

Approved by  
General meeting of shareholders of Kubanenergo JSC  
minutes of meeting No. \_\_\_\_\_ dated \_\_\_\_\_ 2015

Chairperson of the meeting

---

**Regulations on  
Board of Directors of Public Joint Stock Company of Power  
Industry and Electrification of Kuban**

Krasnodar 2015

## **1. General Provisions**

1.1. The present Regulations are elaborated in accordance with the Civil Code of the Russian Federation, Federal Law "On Joint Stock Companies", other legal acts of the Russian Federation and Charter of Public Joint Stock Company of Power Industry and Electrification of Kuban (hereinafter the Company).

1.2. The present Regulations are an internal document of the Company, determining the procedure for convening and holding the meetings of the Company's Board of Directors.

1.3. Board of Directors is a managing body of the Company that carries out general management of the Company's activity, controls implementation of decisions of general meetings shareholders of the Company in accordance with the requirements of the legislation of the Russian Federation.

1.4. The main goals and objectives of the Company's Board of Directors' activities shall be:

–determining the development strategy of the Company, aimed at increase of its market capitalization and investment attractiveness, achieving the maximum benefit and increasing of the Company's assets;

– ensuring protection of rights and legal interests of the Company's shareholders and assistance in settling of corporate conflicts;

–providing complete, reliable and impartial disclosure of information on the Company to the shareholders and other interested persons;

–establishing of effective internal control mechanisms;

– regular assessment of the activity carried out by executive and managing bodies of the Company;

For implementation of the above mentioned goals and objectives the Board of Directors shall be guided by the following principles:

– taking decisions on the basis of reliable information on the Company's activity;

– exclusion of restrictions of shareholders right to participate in the Company's management, receive dividends and information on the Company;

– achieving the balance of interests of various groups of shareholders and take maximally impartial decisions meeting the interests of all the shareholders of the Company.

1.5. In its activity Board of Directors shall be guided by Federal Law "On Joint Stock Companies", other legal acts of the Russian Federation, Charter of the Company and the present Regulations.

## **2. Chairperson and deputy Chairperson of Company's Board of Directors**

2.1. Activity of Board of Directors is arranged by Chairperson of Board of Directors of the Company.

2.2. Chairperson of Board of Directors is elected by members of the Company's Board of Directors from among them by a majority vote of the total number of members of the Company's Board of Directors.

A person performing the functions of General Director of the Company shall be not entitled to be elected as Chairperson of Board of Directors of the Company.

2.3. Board of Directors shall be entitled to reelect Chairperson of Board of Directors at any time by a majority vote of the total number of members of the Company's Board of Directors.

#### 2.4. Chairperson of Board of Directors:

- 1) arranges activity of Board of Directors;
- 2) convenes Board of Directors meetings;
- 3) determines the form of holding of Board of Directors meetings;
- 4) approves the agenda for Board of Directors meetings;
- 5) determines a list of materials (information) on agenda of meetings which shall be submitted to members of the Company's Board of Directors;
- 6) determines a list of persons invited for participation in discussing of certain agenda items of Board of Directors meetings;
- 7) presides at Board of Directors meetings;
- 8) signs minutes of Board of Directors meetings, orders on carrying out inspection (revision) of financial and economic activity of the Company and other documents on behalf of the Company's Board of Directors;
- 9) carries out control of implementation of working plan of Board of Directors activity approved by Board of Directors;
- 10) represents the Board of Directors in the process of interaction with the Company's shareholders, administrative bodies, public organizations, mass media;
- 11) carries out correspondence of Board of Directors with shareholders, executive bodies, staff members of the Company, other entities;
- 12) presides at General meetings of shareholders of the Company, announces agenda, informs on coming speeches and reports and performs other functions of Chairperson of General meetings of shareholders of the Company, stipulated by Regulations on Procedure of Preparation and Holding of General Meeting of Shareholders of the Company;
- 13) controls the implementation of the decisions of General meetings of shareholders of the Company and Board of Directors on behalf of Board of Directors, officially puts to control the implementation of the decisions passed by the Company's Board of Directors and terminate control of implemented decisions;
- 14) ensures observance of requirements of the legislation of the Russian Federation, Charter of the Company, other internal documents of the Company and the present Regulations in the process of holding of Board of Directors meetings;
- 15) performs other functions stipulated by the legislation of the Russian Federation, Charter of the Company and decisions of the Company's Board of Directors.

2.5 In case of absence of Chairperson of Board of Directors of the Company his functions shall be performed by a person, elected from members of Board of Directors by a majority vote of members of the Company's Board of Directors (Deputy Chairperson of the Company's Board of Directors).

A member of the Company's Board of Directors performing the functions of General Director of the Company or a member of a corporate executive body of the Company shall not be elected as Deputy Chairperson of Board of Directors of the Company.

