



ОТКРЫТОЕ АКЦИОНЕРНОЕ ОБЩЕСТВО
ЭНЕРГЕТИКИ И ЭЛЕКТРИФИКАЦИИ КУБАНИ
О А О «КУБАНЬЭНЕРГО»
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Minutes of Board of Directors Meeting No. 198/2014
Open joint stock company of
power industry and electrification of Kuban (“Kubanenergo” JSC)

Date of meeting	15 October, 2014
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	15.10.2014, 5 p.m.
Date of drawing up minutes	17 October, 2014

Board of Directors Members: 11

Questionnaires were submitted by: Sergeyev S.V. (chairperson of BoD), Gavrilov A.I., Varvarin A.V., Kobelyan A.M., Lavrova M.A., Mezhevich V.E., Sukhov O.A., Khokholkova K.V., Chermentieva Yu. P., Shatokhin A.G., Kharin A.N.

Questionnaires were not submitted by:

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 approving the amended list of projects on energy saving and enhancing cost effectiveness that are implemented under contracts on energy services.
2. On Kubanenergo JSC rendering a charity support of World Association of Russian Press.
3. On approving a registry of key operational risks of Kubanenergo JSC.
4. On early termination of term of office of members of the Reliability Committee and electing a new member of the Committee.
5. On approving target values of cash flow of Kubanenergo JSC for the 4th quarter of 2014.
6. On approving additional agreement to contract dated 21.01.2014 No.15/2014/407/30-129 on technical and emergency maintenance and repair of facilities of Sochi Electrical Networks between Kubanenergo JSC and IDGC of Ural JSC as interested party transaction.
7. On approving additional agreement to contract dated 17.01.2014 No. 407/30-699 on technical and emergency maintenance and repair of facilities of Sochi Electrical Networks between Kubanenergo JSC and IDGC of the South JSC as interested party transaction.

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

8. On approving contract on design and survey work between Kubanenergo JSC and “Energoservis Kubani” JSC as interested party transaction.
9. On approving contract on construction, installation, hook-up and start-up between Kubanenergo JSC and “Energoservis Kubani” JSC as interested party transaction.
10. On approving commercial representation agreement for representing the Owner of power facilities for the purposes of concluding and fulfilling contracts on installation of fiber-optic communication lines on facilities of territorial distribution grid between Kubanenergo JSC and “Directorate FOCL-power line” JSC as interested party transaction.

Item 1

On approving the amended list of projects on energy saving and enhancing cost effectiveness that are implemented under contracts on energy services.

The following decision is proposed:

1. To approve the amended list of projects on energy saving and enhancing cost effectiveness that are implemented under contracts on energy services, in accordance with Appendix 1 to present decision of Company’s BoD.
2. To consider as invalid paragraph 3 of the resolution taken by the BoD of Kubanenergo JSC on 10.12.2013 on item 1 (minutes No.176/2013 dd 13.12.2013).
3. To submit by April 1, 2015 to the meeting of the BoD the report on process and results of implementation of the activities specified in the amended list of energy service projects..

Voting results

Gavrilov A.I.	- FOR	Sergeyev S.V.	- FOR
Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Kharin A.N.	- ABSTAINED		

Thus, the majority BoD members participating in the meeting adopted the decision on the first item.

Item 2

On Kubanenergo JSC rendering a charity support of World Association of Russian Press.

The following decision is proposed:

Trade secret.

Voting results

Gavrilov A.I.	- FOR	Sergeyev S.V.	- FOR
Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Kharin A.N.	- AGAINST		

Thus, the majority BoD members participating in the meeting adopted the decision on the second item.

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Item 3**On approving the registry of key operational risks of Kubanenergo JSC**

The following decision is proposed:

To approve the registry of key operational risks of Kubanenergo JSC with specifying the risks holders, in accordance with Appendix 2 to present decision of Company's BoD.

Voting results

Gavrilov A.I.	- FOR	Sergeyev S.V.	- FOR
Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Kharin A.N.	- ABSTAINED		

Thus, the majority BoD members participating in the meeting adopted the decision on the third item.

