Appendix to resolution of the BoD of Kubanenergo JSC

Approved by: resolution of the General meeting of Kubanenergo shareholders

\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ 2015

**The Regulations**

**on remuneration and compensations paid to the Auditing Committee of Kubanenergo PJSC**

(restated)

The present Regulations were elaborated on the basis of the Federal Law "On Joint Stock Companies" and establish the amount and the procedure of payment of remuneration and compensation to the members of the Auditing Committee of Kubanenergo JSC (hereinafter referred to as “the Company”).

1. Payment of remuneration and compensation is made by the Company in

cash.

1. Payment of compensation.
2. Expenses related to the participation in the meeting of the Auditing

Committee and audit of the Company’s activity are compensated to the member of the Auditing Committee according to the rate of travel expenses reimbursement valid at the moment of the meeting or check-up.

1. Compensation is paid by the Company within two weeks after submitting the documents, confirming the incurred expenses.

3. Payment of remuneration.

3.1. For the participation in a check-up (audit) of the Company’s financial and economic activity, lump sum remuneration is paid to members of the Auditing Committee in the amount of 20 minimum monthly wage rates of a first-class worker established by the industry wage agreement in the RF power complex (hereinafter referred to as the Agreement) at the period of holding audit, taking into account indexations established by the Agreement.

Remuneration mentioned in this item is paid within a week after producing the report on results of the audit held.

3.2. The amount of remuneration paid to the Chairperson of the Auditing Committee in accordance with paragraphs 3.1 of the Regulations is increased by 50%.

1. Payment of remuneration and compensation to the attracted by the Auditing Committee specialists (experts), who are not the members of the Auditing Committee of the Company, is made by the Company on the basis of the agreements between them and the Company. The terms of such agreements are approved by the Board of Directors of the Company.
2. Remuneration and compensation to members of the Audit Committee, which is an employee of the federal bodies of the government, government of territorial subjects of Russian Federation and officials of local government, is paid in accordance with the laws of the Russian Federation, the legislative acts of the Russian Federation and local authorities.