### **3. Members of Board of Directors, Rights, Obligations and Responsibility**

3.1. Within the competence of Board of Directors members of the Board of Directors shall be entitled to:

- 1) receive information on the Company's activity, including commercial classified information of the Company, become familiar with all the basic, normative, accounting, reporting, contractual and other documents of the Company according to the legislation of the Russian Federation and internal documents of the Company;
- 2) introduce written suggestions on developing of Activity Plan of Board of Directors;
- 3) put items on agenda of Board of Directors meetings according to the approved procedure;
- 4) demand convening of Board of Directors meetings;
- 5) implement other rights stipulated by the legislation of the Russian Federation, Charter of the Company and decisions of the Company's Board of Directors.

3.2. A member of Board of Directors shall be entitled to request in written form documents and information necessary for taking decisions on issues within competence of Board of Directors either directly from General Director of the Company (other person performing functions of sole executive body of the Company) or from Corporate Secretary of Board of Directors.

3.3. Documents and information shall be submitted to a member of Board of Directors no later than 5 (five) working days from the date of the corresponding request.

3.4. Members of Board of Directors may be paid a reward and (or) a compensation of expenses related to implementation by members of Board of Directors of their functions according to the procedure fixed in Regulations on remuneration and compensation payment to members of Board of Directors", approved by General meeting of shareholders of the Company.

3.5. Members of Board of Directors in implementing their rights and obligations shall act in the interests of the Company, to implement their rights and obligations honestly and reasonably.

3.6. Members of Board of Directors shall be responsible to the Company for losses inflicted to the Company by their wrong acts (omission) according to the current legislation.

Those members of Board of Directors who voted against the decision which led to infliction losses to the Company or those, who did not participate in the vote, shall not bear responsibility.

### **4. Corporate Secretary and Secretariat of Board of Directors**

4.1. Technical (informational, documentary, legal, secretarial) support of current activity of Board of Directors shall be provided by Corporate Secretary of the Company (Secretariat of Board of Directors) functioning in accordance with Charter of the Company, present Regulations, Regulations on Secretary of Board of Directors, other internal documents of the Company and on the instructions of Chairperson of Board of Directors.

4.2. Corporate Secretary of Board of Directors shall be elected by members of Board of Directors of the Company by a majority vote of the members, present at the meeting.

Board of Directors shall be entitled to reelect Corporate Secretary of Board of Directors at any time.

The candidacy of Corporate Secretary of Board of Directors shall be suggested by Chairperson of Board of Directors.

Shall the suggested candidate be a member of the Company's staff his candidacy shall be coordinated with General Director of the Company.

In order to provide an effective operation of Corporate Secretary of Board of Directors, Board of

Directors shall be entitled to establish Secretariat of Board of Directors composed of members of the Company's staff by its decision.

Management of activity of Secretariat of Board of Directors shall be provided by Corporate Secretary.

4.3. Functions of Corporate Secretary of Board of Directors include:

- 1) drawing up and presentation to Chairperson of Board of Directors a draft agenda for the coming meeting of Board of Directors according to Activity Plan of Board of Directors and the proposals of members of Board of Directors, the Company's General Director, Auditing Committee, Auditor of the Company;
- 2) providing preparation and distribution of documents (materials) necessary for arrangement and holding of Board of Directors meetings (notice on holding of meetings, draft decisions on issues on agenda of a meeting, draft documents for pre-studying, etc.);
- 3) providing organizational and technical support for carrying out a vote at Board of Directors meetings;
- 4) providing interaction of Board of Directors with executive bodies of the Company, Committees attached to Board of Directors and departments of the Company;
- 5) arranging preparation and presentation of documents (information) on request of members of Board of Directors;
- 6) preparing requests and replies for letters on behalf of the Company's Board of Directors under the guidance of Chairperson of Board of Directors;
- 7) collecting questionnaires filled in by Board of Directors members;
- 8) drawing up minutes of Board of Directors meetings and extracts from minutes of Board of Directors meetings;
- 9) distributing documents approved by Board of Directors;
- 10) developing and maintaining nomenclature of Board of Directors activity;
- 11) systematizing and storing Board of Directors documents and materials;
- 12) providing control of implementation of Board of Directors decisions;
- 13) preparing requests for providing information (materials) on agenda issues of the Board of Directors meetings;
- 14) providing control over reliability of submitted information and correct drawing up of documents presented to Board of Directors for consideration and approval;
- 15) preparing drafts of certain documents and decisions of Board of Directors including a draft Activity Plan of Board of Directors, on commission of Chairperson of Board of Directors (Deputy Chairperson of Board of Directors);
- 16) arranging record-keeping of Board of Directors meetings, including those on magnetic devices with the consent of participating members;
- 17) performing other functions stipulated by present Regulations, instructions of Chairperson and members of the Company's Board of Directors.