Item 4**On early termination of term of office of members of the Reliability Committee and electing a new member of the Committee**

The following decision is proposed:

To defer the discussion to a later date

Voting results

Gavrilov A.I.	- FOR	Sergeyev S.V.	- FOR
Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Kharin A.N.	- FOR		

Thus, the BoD members unanimously adopted the decision on the fourth item.

Item 5**On approving target values of cash flow of Kubanenergo JSC for the 4th quarter of 2014**

The following decision is proposed:

To approve the following the target value of cash flow of "Kubanenergo" JSC for the 4th quarter of 2014:

Month	Services on organization of functioning and development of distribution grid complex	Dividends (tax excluded)
October	7 521	0
November	7 521	0
December	7 521	0

- To instruct director general of the Company to:

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

- ensure the preparation of the project of cash flow and its approval with 5 (five) days upon adopting this resolution

send the specified document to the members of the BoD within 1 (one) day upon the approval of the project of cash flow..

Voting results

Gavrilov A.I.	- FOR	Sergeyev S.V.	- FOR
Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Kharin A.N.	- ABSTAINED		

Thus, the majority BoD members participating in the meeting adopted the decision on the fifth item.

Item 6

On approving additional agreement to contract dated 21.01.2014 No.15/2014/407/30-129 on technical and emergency maintenance and repair of facilities of Sochi Electrical Networks between Kubanenergo JSC and IDGC of Ural JSC as interested party transaction

In accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies” resolution on this item should be taken by majority of votes of independent directors uninterested in the transaction.

Except Sergeyev and Gavrilov other members of the BoD vote on this item and are recognized as independent directors uninterested in the transaction in accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”.

The following decision is proposed:

To approve additional agreement to contract dated 21.01.2014 No.15/2014/407/30-129 on technical and emergency maintenance and repair of facilities of Sochi Electrical Networks between Kubanenergo JSC and IDGC of Ural JSC as interested party transaction, in accordance with Appendix 3 to present decision of Company’s BoD.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Kharin A.N.	- FOR		

Thus, the majority of independent directors uninterested in the transaction and participating in the voting adopted the decision on the sixth item.

Item 7

On approving additional agreement to contract dated 17.01.2014 No. 407/30-699 on technical and emergency maintenance and repair of facilities of Sochi Electrical Networks between Kubanenergo JSC and IDGC of the South JSC as interested party transaction

In accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies” resolution on this item should be taken by majority of votes of independent directors uninterested in the transaction.

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Except Kharin and Gavrilov other members of the BoD vote on this item and are recognized as independent directors uninterested in the transaction in accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”.

The following decision is proposed:

To approve additional agreement to contract dated 17.01.2014 No. 407/30-699 on technical and emergency maintenance and repair of facilities of Sochi Electrical Networks between Kubanenergo JSC and IDGC of the South JSC as interested party transaction, in accordance with Appendix 4 to present decision of Company’s BoD.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- ABSTAINED
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Sergeyev S.V.	- FOR		

Thus, the majority of the independent directors uninterested in the transaction adopted the decision on the seventh item.

Item 8

On approving contracts on design and survey work between Kubanenergo JSC and “Energoservis Kubani” JSC as interested party transaction

In accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies” resolution on this item should be taken by majority of votes of independent directors uninterested in the transaction.

Except Gavrilov other members of the BoD vote on this item and are recognized as independent directors uninterested in the transaction in accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”

The following decision is proposed:

1.1. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of the branch Slavyanskiye electrical networks – branch of Kubanenergo JSC, precisely in Slavyanskiy, Temryukskiy and Krasnoarmeiskiy districts” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction: 1 739 477.58 rubles (one million seven hundred thirty nine thousand four hundred seventy seven) rubles 58 kopecks, including 18% VAT – 265 344.04 rubles (two hundred sixty five thousand three hundred forty four) rubles 04 kopecks.

1.2. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of the branch Slavyanskiye electrical networks – branch of Kubanenergo JSC, precisely in Slavyanskiy, Temryukskiy and Krasnoarmeiskiy districts” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction on the following terms:

Parties to the Contract:

Customer – Kubanenergo JSC.

