3н, РП-5, РП Х-4, РП Х-57, РП 18” the money received from other shareholders in 2009-2013 as payment for additional shares of “Kubanenergo” JSC in amount of maximum 60.0 million rubles, including VAT.

2. To make allowance for financing project in 2013.

3. To include the implementation of this project when adjusting the Company’s investment programme in 2013

**Voting results**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Vagapov S.G. | - | FOR | Lavrova M.A. | - | FOR |
| Varvarin A.V. | - | FOR | Magadeyev R.R. |  | FOR |
| Gaichenya I.A. | - | FOR | Neganov L.V. | - | AGAINST |
| Katina A.Yu. | - | FOR | Solod A.V. | - | FOR |
| Kolyada A.S. | - | FOR |  |  |  |

Thus, the decision on the second item was adopted by majority of the BoD members.

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| --- | --- |
| Chairperson | Magadeyev R.R. |
| Corporate secretary | Russu O.V. |