**Corporate action statement**

**“On decisions adopted by the Issuer’s Board of Directors”**

**(disclosure of inside information)**

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| 1. General data
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| 1.1 Issuer’s full name | Open joint-stock company of Power and Electrification of Kuban |
| 1.2. Issuer’s short name | “Kubanenergo”, JSC |
| 1.3. Issuer’s location | 2, Stavropolskaya str., Krasnodar, Russian federation, 350033 |
| 1.4. Issuer’s PSRN | 1022301427268 |
| 1.5. Issuer’s TIN | 2309001660 |
| 1.6. Issuer’s unique code given by registering authority | 00063-A |
| 1.7. Web-page | [www.kubanenergo.ru](http://www.kubanenergo.ru)<http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Statement content |
| **2.1 Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions:**Number of BoD members: 11 personsMember participated in the meeting: 11 persons Quorum necessary for holding the meeting of Kubanenergo JSC Board of Directors is present.Voting results:

|  |  |
| --- | --- |
| No. | Votes |
| FOR | AGAINST | ABSTAINED |
| **1** | **11** |  |  |
| **2** | **11** |  |  |
| **3** | **10** |  | **1** |
| **4** | **11** |  |  |
| **5** | **11** |  |  |
| **6** | **11** |  |  |
| **7** | **11** |  |  |
| **8** | **11** |  |  |
| **9** | **11** |  |  |
| **10** | **11** |  |  |
| **11** | **10** |  | **1** |
| **12** | **11** |  |  |
| **13** | **11** |  |  |

On item No.6 one member of the BoD did not participate in voting, on item No.11 two members of the BoD did not participate in voting.  |
| **Disclosure of insider information on item No. 1 “On approval of Regulations on Audit Committee attached to the BoD of Kubanenergo JSC”.** |
| 2.2.1. Decision adopted by issuer’s Board of Directors:1. To approvetheRegulations on Audit Committee attached to the BoD of Kubanenergo JSC, in accordance with Appendix 1 to the decision of the BoD.2. To consider as invalid theRegulations on Audit Committee attached to the BoD of Kubanenergo JSC approved by the BoD on 23.08.2012 (minutes of meeting No.142/2012). |
| **Disclosure of insider information on item No. 2 “On consideration report of sole executive body of the Company on key operational risk management in 2014”.** |
| 2.2.2. Decision adopted by issuer’s Board of Directors:To take into consideration report of sole executive body of the Company on key operational risk management in 2014, in accordance with Appendix 2 to the decision of Company’s BoD. |
| **Disclosure of insider information on item No. 3 “On consideration of report on efficiency of Company’s internal control system in 2014”** |
| 2.2.3. Decision adopted by issuer’s Board of Directors:1. To approve the report on efficiency of Company’s internal control system in 2014, in accordance with Appendix 3 to the decision of Company’s BoD.2. To instruct sole executive body of the company to carry out range of activities aimed at development and sophistication of internal control system and risks management, specified in the Report on efficiency of Company’s internal control system in 2014, in order to increase maturity level of internal control system |
| **Disclosure of insider information on item No. 4 “On approval of restated Regulations on financial incentives and employee benefits of top managers of Kubanenergo JSC”** |
| 2.2.4. Decision adopted by issuer’s Board of Directors:To approve the restated Regulations on financial incentives and employee benefits of top managers of Kubanenergo JSC, in accordance with Appendix 4 to the decision of Company’s BoD. |
| **Disclosure of insider information on item No. 5 “On consideration of information provided by Director general on reliability and quality level of rendered services subject to tariff regulation on the base of long-term parameters of activity’s regulation in 2014”** |
| 2.2.5. Decision adopted by issuer’s Board of Directors:To take into consideration the information provided by Director general on reliability and quality level of rendered services subject to tariff regulation on the base of long-term parameters of activity’s regulation in 2014, in accordance with Appendix 5 to the decision of Company’s BoD. |
| **Disclosure of insider information on item No. 6 “On approval of key indicators of cash flow in Kubanenergo JSC for the 2nd quarter of 2015”** |
| 2.2.6. Decision adopted by issuer’s Board of Directors:1. To approve key indicators of cash flowfor the 2nd quarter of 2015