Contractor – “Energoservis Kubani” JSC

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Subject: The Contractor undertakes obligation under the Customer's task and using its own sources and/or by attracting a subcontractor to perform design and survey work on the project "Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of the branch Slavyanskiye electrical networks – branch of Kubanenergo JSC, precisely in Slavyanskiy, Temryukskiy and Krasnoarmeiskiy districts" (falling out income), on grid connection contracts", to ensure that technical / design and estimate documentation, which is the result of the work under the Contract, was approved by the relevant government bodies and local government, including obtaining a positive opinion of the State expert department of project documentation assessment, as well as on behalf of the Customer, to implement supervision over the construction of the facility. The Customer agrees to accept the result of work and pay for the work performed in the manner and amount prescribed by the Contract.

The content and scope of work, technical, economic and other requirements for the work and the results are defined in the Terms of Reference (Annex 1 to the Contract).

Contract Price: Contract price is determined by the cost of the summary statement of work (Annex 3 to the Contract), formed on the basis of estimates by type of work, and is 1 739 477.58 rubles (one million seven hundred thirty nine thousand four hundred seventy seven) rubles 58 kopecks, including 18% VAT – 265 344.04 rubles (two hundred sixty five thousand three hundred forty four) rubles 04 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) – upon the signing of the contract, completion date performance of the contract - within 2 (two) months from the date of signing the contract.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership "The association of organizations engaged in the construction, reconstruction and repair of power facilities, substations and grids "ENERGOSTROY" in accordance with its rules in effect as of the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- ABSTAINED	Shatokhin A.G.	- ABSTAINED
Sergeyev S.V.	- FOR	Kharin A.N.	- FOR

Thus, the majority of independent directors uninterested in the transaction adopted the decision on the eighth item (paragraph 1).

2.1. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: "Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers in Novopokrovskiy and Beloglinskiy districts of Tikhoretskiye electrical networks" on grid connection contracts (falling out income), between Kubanenergo JSC and "Energoservis Kubani" JSC (hereinafter the Contract) as interested party transaction: 2 430 388.33 rubles (two million four hundred thirty thousand three hundred eighty

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eight) rubles 33 kopecks, including 18% VAT – 370 737.20 rubles (three hundred seventy thousand seven hundred thirty seven) rubles 20 kopecks.

2.2. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers in Novopokrovskiy and Beloglinskiy districts of Tikhoretskiye electrical networks” on grid connection contracts (falling out income), between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction on the following terms:

Parties to the Contract:

Customer – Kubanenergo JSC

Contractor – “Energoservis Kubani” JSC

Subject: The Contractor undertakes obligation under the Customer’s task and using its own sources and/or by attracting a subcontractor to perform design and survey work on the project Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers in Novopokrovskiy and Beloglinskiy districts of Tikhoretskiye electrical networks” on grid connection contracts (falling out income, to ensure that technical / design and estimate documentation, which is the result of the work under the Contract, was approved by the relevant government bodies and local government, including obtaining a positive opinion of the State expert department of project documentation assessment, as well as on behalf of the Customer, to implement supervision over the construction of the facility. The Customer agrees to accept the result of work and pay for the work performed in the manner and amount prescribed by the Contract.

The content and scope of work, technical, economic and other requirements for the work and the results are defined in the Terms of Reference (Annex 1 to the Contract).

Contract Price: Contract price is determined by the cost of the summary statement of work (Annex 3 to the Contract), formed on the basis of estimates by type of work, and is 2 430 388.33 rubles (two million four hundred thirty thousand three hundred eighty eight) rubles 33 kopecks, including 18% VAT – 370 737.20 rubles (three hundred seventy thousand seven hundred thirty seven) rubles 20 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) – upon the signing of the contract; completion date of the contract - within 45 days months from the date of signing the contract.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership “The association of organizations engaged in the construction, reconstruction and repair of power facilities, substations and grids “ENERGOSTROY” in accordance with its rules in effect as of the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V. - FOR Sukhov O.A. - FOR

Kobelyan A.M. - FOR Khokholkova K.V. - FOR

Signature of the BoD Chairperson _____ Sergeev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- ABSTAINED	Shatokhin A.G.	- ABSTAINED
Sergeyev S.V.	- FOR	Kharin A.N.	- FOR

Thus, the majority of independent directors uninterested in the transaction adopted the decision on the eighth item (paragraph 2).

