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 | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Issuer’s short name | “Kubanenergo” PJSC |
| 1.3. Issuer’s location | 2A, 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 for information disclosure | [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 persons  Members 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** | **9** |  |  | | **2** | **9** |  |  | | **3** | **8** |  | **1** | | **4** | **9** |  |  | | **5** | **8** | **1** |  | | **6** | **7** |  | **2** | | |
| **Disclosure of insider information on item No. 1 “On approval of Insurance Programme of Kubanenergo PJSC for 2016”.** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  To approve the Insurance Programme of Kubanenergo PJSC for 2016, in accordance with Annex 2 to the resolution of the BoD. | |
| **Disclosure of insider information on item No. 2 “On approval of Kubanenergo PJSC Plan of activities for reduction of overdue accounts receivable for electricity transmission services and settlement of disputes as of 01.10.2015”.** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  1. To approve the Plan of activities of Kubanenergo PJSC on reduction of overdue accounts receivablefor the services of energy transmission and settlement of disputes as of 01.10.2015, in accordance with Annex 2 to the resolution of the BoD.  2. To take into consideration the Report on implementation of the previously approved by the BoD Plan of activities of Kubanenergo PJSC on reduction of overdue accounts receivablefor the services of energy transmission and settlement of disputes as of 01.07.2015, in accordance with Annex 3 to the resolution of the BoD.  3. To take into consideration the Report on works carried out by Kubanenergo in respect of the newly formed overdue accounts receivablefor the services of energy transmission, in accordance with Annex 4 to the resolution of the BoD.  4. To instruct director general to ensure reduction of overdue accounts receivable by the end of 2015 to level of below 1.4 billion rubles. | |
| **Disclosure of insider information on item No. 3 “On approval of amended Credit Plan of Kubanenergo PJSC for the 4th quarter of 2015”** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  To approve the amended Credit Plan of Kubanenergo PJSC for the 4th quarter of 2015, in accordance with Annex 5 to the resolution of the BoD. | |
| **Disclosure of insider information on item No. 4 “On taking into consideration the report of Director general of Kubanenergo PJSC on Company’s credit policy in the 3rd quarter of 2015”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  To take into consideration the report of Director general of Kubanenergo PJSC on Company’s credit policy in the 3rd quarter of 2015, in accordance with Annex 6 to the resolution of the BoD. | |
| **Disclosure of insider information on item No. 5 “On approval of Settlement agreement between Kubanenergo PJSC and Lenenergo PJSC as an interested-party transaction”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  1. To determine the price of the Settlement Agreement between “Kubanenergo” PJSC and “Lenenergo” PJSC as an interested-party transaction in the amount of 28 014 319.56 (twenty eight million fourteen thousand three hundred nineteen) rubles 56 kopecks, including VAT, including the amount owed under the contract No.13-14725/407/30-27 dated 21.01.2014 in the amount of 24 929 386.27 (twenty-four million nine hundred twenty nine thousand three hundred eighty six) rubles 27 kopecks; interest accrued from the date of the signing of the Settlement on borrowed funds in the amount of 1 308 195.16 (one million three hundred and eight thousand one hundred ninety five) rubles 16 kopecks; the amount of interest for the use of borrowed funds by the court in the amount of 1 776 738.13 (one million seven hundred seventy six thousand seven hundred thirty eight) rubles 13 kopecks.  2. To approve the Settlement Agreement between “Kubanenergo” PJSC and “Lenenergo” PJSC as an interested-party transaction on the following essential terms:  Parties to the Settlement Agreement:  Plaintiff - “Lenenergo” PJSC  Defendant - “Kubanenergo” PJSC  Subject of the Settlement Agreement: the Defendant by 30.06.2016 pays to the Plaintiff the amount owed under the contract No.13-14725/407/30-27 from 21.01.2014 in the amount of 24 929 386 rubles 27 kopecks (VAT included), as well as accrued from the date of the signing of the Settlement Agreement for the use of interest borrowed funds, in accordance with the repayment schedule specified in paragraph 1 of the Settlement Agreement.  The Defendant pays the Plaintiff the amount of interest for the use of borrowed funds by the court in the amount of 1 776 738 rubles 13 kopecks by 31.08.2015.  During the period from the date of the signing of the Settlement Agreement to the date of actual repayment of the debt under the contract No.13-14725/407/30-27 dated 21.01.2014 on the actual balance of the debt shall be accrued interest on borrowed funds at the refinancing rate of the Central Bank of the Russian Federation, acting on the date of the conclusion of the World agreement.  The obligation to pay the state duty imposed on the parties in equal shares.  Settlement Price: Settlement price is 28 014 319.56 (twenty eight million fourteen thousand three hundred nineteen) rubles 56 kopecks, including VAT, including the amount owed under the contract No.13-14725/407/30-27 dated 21.01.2014 in the amount of 24 929 386.27 (twenty-four million nine hundred twenty nine thousand three hundred eighty six) rubles 27 kopecks; interest accrued from the date of the signing of the Settlement on borrowed funds in the amount of 1 308 195.16 (one million three hundred and eight thousand one hundred ninety five) rubles 16 kopecks; the amount of interest for the use of borrowed funds by the court in the amount of 1 776 738.13 (one million seven hundred seventy six thousand seven hundred thirty eight) rubles 13 kopecks.  Liability of the Parties under the Settlement Agreement: In case the Defendant violates the obligations under clause 3 of the Settlement, the Plaintiff pursuant to paragraph 2 of Article 142 of the RF Commercial Procedure Code has the right to appeal to the Commercial Court of Krasnodar region with a request to grant an enforcement order. | |
| **Disclosure of insider information on item No.6 “On approval of contract between Kubanenergo PJSC and its employees on free of charge use of residential premises”** | |
| 2.2.6. Decision adopted by issuer’s Board of Directors:  To approve the contract between Kubanenergo PJSC and its employees on free of charge use of residential premises, in accordance with Annex 7to the resolution of the BoD. | |
| 2.3. Date of holding the meeting of Board of Directors: 11 December 2015  2.4. Date of making and number of minutes of meeting: 14 December 2015, minutes of meeting No.225/2015**.** | |
| 3. Signature | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 3.1 Deputy director general in charge of corporate management (attorney No. 4D-1602 dated 01.07.2015) |  |  | Konevets K.S. |  |
| (signature) |  |  |  |
| 3.2 Date: 15 December 2015 |  |  | | |
|  | seal |  | | |