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| --- | --- | --- |
| Month | Services on organization of functioning and development of distribution grid complex | Dividends (tax excluded) |
| April  | 7 521 | 0 |
| May | 7 521 | 0 |
| June | 7 521 | 0 |

2. To instruct director general of the Company:- within 5 (five) business days after the adoption of this resolution to prepare the draft of key indicators of cash flow an ensure its approval;- within 1 (one) working day after the approval of key indicators of cash flow to send the document to members of Company’s BoD. |
| **Disclosure of insider information/On amendments to internal document on item No. 7 “On approval of additions to Company’s internal document: 2015-2017 Programme of Kubanenergo JSC on reduction of risks of personnel and third parties injuries near electricity facilities of the Company”** |
| 2.2.7. Decision adopted by issuer’s Board of Directors: To approve additions to Company’s internal document: 2015-2017 Programme of Kubanenergo JSC on reduction of risks of personnel and third parties injuries near electricity facilities of the Company, in accordance with Appendix 6 to the decision of Company’s BoD. |
| **Approval of internal documents/Disclosure of insider information on item No. 8 “On consideration of report on the process of implementation of Innovation development programme of Kubanenergo JSC in 2014”** |
| 2.2.8. Decision adopted by issuer’s Board of Directors:To take into consideration the report on the process of implementation of Innovation development programme of Kubanenergo JSC in 2014, in accordance with Appendix 7 to the decision of Company’s BoD. |
| **Disclosure of insider information on item No. 9 “On consideration of report on process and results of implementation of activities included in amended List of energy service projects”** |
| 2.2.9. Decision adopted by issuer’s Board of Directors:1. To take into consideration the report on process and results of implementation of activities included in amended List of energy service projects, in accordance with Appendix 8 to the decision of Company’s BoD.2. To instruct Director general to regularly submit to the BoD meetings report on process of implementation of activities included in amended List of energy service projects by including it to the report on implementation of resolutions taken by the Company’s BoD in the 1st and 3rd quarters.  |
| **Disclosure of insider information on item No.10 “On consideration of report on implementation of approved by the BoD Plan of activities on reduction of overdue accounts receivable for rendered services on electricity transmission and settlement of disputes present as of 01.10.2014”** |
| 2.2.10. Decision adopted by issuer’s Board of Directors:To take into consideration the report on implementation of approved by the BoD Plan of activities on reduction of overdue accounts receivable for rendered services on electricity transmission and settlement of disputes present as of 01.10.2014, in accordance with Appendix 9 to the decision of Company’s BoD. |
| **Disclosure of insider information on item No.11 “On approval of contract of free of charge use of residential premises between Kubanenergo JSC and employee of Kubanenergo JSC”** |
| 2.2.11. Decision adopted by issuer’s Board of Directors:To approve contract of free of charge use of residential premises between Kubanenergo JSC and Kirichenko Nikolay (premises located at: 12 apartment, 18 Nevskaya str., Sochi, Krasnodar region, RF) on conditions specified in Appendix 10 to the decision of Company’s BoD. |
| **Disclosure of insider information on item/ introduction of changes to internal documents No.12 “On introduction of changes and additions to Regulations on purchase of goods, services and works for needs of Kubanenergo JSC”** |
| 2.2.12. Decision adopted by issuer’s Board of DirectorsTo introduce changes and additions to Regulations on purchase of goods, services and works for needs of Kubanenergo JSC, in accordance with Appendix 11 to the decision of Company’s BoD. |
| **Disclosure of insider information on item No.13 “On consideration of report prepared by director general of Kubanenergo JSC on implementation of Plan of centralization and automation of treasury function”** |
| 2.2.13. Decision adopted by issuer’s Board of Directors To defer discussion to a later date |
| 2.3. Date of holding the meeting of Board of Directors: 16 April 20152.4. Date of making and number of minutes of meeting: 317 April 2015, minutes of meeting No.207/2015**.** |
| 3. Signature |

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| 3.1 Deputy director general in charge of corporate management (by proxy No. 8Д-4113 dated 28.11.2014) |  |  | Konevets K.S. |  |
| (signature) |  |  |  |
| 3.2 Date: 17 April 2015 |  |  |
|  | seal  |  |