3.1. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers in Yeiskiy district of Lenigradskiye electrical networks” on grid connection contracts (falling out income), between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction: 1 189 735.59 rubles (one million one hundred eighty nine thousand seven hundred thirty five) rubles 59 kopecks, including 18% VAT – 181 485.09 rubles (one hundred eighty one thousand four hundred eighty five) rubles 09 kopecks.

3.2. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers in Yeiskiy district of Lenigradskiye electrical networks on grid connection contracts (falling out income), between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction on the following terms:

Parties to the Contract:

Customer – Kubanenergo JSC

Contractor – “Energoservis Kubani” JSC

Subject: The Contractor undertakes obligation under the Customer’s task and using its own sources and/or by attracting a subcontractor to perform design and survey work on the project Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers in Yeiskiy district of Lenigradskiye electrical networks” on grid connection contracts (falling out income, to ensure that technical/design and estimate documentation, which is the result of the work under the Contract, was approved by the relevant government bodies and local government, including obtaining a positive opinion of the State expert department of project documentation assessment, as well as on behalf of the Customer, to implement supervision over the construction of the facility. The Customer agrees to accept the result of work and pay for the work performed in the manner and amount prescribed by the Contract.

The content and scope of work, technical, economic and other requirements for the work and the results are defined in the Terms of Reference (Annex 1 to the Contract).

Contract Price: Contract price is determined by the cost of the summary statement of work (Annex 3 to the Contract), formed on the basis of estimates by type of work, and is 1 189 735.59 rubles (one million one hundred eighty nine thousand seven hundred thirty five) rubles 59 kopecks, including 18% VAT – 181 485.09 rubles (one hundred eighty one thousand four hundred eighty five) rubles 09 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) – upon the signing of the contract; completion date of the contract - within 30 (thirty) days months from the date of signing the contract.

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership “The association of organizations engaged in the construction, reconstruction and repair of power facilities, substations and grids “ENERGOSTROY” in accordance with its rules in effect as of the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- ABSTAINED	Shatokhin A.G.	- ABSTAINED
Sergeyev S.V.	- FOR	Kharin A.N.	- FOR

Thus, the majority of independent directors uninterested in the transaction adopted the decision on the eighth item (paragraph 3).

4.1. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of the branch Slavyanskiye electrical networks – branch of Kubanenergo JSC, precisely in Slavyanskiy and Krasnoarmeiskiy districts” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction: 1 587 032.59 rubles (one million five hundred eighty seven thousand thirty two) rubles 59 kopecks, including 18% VAT – 242 089.72 rubles (two hundred forty two thousand eighty nine) rubles 72 kopecks.

4.2. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of the branch Slavyanskiye electrical networks – branch of Kubanenergo JSC, precisely in Slavyanskiy and Krasnoarmeiskiy districts” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction on the following terms:

Parties to the Contract:

Customer – Kubanenergo JSC

Contractor – “Energoservis Kubani” JSC

Subject: The Contractor undertakes obligation under the Customer’s task and using its own sources and/or by attracting a subcontractor to perform design and survey work on the project “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of the branch Slavyanskiye electrical networks – branch of Kubanenergo JSC, precisely in Slavyanskiy and Krasnoarmeiskiy districts” (falling out income), on grid connection contracts”, to ensure that technical / design and estimate documentation, which is the result of the work under the Contract, was approved by the relevant government bodies and local government, including obtaining a positive opinion of the State expert department of project documentation assessment, as well as on behalf of the Customer, to implement supervision over the construction of the facility.

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Signature of the Corporate secretary _____ Russu O.V.

The Customer agrees to accept the result of work and pay for the work performed in the manner and amount prescribed by the Contract.

