**Corporate action statement**

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

**(disclosure of inside information)**

|  |
| --- |
| 1. General data
 |
| 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: 8 persons Quorum necessary for holding the meeting of Kubanenergo JSC Board of Directors is present.Voting results:

|  |  |
| --- | --- |
| No. | Votes |
| FOR | AGAINST | ABSTAINED |
| 1 | 8 |  |  |
| 2 | 8 |  |  |
| 3 | 8 |  |  |
| 4 | 8 |  |  |

 |
| **Disclosure of insider information on item No.1 “On “Kubanenergo” JSC becoming a member of Non-profit partnership of territorial grid companies”** |
| 2.2.1. Decision adopted by issuer’s Board of Directors:1. To approve participation of Kubanenrgo in Non-profit partnership of Territorial grid organizations on the following conditions:
* Entrance fee – 300 000 (three hundred thousand) rubles;
* Regular fees – 100 000 (one hundred thousand) rubles per quarter;
* Form of payment of entrance and regular fee – monetary assets;
* Procedure and terms of payment of entrance fee – within 10 (ten) calendar days upon the receiving the written notification on acceptance to the Non-profit partnership;
* Procedure and terms of payment of regular fee – quarterly by 20th day of the first month of the quarter, for the regular fee is paid;
* Amount and procedure of payment of regular fees will be determined in future by the general meeting of members of the Non-profit partnership;
1. To instruct director general of the Company to make allowance for financing and to ensure the timely payment for Company’s participation in the Non-profit partnership of Territorial grid organizations
 |
| **Disclosure of insider information on item No. 2 “On approving internal document of the Company: Standard on transactions of “Kubanenergo” JSC with bills of third parties”** |
| 2.2.2. Decision adopted by issuer’s Board of Directors:To approve Standard on transactions of “Kubanenergo” JSC with bills of third parties, in accordance with Annex 1 to present decision of Company’s BoD. |
| **Disclosure of insider information on item No. 3 “On taking into consideration the expanded list of risks of business-plan non-fulfillment of the Company”** |
| 2.2.3. Decision adopted by issuer’s Board of Directors:To defer the discussion to a later date |
| **Disclosure of insider information on item No. 4 “On taking into consideration the report of Director General on provision of insurance in the Company for the 4th quarter of 2013 and 2013”** |
| 2.2.4. Decision adopted by issuer’s Board of Directors:1. To take into consideration the report of Director General on provision of insurance in the Company for the 4th quarter of 2013 and 2013, in accordance with Annex 2 to present decision of Company’s BoD.2. To instruct director general of the Company to analyze the performance of contractors’ obligations on insuring risks, stipulated by the contracts on construction and assembly works, as well by the Regulations on insurance of Kubanenergo JSC in 2013-2015 approved by the BoD (minutes of meeting No.173/2013 dated 21.10.2013), as well as to submit for the next meeting of the BoD the report on results of the analysis. |
| 2.3. Date of holding the meeting of Board of Directors: February 27, 20142.4. Date of making and number of minutes of meeting: February 28, 2014, minutes of meeting No.181/2014**.** |
| 3. Signature |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 3.1 Deputy director general in charge of corporate management (attorney dated 29.10.2013) |  |  | Kocherga V.A. |  |
| (signature) |  |  |  |
| 3.2 Date: March 3, 2014 |  |  |
|  | place of seal  |  |