4.4. Corporate Secretary shall provide coordinated and operative interaction between Board of Directors members and the Company's shareholders, their representatives, executive body of the Company and heads and employees of the Company's departments in order to provide an effective activity of Board of Directors.

Secretariat of Board of Directors shall provide technical support for efficient operation of Board of Directors, render every kind of assistance to committees and other bodies of Board of Directors in their activity.

4.5. Corporate Secretary shall be entitled to request and receive information, necessary for operation of Board of Directors, from departments of the executive body of the Company, including information on request of members of Board of Directors of the Company.

4.6. Corporate Secretary shall be responsible for:

- timely submission of notices on Board of Directors meetings and materials for meetings to Board of Directors members;
- quality of drawing up of minutes of the Board of Directors meetings and reliability of information contained in them;
- timely submission of minutes to Board of Directors members.

4.7. Bodies and officials of the Company shall render assistance to Corporate Secretary of Board of Directors performing his/her functions.

4.8. A contract with Corporate Secretary of the Company's Board of Directors for performing functions of Corporate Secretary may be signed.

Terms of contract with Corporate Secretary of the Company's Board of Directors, including those related to remuneration of Corporate Secretary for performance of his/her duties shall be specified by the Company's Board of Directors or by a person authorized by the Company's Board of Directors.

4.9. Expenses on providing activity of Secretariat of Board of Directors and on remuneration of its employees shall be covered by the Company's funds within the estimate approved by Board of Directors decision on appointment of Corporate Secretary.

## **5. Arrangement of BoD activity**

5.1. Board of Directors meetings shall be held according to the approved Activity Plan of Board of Directors or as the need arises, but no less than once in a quarter, unless otherwise is stipulated by the present Regulations.

5.2. In case of necessity, Chairperson of Board of Directors may take decision on holding an extraordinary meeting of Board of Directors or postponement of a scheduled Board of Directors meeting.

5.3. Activity Plan of Board of Directors.

5.3.1. Activity Plan of the Board of Directors may be drawn up according to the following main directions:

- strategic development of the Company;
- medium-term and current planning of the Company's activity;
- arrangement of activity of Board of Directors;
- control of implementation of decisions of Board of Directors and General meeting of shareholders.

5.3.2. Activity Plan of Board of Directors shall include:

- 1) issues for consideration at the Company's Board of Directors meetings in the current year

(quarterly);

2) schedule of holding of Board of Directors meetings;

3) list of persons (management bodies of the Company) responsible for preparation of issues for consideration at Board of Directors meetings (Board of Directors members, General Director of the Company, other persons).

5.3.3. Activity Plan of Board of Directors shall be based on proposals of Chairperson and members of Board of Directors, Auditing Committee of the Company, Company's General Director, Company's Auditor taking into account the requirements stated in the first and second paragraphs of item 6.4 of the present Regulations.

The given proposals shall be submitted to Chairperson of Board of Directors in written; also its copy shall be submitted to Corporate Secretary.

## **6. On convening the meeting of Board of Directors**

6.1. First meeting of Board of Directors elected in its new composition shall be called by a member of the Company's Board of Directors by means of submitting a notice on convening of a meeting to all other members of the Company's Board of Directors and to the Company addressed for General Director.

General Director shall render assistance and provide all the information necessary for arrangement of the first meeting of Board of Directors elected in its new composition.

The first meeting of Board of Directors shall consider the following items:

- election of Chairperson of Board of Directors;
- election of Deputy Chairperson of Board of Directors;
- election of Corporate Secretary of Board of Directors.

6.2. The following meetings of the Board of Directors shall be convened by Chairperson of Board of Directors (except for the case stipulated by item 2.5. the present Regulations):

- according to the schedule of holding of Board of Directors meetings, approved by Activity Plan of Board of Directors;
- on the initiative of Chairperson of Board of Directors;
- on written request of a member of Board of Directors, Company's Auditing Committee, Company's General Director, Company's Auditor.

6.3. A request for convening of a Board of Directors meeting shall contain:

- 1) reference to the initiator of convening the meeting;
- 2) statement of agenda items;
- 3) motives for putting the stated agenda items;
- 4) information (materials) on agenda items;
- 5) draft decisions on agenda items.

6.4. A request for convening a Board of Directors meeting shall be drawn up in written form and signed by a person, demanding its convening.

A request of the Company's Auditing Committee for convening a Board of Directors meeting shall be signed by Chairperson of Auditing Committee. A request for convening a Board of Directors

meeting with all the necessary materials (information) attached shall be sent to Chairperson of Board of Directors; also its copy shall be submitted to Corporate Secretary. At that, proposals of members of Board of directors shall be submitted to Chairperson of Board of Directors signed by Chairperson of Management Board of the Company or independently in the event Chairperson of Management Board of the Company has not submitted the corresponding letter to Chairperson of Board of Directors within 7(Seven) working days.