The content and scope of work, technical, economic and other requirements for the work and the results are defined in the Terms of Reference (Annex 1 to the Contract).

Contract Price: Contract price is determined by the cost of the summary statement of work (Annex 3 to the Contract), formed on the basis of estimates by type of work, and is 1 587 032.59 rubles (one million five hundred eighty seven thousand thirty two) rubles 59 kopecks, including 18% VAT – 242 089.72 rubles (two hundred forty two thousand eighty nine) rubles 72 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) – upon the signing of the contract; completion date performance of the contract - within 2 (two) months from the date of signing the contract.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership “The association of organizations engaged in the construction, reconstruction and repair of power facilities, substations and grids “ENERGOSTROY” in accordance with its rules in effect as of the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- ABSTAINED	Shatokhin A.G.	- ABSTAINED
Sergeyev S.V.	- FOR	Kharin A.N.	- FOR

Thus, the majority of independent directors uninterested in the transaction adopted the decision on the eighth item (paragraph 4).

5.1. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of Timashevskiy electrical networks – branch of Kubanenergo JSC, precisely in Bryukhaovetskiy, Kanevskoy, Kalininskiy and Timamshevskiy districts ” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction: 1 110 697.34 rubles (one million one hundred ten thousand six hundred ninety seven) rubles 34 kopecks, including 18% VAT – 169 428.41 rubles (one hundred sixty nine thousand four hundred twenty eight) rubles 41 kopecks.

5.2. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of Timashevskiy electrical networks – branch of Kubanenergo JSC, precisely in Bryukhaovetskiy, Kanevskoy, Kalininskiy and Timamshevskiy districts” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction on the following terms:

Parties to the Contract:

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Customer – Kubanenergo JSC

Contractor – “Energoservis Kubani” JSC

Subject: The Contractor undertakes obligation under the Customer’s task and using its own sources and/or by attracting a subcontractor to perform design and survey work on the project Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of Timashevskiy electrical networks – branch of Kubanenergo JSC, precisely in Bryukhaovetskiy, Kanevskoy, Kalininskiy and Timamshevskiy districts” (falling out income), on grid connection contracts:

# 10701-14-00162294-1	dated 03.03.2014	# 40702-14-00165754-1	dated 02.04.2014
# 10701-14-00162114-1	dated 04.03.2014	# 10701-14-00165746-1	dated 18.02.2014
# 10701-14-00162154-1	dated 05.03.2014	# 10705-14-00158312-1	dated 18.02.2014
# 10701-14-00162274-1	dated 04.03.2014	# 10705-14-00158314-1	dated 19.02.2014
# 10701-14-00162286-1	dated 04.03.2014	# 10705-14-00160312-1	dated 04.03.2014
# 10701-14-00162092-1	dated 03.03.2014	# 10701-14-00162866-1	dated 03.03.2014
# 40701-14-00162324-1	dated 05.03.2014	# 10701-14-00162878-1	dated 03.03.2014
# 10701-14-00162182-1	dated 03.03.2014	# 10701-14-00162786-1	dated 19.03.2014
# 10701-14-00162062-1	dated 04.03.2014	# 10701-14-00162306-1	dated 05.03.2014
# 10701-14-00162296-1	dated 11.03.2014	# 10701-14-00162822-1	dated 26.03.2014
# 10701-14-00162308-1	dated 11.03.2014	# 10701-14-00162838-1	dated 05.03.2014
# 10701-14-00162280-1	dated 14.03.2014	# 10701-14-00162264-1	dated 05.03.2014
# 10701-14-00162322-1	dated 11.03.2014	# 40701-14-00160282-1	dated 20.02.2014
# 10701-14-00162764-1	dated 07.03.2014	# 10705-13-00150072-1	dated 03.12.2013
# 10701-14-00162754-1	dated 12.03.2014	# 10703-13-00152768-1	dated 18.12.2013
# 10703-14-00162730-1	dated 05.03.2014	# 10703-13-00152716-1	dated 16.12.2013
# 10703-14-00164172-1	dated 19.03.2014	# 10703-13-00140212-1	dated 25.09.2013

to ensure that technical / design and estimate documentation, which is the result of the work under the Contract, was approved by the relevant government bodies and local government, including obtaining a positive opinion of the State expert department of project documentation assessment, as well as on behalf of the Customer, to implement supervision over the construction of the facility.