6.5. Chairperson of Board of Directors shall consider the submitted request for convening an extraordinary Board of Directors meeting and take the decision on convening of such a meeting, on refusal to convene the meeting or on putting the items stated in the request on agenda of a coming scheduled Board of Directors meeting (according to the approved Activity Plan of Board of Directors) no later than within 5 (five) working days from the moment of receiving of the corresponding request. Board of Directors meeting for consideration of the issue (issues) stated in the request shall be held no later than within 30 (thirty) calendar days from the moment of receipt of the corresponding request by Chairperson of Board of Directors.

Decision of Chairperson of Board of Directors on refusal to convene an extraordinary Board of Directors meeting shall be submitted to the person, demanding convening such a meeting no later than within 3 (three) working days from the moment of taking such a decision.

Failure to meet the requirements stated by items 6.3, 6.4 the present Regulations may be considered the reason for refusal to satisfy the request for convening an extraordinary meeting of Board of Directors.

6.6. Notice on convening of a Board of Directors meeting shall be prepared by Corporate Secretary and signed by Chairperson or Deputy Chairperson of Board of Directors (in the cases stipulated by the present Regulations).

6.6.1. Notice on convening of a Board of Directors meeting shall be sent by Corporate Secretary to each member of Board of Directors in written form no later than 11 (eleven) working days before the date of holding of a Board of Directors meeting (deadline of collection of questionnaires for voting) except for cases stipulated by the present Regulations.

6.6.2. In case of putting on agenda of a Board of Directors meetings of items to be preliminary considered by the corresponding Committee attached to Board of Directors (provided that it has been established) but not presented to Board of Directors by the moment of submission of notice on decision (recommendation) of a Committee attached to Board of Directors on the given items, notice on holding of such Board of Directors meeting shall be submitted by Corporate Secretary to each member of Board of Directors no later than 15 (Fifteen) working days before holding of a Board of Directors meeting (deadline of collection of questionnaires for voting) except for cases stipulated by the present Regulations.

6.7. Simultaneously with notice on convening of a Board of Directors meeting, materials on agenda items of the meeting shall be submitted to members of Board of Directors.

Materials (information) on the agenda items of the meeting include:

- draft decisions of Board of Directors on agenda items of a Board of Directors meeting;
- explanatory note to draft decisions of Board of Directors on agenda items of a Board of Directors meeting;
- draft documents presented for approval or coordination by Board of Directors;
- minutes of meetings and sittings of management bodies, decisions (recommendations) of Committees attached to Board of Directors and other specially established bodies and Committees of the Company for preliminary consideration of issues (provided that they have been established);



- materials proving the information stated in draft decisions and explanatory notes;
- other informational materials on agenda items of a Board of Directors meeting.

6.8. Materials (information) on agenda items may be provided to members of Board of Directors personally, via fax, electronic mail; the notice on convening of a Board of Directors meeting shall be presented to members of Board of Directors of the Company via fax or in the original.

6.9. In case of putting on agenda of a Board of Directors meetings of items to be preliminary by the corresponding Committee attached to Board of Directors (provided that it has been established), notice on holding of such Board of Directors meeting and materials on the given items shall be submitted by Corporate Secretary of the Company to the corresponding Committee according to the order and terms stipulated by subitem 6.6.2. and item 6.8 of the present Regulations.

Decisions (recommendations) of a Committee attached to Board of Directors shall be submitted by Corporate Secretary of the Company to members of Board of Directors provided that they have been received by Board of Directors no later than 3 (three) working days before the date of holding of a Board of Directors meeting except for the case stipulated by item 10.18. the present Regulations. In case the decisions (recommendations) of the corresponding Committee attached to Board of Directors have not been presented (or presented with violation of the stated terms) -Board of Directors is entitled to take a decision on the item without consideration of such decisions (recommendations).

6.10. The Board of Directors Chairperson shall be entitled with the approval of the initiator of putting an item to be preliminary considered by the corresponding Committee attached to Board of Directors for consideration by Board of Directors, once to postpone consideration of the stated issue in case if the Committee have not presented the necessary decisions (recommendations) and Chairperson of the Committee has sent a letter with the motivated request for such a postponement.

6.11 In cases stipulated by items 5.2 and article 10 of the present Regulations the deadline of distributing of a notice on convening of a Board of Directors meeting to Board of Directors members and submission of materials (information) may be reduced by a decision of Chairperson of Board of Directors.

## **7. Procedure of Holding a Board of Directors Meeting**

7.1. Board of Directors meetings shall be opened by Chairperson of Board of Directors.

7.2. In Board of Directors Board of Directors members and persons invited to a meeting for each issue to be considered according to the list approved by Chairperson of Board of Directors shall take part.

7.3. Secretary of Board of Directors shall state the quorum for holding a Board of Directors meeting.

The quorum for holding a Board of Directors meeting shall be no less than half of the elected members of the Company's Board of Directors.

7.4. Chairperson of Board of Directors shall inform the participants on presence of quorum necessary for holding a Board of Directors meeting and announce agenda of a Board of Directors meeting.

7.5. In case of absence of quorum the meeting shall be considered incompetent.

Under such circumstances Chairperson of Board of Directors shall take one of the following decisions:

1) through consultations with the present Board of Directors members to set new time for the beginning of the meeting, but no more than two hours later;

2) to set a date for another meeting instead of the cancelled one with the previously approved agenda;

A new meeting instead of the cancelled one shall be held no later than 20 days after taking the corresponding decision by Chairperson of Board of Directors on the issue;

3) shall put items of the cancelled meeting on the agenda of the coming regular meeting of the Board of Directors.

7.6. Meeting of the Board of Directors shall include the following stages:

1) speech of a Board of Directors member or an invited person on an agenda item;

2) discussion on an agenda item;

3) suggestions on definition of a decision of an agenda item;

4) vote on an agenda item;

5) counting of votes and summing up the results of the vote;

6) announcing the results of vote and a decisions taken on an agenda item.

7.7. At a Board of Directors meeting held in the form of joint presence of its members, information of Secretary of Board of Directors on implementation of previous Board of Directors decisions shall be heard.

7.8. Decisions at the Company's Board of Directors shall be taken by a majority vote of Board of Directors members present at a meeting except for the cases implemented by legislation of the Russian Federation and Charter of the Company.

7.9. In taking decisions on the issues at a Board of Directors meeting each member of Board of Directors has one vote.

In case of equality of votes the vote of Chairperson of Board of Directors shall be the casting one.

Transfer of a vote of one member of the Company's Board of Directors to another member of the Company's Board of Directors or any other person shall not be admitted.

## **8. Procedure for Holding a Board of Directors Meeting in Presentia/in Absentia.**

8.1. By decision of Chairperson of Board of Directors a meeting of Board of Directors may be held in presentia/in absentia. This information shall be specified in the notice on holding of a meeting.

8.2. In case of presence at the meeting of more than half of Board of Directors members while determining the results of the voting on agenda items it shall be necessary to consider written suggestions of Board of Directors members absent at Board of Directors meeting according to the procedure, set by the present Regulations.

8.3. On the day of holding of a Board of Directors meeting Corporate Secretary of Board of Directors shall draw up a questionnaire (Appendix 1) signed by Chairperson of Board of Directors according to results of vote at a meeting, which is submitted in the original or via fax (with the following submission of the original of a questionnaire to the address specified in the questionnaire) to members of the Company's Board of Directors who have been absent at the stated meeting.

8.4. Filling out the questionnaire a Board of Directors member shall leave uncrossed only one of the suggested voting variants ("for", "against", "abstained") regarding each draft decision for each

item. Filled in questionnaire shall be signed by a Board of Directors member and have his/her last name and initials.

8.5. Filled in and signed questionnaire shall be presented by a Board of Directors member no later than the following day after the date of a meeting to Secretary of Board of Directors in the original or via fax with the following submission of the original questionnaire to the address, stated in a questionnaire.

8.6. The questionnaire filled in and presented with violation of terms stated in item 8.4. the present Regulations shall be considered invalid (in case of violation of the requirements for filling out of voting variants it shall be considered invalid only with respect to the corresponding issue) and shall not be considered in counting of votes.

A questionnaire received by the Company after its deadline shall not be considered in counting of votes and voting results summarizing.

8.7. According to the results of vote at a meeting and questionnaires, submitted by Board of Directors members, Secretary of Board of Directors shall sum up the results of voting on agenda items and draw up minutes of Board of Directors according to the procedure fixed by the present Regulations.

8.8. Filled in questionnaires of Board of Directors members absent at Board of Directors meetings shall be enclosed to minutes of Board of Directors meetings.

## **9. Rules for Making Decisions by Absentee Voting**

9.1. Decisions of the Company's Board of Directors on agenda items of a meeting may be taken by an absentee voting (via questionnaires).

9.2. For adopting a decision of Board of Directors by absentee voting (via questionnaires) each member of Board of Directors shall receive a notice on holding of an absentee voting on agenda items, draft decision and materials (information) on agenda items according to procedure and terms fixed by items 6.6.-6.11 the present Regulations.