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

The Customer agrees to accept the result of work and pay for the work performed in the manner and amount prescribed by the Contract.

The content and scope of work, technical, economic and other requirements for the work and the results are defined in the Terms of Reference (Annex 1 to the Contract).

Contract Price: Contract price is determined by the cost of the summary statement of work (Annex 3 to the Contract), formed on the basis of estimates by type of work, and is 1 110 697.34 rubles (one million one hundred ten thousand six hundred ninety seven) rubles 34 kopecks, including 18% VAT – 169 428.41 rubles (one hundred sixty nine thousand four hundred twenty eight) rubles 41 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) – upon the signing of the contract; completion date performance of the contract - within 30 (thirty) days from the date of signing the contract.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership “The association of organizations engaged in the construction, reconstruction and repair of power facilities, substations and grids “ENERGOSTROY” in accordance with its rules in effect as of the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Sergeyev S.V.	- FOR	Kharin A.N.	- FOR

Thus, the independent directors uninterested in the transaction unanimously adopted the decision on the eighth item (paragraph 5).

6.1. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of Tikhoretskiye electrical networks – branch of Kubanenergo JSC, precisely in Tikhoretskiy district ” (falling out income), on grid connection contracts between Kubanenergo JSC and “Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction: 1 716 307.64 rubles (one million seven hundred sixteen thousand three hundred seven) rubles 64 kopecks, including 18% VAT – 261 809.64 rubles (two hundred sixty one thousand eight hundred nine) rubles 64 kopecks.

6.2. To determine the price of the contract for design and survey work on facilities of Slavyanskiye electrical networks: “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of Timashevskiye electrical networks – branch of Kubanenergo JSC, precisely in Bryukhaovetskiy, Kanevskoy, Kalininskiy and Timamshevskiy districts” (falling out income), on grid connection contracts between Kubanenergo JSC and

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

“Energoservis Kubani” JSC (hereinafter the Contract) as interested party transaction on the following terms:

Parties to the Contract:

Customer – Kubanenergo JSC

Contractor – “Energoservis Kubani” JSC

Subject: The Contractor undertakes obligation under the Customer’s task and using its own sources and/or by attracting a subcontractor to perform design and survey work on the project “Design and survey works for connection of energy receiving devices up to 15 kW of receiving aid category of customers of Tikhoretskiye electrical networks – branch of Kubanenergo JSC, precisely in Tikhoretskiy district” (falling out income), on grid connection contracts”, to ensure that technical / design and estimate documentation, which is the result of the work under the Contract, was approved by the relevant government bodies and local government, including obtaining a positive opinion of the State expert department of project documentation assessment, as well as on behalf of the Customer, to implement supervision over the construction of the facility. The Customer agrees to accept the result of work and pay for the work performed in the manner and amount prescribed by the Contract.

The content and scope of work, technical, economic and other requirements for the work and the results are defined in the Terms of Reference (Annex 1 to the Contract).

Contract Price: Contract price is determined by the cost of the summary statement of work (Annex 3 to the Contract), formed on the basis of estimates by type of work, and is 1 716 307.64 rubles (one million seven hundred sixteen thousand three hundred seven) rubles 64 kopecks, including 18% VAT – 261 809.64 rubles (two hundred sixty one thousand eight hundred nine) rubles 64 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) – upon the signing of the contract; completion date performance of the contract - within 30 (thirty) days from the date of signing the contract.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership “The association of organizations engaged in the construction, reconstruction and repair of power facilities, substations and grids “ENERGOSTROY” in accordance with its rules in effect as of the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- ABSTAINED	Shatokhin A.G.	- FOR
Sergeyev S.V.	- FOR	Kharin A.N.	- FOR

Thus, the majority independent directors uninterested in the transaction and participating in the voting adopted the decision on the eighth item (paragraph 6).