9.3. Notice on holding of an absentee voting shall contain:

- full name of the Company and its address;
- definition of agenda items;
- notice on holding of an absentee voting through filling in a questionnaire;
- date and time of deadline for collection of questionnaires for absentee voting;
- list of information (materials) submitted to members of Board of Directors.

9.4. Corporate Secretary shall draw up a questionnaire for an absentee voting on agenda items (according to the form specified in Appendix 2) with the approval of Chairperson of Board of Directors.

9.5. A questionnaire for an absentee voting shall be submitted to Board of Directors members no later than 3 (three) working days before the deadline for collection of questionnaires, set in a notice on holding of an absentee voting.

Along with a questionnaire, decisions (recommendations) of the corresponding Committees (in case if the latter ones were received by Corporate Secretary of the Company's Board of Directors) shall be submitted to members of Board of Directors.

9.6. While filling a questionnaire for an absentee voting, a Board of Directors member shall leave

uncrossed only one of the suggested voting variants ("for", "against", "abstained") regarding each draft decision for each item. The filled in questionnaire shall be signed by a Board of Directors member and have his/her last name and initials.

9.7. A questionnaire filled in and submitted with the violation of terms, stated in item 9.6. the present Regulations shall be considered invalid (in case of violation of the requirements for filling out of voting variants it shall be considered invalid only with respect to the corresponding problem) and shall not participate in defining of the quorum, necessary for taking a decision by an absentee voting, and shall not be considered in counting of votes.

9.8. Filled in and signed questionnaire shall be presented by a Board of Directors member before the deadline set in a questionnaire to Corporate Secretary of Board of Directors in the original or via fax with the following submission of the original questionnaire to the address, stated in the questionnaire.

A questionnaire received by the Company after its deadline shall not be considered in counting of votes and in voting results summarizing.

9.9. Results of voting on agenda issues of the meeting held in the form of absentee voting shall be summed up on the basis of questionnaires filled in and signed by Board of Directors members, received by the Company on time, stated in a notice on holding of an absentee voting.

9.10. According to the received questionnaires Corporate Secretary of Board of Directors shall draw up the minutes of Board of Directors according to the procedure set by the present Regulations.

## **10. Convening and Holding of Board of Directors meetings Related to Establishment of Executive Bodies of the Company.**

10.1. Convening and holding of Board of Directors meetings related to establishment of executive bodies of the Company (election, suspension, termination of powers) shall be carried out according to common rules set by the present Regulations with consideration of the specific terms, stipulated in the present part.

10.2. The procedure, stipulated in this part shall be carried out in the following cases:

- termination of powers of General Director and election of new General Director (or acting General Director);
- election of General Director (in case if earlier Board of Directors has taken a decision on termination of powers of General Director and on election of acting General Director and new General Director of the Company has not been elected);
- suspension of powers of managing company (manager) and appointment of acting General Director.

10.3. Preparation and holding of a Board of Directors meeting with agenda containing the items fixed in item 10.2. the present Regulations shall include the following stages:

- notice of the Board of Directors members on convening of a meeting with specifying a right to nominate a candidate for the position of General Director (or acting General Director in case of statement of the item on suspension of powers of managing company (manager)) or a candidacy of managing company (manager) in the cases stipulated by the present part;
- nomination by Board of Directors members of candidacies for the position of General Director (acting General Director, managing company (manager));

- taking a decision on termination of powers of General Director or on suspension of powers of managing company (manager);
- taking a decision on election of General Director (or acting General Director in case of statement of an issue on suspension of powers of managing company (manager));
- taking a decision on election of acting General Director in case of the decision on suspension of powers of General Director, but as a result of voting, a decision on election of new General Director has not been taken;
- development of proposal of Board of Directors on a candidacy (candidacies) of managing company (manager) for a vote at General meeting of shareholders of the Company on the item of transfer of powers of sole executive body of the Company to managing company (manager).

10.4. In case of taking a decision on suspension of powers of managing company (manager) and appointment of acting General Director, Board of Directors shall take a decision on holding an extraordinary General meeting of shareholders of the Company for taking a decision on early termination of powers of managing company (manager).

10.5. In case stipulated by item 10.4. the present Regulations, at the meeting when decisions on suspension of powers of managing company (manager) and on assigning of acting General Director are taken, Board of Directors shall also consider an issue on a candidacy (candidacies) of managing company (manager), to which it is suggested to transfer powers of sole executive body of the Company, as well as to take other decisions related to suspension of powers of managing company (manager) and implementation by acting General Director of his functions before holding of the General meeting of shareholders of the Company.

10.6. Notice on holding of a Board of Directors meeting with agenda containing the issues fixed in item 10.2. the present Regulations shall be submitted to Board of Directors members in written form no later than 3 (three) days before the date of holding of a Board of Directors meeting.

10.7. In case if the stated issues shall be pre-studied by a corresponding Committee attached to Board of Directors of the Company, according to Regulations on Committees attached to Board of Directors of the Company, a notice on holding of a Board of Directors meeting, which agenda contains the stated issues shall be submitted to Board of Directors members in written form no later than 5 (five) days before the date of holding of a Board of Directors meeting.

The mentioned Board of Directors meeting shall be carried out in any form.

10.8. Unless otherwise stated by a Board of Directors decision, each member of Board of Directors shall be entitled to nominate no more than one candidate for the position of General Director (acting General Director). A member of Board of Directors shall be entitled to nominate a candidate for the position of acting General Director in case if a decision is taken on termination of powers of General Director, but according to the results of the voting no decision on election of new General Director is made. In such a case a member of Board of Directors shall be entitled to nominate the same candidate for the position of General Director as well as for the position of acting General Director.

10.9. In case of putting of an issue on suspension of powers of managing company (manager) on agenda of a meeting of the Company's Board of Directors, a member of Board of Directors shall also be entitled to nominate a candidate of managing company (manager) for development of a proposal of Board of Directors to General meeting of shareholders of the Company on the issue of transfer of powers of sole executive body of the Company to managing company (manager).

10.10. Proposal on nominating a candidate (items 10.8 and 10.9 the present Regulations) shall be presented in written form and signed by a member of Board of Directors, nominating the candidate.

10.11. Proposal on nominating a candidacy for the position of General Director (acting General Director) shall contain the following information:

- name of the nominated candidate;
- date and place of birth;
- information on education, specialty and qualification;
- information on presence of an academic degree;
- information on labor activity for the last 5 (five) years;
- quantity and categories (types) of the Company's shares owned by a candidate.

10.12. Proposal on nominating a candidacy of managing company shall contain the following information:

- full name of a company;
- information on date and time of state registration of a company;
- information on company's founders;
- information on company's shareholders (participants);
- information on company's affiliated persons.

10.13. Proposal on nominating a candidacy of manager shall contain information stipulated by item 10.11. the present Regulations and information on presence of a certificate of state registration as an individual entrepreneur.

10.14. Proposal on nominating a candidacy for the position of General Director (acting General Director, managing company (manager)), shall be submitted to the Company in the original or via fax (with the following presentation of the original at the meeting) no later than 1 (one) day before the meeting of the Board of Directors.

In cases stipulated by item 10.7 proposals on nominating a candidacy for the position of General Director (acting General Director, managing company (manager)), shall be submitted to the Company in the original or via fax (with the following presentation of the original at the meeting) no later than 3 (three) working days before the meeting of the Board of Directors.

10.15. Suggestion on running candidatures received from the members of the Board of Directors shall be included into the list for vote.

10.16. In case if on results of vote (votes) on the item of election of General Director, no candidacy has acquired the necessary number of votes Board of Directors shall be entitled to appoint an acting General Director - voting shall be carried out with candidacies for the position of acting General Director, nominated by Board of Directors members according to item 10.8. of the present article. In case if no member of Board of Directors has nominated a candidate for the position of acting General Director according to item 10.8 of the present article, the voting shall be carried out with the candidacies which Board of Directors members shall be entitled to nominate in the process of a Board of Directors meeting.

10.17. Board of Directors members shall be entitled to request from a member of Board of Directors information on his/her candidate.

10.18. In case if issues, stipulated by item 10.2. the present Regulations according to the Regulations on Committees attached to Board of Directors (in case of their establishment) shall be pre-studied by a corresponding Committee attached to Board of Directors, a notice on holding a meeting of Board of Directors on the stated issues shall be submitted by Corporate Secretary of the

Company to the corresponding Committee attached to Board of Directors within the terms stipulated by item 10.7. the present Regulations. Proposal on nominating a candidacy for the position of General Director (acting General Director) or managing company of the Company and information on them, received from members of Board of Directors shall be submitted by Corporate Secretary of the Company to the corresponding Committee attached to Board of Directors immediately on their submission according to the procedure and terms providing their soonest receipt by the Committee (via fax, e-mail, etc.)

Decisions (recommendations) of Committees attached to Board of Directors in case they have been presented to Board of Directors before the date of holding of Board of Directors meeting shall be immediately submitted by Corporate Secretary to members of Board of Directors of the Company and shall be presented to members of Board of Directors at a Board of Directors meeting in case of holding of a meeting in presentia/in absentia. In case if decisions (recommendations) of a corresponding committee have not been presented to Board of Directors, Board of Directors shall be entitled to take a decision without consideration of such decisions (recommendations).

10.19. In case if according to Charter of the Company, election of General Director shall be carried out by General meeting of shareholders, the provisions of the present article shall be applied in a way not contradicting to Charter of the Company and legislation of the Russian Federation.