Item 9

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

On approving contract on construction, installation and commissioning between Kubanenergo JSC and “Energoservis Kubani” JSC as interested party transaction

In accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies” resolution on this item should be taken by majority of votes of independent directors uninterested in the transaction.

Except Gavrilov other members of the BoD vote on this item and are recognized as independent directors uninterested in the transaction in accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”

The following decision is proposed:

1. To determine the price of the contract for construction, installation and commissioning works for the technological connection of South-western electrical networks “Construction and reconstruction of 8 objects for connection of power devices up to 15 kW of aid receiving category of consumers under the contracts on technological connection: # 10105-13-00113376-1, # 10105-13-00116608-1, # 10105-13-00113424-1, # 10105-13-00116618-1, # 10105-13-00116634-1, # 10105-13-00116826-1, # 10105-13-00116828-1, # 10105-13-00116830-1, # 10105-13-00116794-1, # 10105-13-00116800-1, # 10105-13-00113404-1, # 10105-13-00113358-1, # 40105-13-00113470-1, # 10105-13-00115698-1, # 10105-13-00113372-1, # 10105-13-00117044-1, # 10105-13-00114538-1, # 10105-13-00117040 -1, # 10105-13-00117034-1, # 10105-13-00116840-1, # 10105-13-00117056-1, # 10105-13-00117062-1, # 10101-12-00087816-1, # 10101 -12-00087846-1, # 10101-12-00087998-1, # 10101-13-00111160-1, # 10101-13-00111180-1, # 10101-13-00111224-1, # 10105-07-003284- 1, # 10105-13-00117330-1” (falling out income) between Kubanenergo JSC and “Energoservis Kubani” JSC(hereinafter the Contract) as interested party transaction in the amount of 4 151 995.59 (four million one hundred fifty one thousand nine hundred ninety five) rubles 59 kopecks, including 18% VAT- 633 355.26 (six hundred thirty three thousand three hundred fifty five) rubles 26 kopecks.

2. To approve the contract for construction, installation and commissioning works for the technological connection of South-western electrical networks “Construction and reconstruction of 8 objects for connection of power devices up to 15 kW of aid receiving category of consumers under the contracts on technological connection: # 10105-13-00113376-1, # 10105-13-00116608-1, # 10105-13-00113424-1, # 10105-13-00116618-1, # 10105-13-00116634-1, # 10105-13-00116826-1, # 10105-13-00116828-1, # 10105-13-00116830-1, # 10105-13-00116794-1, # 10105-13-00116800-1, # 10105-13-00113404-1, # 10105-13-00113358-1, # 40105-13-00113470-1, # 10105-13-00115698-1, # 10105-13-00113372-1, # 10105-13-00117044-1, # 10105-13-00114538-1, # 10105-13-00117040 -1, # 10105-13-00117034-1, # 10105-13-00116840-1, # 10105-13-00117056-1, # 10105-13-00117062-1, # 10101-12-00087816-1, # 10101 -12-00087846-1, # 10101-12-00087998-1, # 10101-13-00111160-1, # 10101-13-00111180-1, # 10101-13-00111224-1, # 10105-07-003284- 1, # 10105-13-00117330-1” (falling out income) between Kubanenergo JSC and “Energoservis Kubani” JSC(hereinafter the Contract) as interested party transaction , on the following terms:

Parties of the Contract:

Customer – Kubanenergo JSC

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Contractor - "Energoservis Kubani" JSC