10.20. In case of establishment in the Company of a collective executive body, terms of election and termination of power of its members shall be stipulated by an internal document of the Company, regulating activities of the body.

## **11. Minutes of Board of Directors Meeting**

11.1. At a Board of Directors meeting Secretary of Board of Directors shall draw up minutes.

11.2. Minutes of a Board of Directors Meeting shall be drawn up no later than 3 (three) days after it has been held (the results of absentee voting or voting of meeting in presentia/in absentia have been summed up).

11.3. Minutes shall include:

- full name of the Company;
- form of holding a meeting;
- place and time of holding a meeting;
- members of Board of Directors, present at a meeting (those who participated in absentee voting or voting of meeting in presentia/in absentia) and invited individuals;
- information on presence of quorum;
- agenda of a meeting;
- items put to a vote and results of a roll-call vote on them;
- summaries of reports and speeches of the participants;
- decisions which have been taken.

Minutes of a Board of Directors meeting shall be signed by Chairperson and Corporate Secretary of Board of Directors who shall be responsible for correct drawing up of Minutes.

Corporate Secretary of Board of Directors shall endorse all the Appendices to Minutes of Board of Directors meeting (Chairperson of Board of Directors shall endorse Appendices to Minutes of Board of Directors meeting in case if it is stipulated by a document character).

11.4. Decisions taken by Board of Directors shall be announced to Board of Directors members in

written form through the submission of a copy of Minutes of Board of Directors meeting by Corporate Secretary within the term no later than 3 (three) days from the moment of signing of Minutes of Board of Directors meeting.

11.5. The Company shall keep Minutes of Board of Directors meetings at the location of executive body of the Company or at other place known and available for interested persons.

11.6. Minutes of Board of Directors meetings shall be available to any shareholder of the Company, a member of Board of Directors, Auditing Committee, Auditor of the Company, General Director of the Company, official representatives of federal control bodies at the location of executive body of the Company or at any other place, stipulated by the Company's Board of Directors.

## **12. Final provisions**

12.1. In order to improve its activity Board of Directors shall carry out regular assessment of efficiency of its activity.

Regularity, criteria of assessment and other issues related to assessment of efficiency of Board of Directors activity shall be determined by separate decisions of the Company's Board of Directors.



## BOARD OF DIRECTORS

### Public Joint Stock Company of Power Industry and Electrification of Kuban

#### QUESTIONNAIRE

for voting on agenda items of meeting the Board of Directors of  
"Kubanenergo", PJSC held in presentia/in absentia on " " "  
20\_

Item  
1.

Decision (taken at the meeting): 1.

FOR	AGAINST	ABSTAINED
-----	---------	-----------

Item (leave your variant uncrossed)

2.

Decisions (made at the meeting):

2. \_\_\_\_\_

FOR	AGAINST	ABSTAINED
-----	---------	-----------

(leave your variant uncrossed)

or in the original no

The filled in and signed questionnaire for voting shall be submitted via fax  
later than \_\_\_\_\_.  
/date, time/

The questionnaire received by the Company upon the expiration of the afore-stated term shall not be taken into account in the counting of votes and summarizing the results of absentee voting.

Please send the original of the questionnaire to the address:

**Member of Board of Directors of**  
**"Kubanenergo", PJSC** \_\_\_\_\_  
**Chairman of Board of Directors**

/ /

\_(signature/ full name)  
(signature/ full name)

THE QUESTIONNAIRE IS CONSIDERED INVALID WITHOUT THE SIGNATURE OF THE MEMBER OF THE COMMITTEE

**BOARD OF DIRECTORS**

**Public Joint Stock Company of Power Industry and Electrification of Kuban**

**QUESTIONNAIRE**

for voting on agenda items of meeting the Board of Directors of  
"Kubanenergo", PJSC held in absentia on " \_\_\_\_\_ " \_ " 20\_

Item  
1.

Decision (taken at the meeting): 1.

FOR	AGAINST	ABSTAINED
Item 2. (leave your variant uncrossed)		

Decisions (made at the meeting):

2. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

FOR	AGAINST	ABSTAINED
(leave your variant uncrossed)		

or in the original no

The filled in and signed questionnaire for voting shall be submitted via fax  
later than \_\_\_\_\_.  
/date, time/

The questionnaire received by the Company upon the expiration of the afore-stated term shall not be taken into account in  
the counting of votes and summarizing the results of absentee voting.

Please send the original of the questionnaire to the address:

Member of Board of Directors of  
"Kubanenergo", PJSC \_\_\_\_\_  
Chairman of Board of Directors

/  
/

\_(signature/ full name)  
(signature/ full name)

THE QUESTIONNAIRE IS CONSIDERED INVALID WITHOUT THE SIGNATURE OF THE MEMBER OF THE COMMITTEE