Subject: According to the Contract, following the Customer's task, agrees and in accordance with the approved project documentation submitted by the Customer to the Contractor for performance of the contract (Annex 1 to the Contract), summary statement of the cost of works and services (Annex 2 to the Contract) and the calendar plan of work (Annex 3 to the Contract) to implement the construction and reconstruction work at South-western electrical networks "Construction and reconstruction of 8 objects for connection of power devices up to 15 kW of aid receiving category of consumers under the contracts on technological connection: # 10105-13-00113376-1, # 10105-13-00116608-1, # 10105-13-00113424-1, # 10105-13-00116618-1, # 10105-13-00116634-1, # 10105-13-00116826-1, # 10105-13-00116828-1, # 10105-13-00116830-1, # 10105-13-00116794-1, # 10105-13-00116800-1, # 10105-13-00113404-1, # 10105-13-00113358-1, # 40105-13-00113470-1, # 10105-13-00115698-1, # 10105-13-00113372-1, # 10105-13-00117044-1, # 10105-13-00114538-1, # 10105-13-00117040 -1, # 10105-13-00117034-1, # 10105-13-00116840-1, # 10105-13-00117056-1, # 10105-13-00117062-1, # 10101-12-00087816-1, # 10101 -12-00087846-1, # 10101-12-00087998-1, # 10101-13-00111160-1, # 10101-13-00111180-1, # 10101-13-00111224-1, # 10105-07-003284- 1, # 10105-13-00117330-1" (falling out income)" and deliver the results to the Customer; and the Customer shall accept the result of work and pay for it in the manner prescribed by the Contract.

Contract Price: Contract price is formed on the basis of the report on the results of the procurement procedure for the right to sign the Contract in accordance with the summary statement of the cost of the works and services (Annex 2 to the Contract) made on the basis of summary estimate in the design documentation, and is 4 151 995.59 (four million one hundred fifty one thousand nine hundred ninety five) rubles 59 kopecks, including 18% VAT 633 355.26 (six hundred thirty three thousand three hundred fifty five) rubles 26 kopecks.

Term of contract: The contract comes into force upon the signature and is valid until the Parties fulfill their obligations.

Performance time: Time of commencement of work under the Contract in accordance with the timetable (Annex 2 to the Contract) - since the signing of the contract. Deadline for completion of work under the Contract is 90 (ninety) days from the date of signing the contract.

Settlement of Disputes: In the event no agreement is reached between the parties in the pretrial order (by sending the claim), all disputes, controversies and claims arising out of or in connection with it, including those associated with its change, performance, breach, termination, termination and validity, shall be settled by Commercial Court under the Non-Profit Partnership "The association of organizations engaged in the construction, reconstruction and repair of power plants, substations and networks "ENERGOSTROY" in accordance with its rules in effect at the date of filing a claim. Decisions of the arbitral tribunal shall be binding, final and not subject to appeal.

Voting results

Varvarin A.V. - FOR Sukhov O.A. - FOR

Kobelyan A.M. - FOR Khokholkova K.V. - FOR

Signature of the BoD Chairperson _____ Sergeev S.V.

Signature of the Corporate secretary _____ Russu O.V.

Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- ABSTAINED	Shatokhin A.G.	- ABSTAINED
Sergeyev	- FOR	Kharin A.N.	- FOR

Thus, the majority of independent directors uninterested in the transaction adopted the decision on the ninth item.

Item 10

On approving commercial representation agreement for representing the Owner of power facilities for the purposes of concluding and fulfilling contracts on installation of fiber-optic communication lines on facilities of territorial distribution grid between Kubanenergo JSC and “Directorate FOCL-power line” JSC as interested party transaction

In accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies” resolution on this item should be taken by majority of votes of independent directors uninterested in the transaction.

Except Gavrilov other members of the BoD vote on this item and are recognized as independent directors uninterested in the transaction in accordance with paragraph 3 of article 83 of the Federal Law No.208-FZ dated 26.12.1995 “On Joint Stock Companies”

The following decision is proposed:

To defer the discussion to a later date

Voting results

Varvarin A.V.	- FOR	Sukhov O.A.	- FOR
Kobelyan A.M.	- FOR	Khokholkova K.V.	- FOR
Lavrova M.A.	- FOR	Chermentieva Yu. P.	- FOR
Mezhevich V.E.	- FOR	Shatokhin A.G.	- FOR
Sergeyev	- FOR	Kharin A.N.	- FOR

Thus, the independent directors uninterested in the transaction unanimously adopted the decision on the ninth item.

Chairperson

Sergeyev S.V.

Corporate secretary

Russu O.V.

Signature of the BoD Chairperson _____ Sergeyev S.V.

Signature of the Corporate secretary _____ Russu O.V.