

Minutes of Board of Directors Meeting No. 182/2014
Open joint stock company of
power industry and electrification of Kuban (“Kubanenergo” JSC)

Date of meeting March 6, 2014
Form of holding the meeting absentee voting (questionnaire)
Place of vote counting Office 105, building 1, 2 Stavropolskaya St., Krasnodar
(postal address of “Kubanenergo”, JSC)
Date of vote counting 06.03.2014, 5 p.m.
Date of drawing up minutes March 7, 2014

Board of Directors Members: 11

Questionnaires were submitted by: Magadeyev R.R. (chairperson of Board of Directors), Vagapov S.G., Varvarin A.V., Gaichenya I.A., Katina A.Yu., Kolyada A.S., Lavrova M.A., Solod A.V.

Questionnaires were not submitted by: Likhov Kh.M., Neganov L.V., Cherezov A.V.

According to requirements of paragraph 7.3 of Regulation on order of conveying and holding meetings of “Kubanenergo”, JSC Board of Directors approved by decision of annual General meeting of “Kubanenergo”, JSC shareholders dated 22.06.2012, minutes No.31, quorum for holding the meeting should count at least half of elected members of Board of Directors.

Quorum is present

Agenda

1. On discussing proposals of shareholders on issues for inclusion in agenda of annual General meeting of Company’s shareholders and on nomination of candidates to Company’s management and control bodies
2. On fixing the date of the meeting of the BoD for discussion of issues related preparation to annual General meeting of Company’s shareholders
3. On approving redrafted list of posts in executive body of Kubanenergo JSC, which approval is referred to competence of the Board of Directors
4. On approving additional purchase under the contract 407/30-1354 dated 02.12.2011 concluded by Kubanenergo JSC and “PSK Teplotsentrstroy” LLC

Item 1

On discussing proposals of shareholders on issues for inclusion in agenda of annual General meeting of Company’s shareholders and on nomination of candidates to Company’s management and control bodies

The following decision is proposed:

1. To include in the agenda of annual General meeting of shareholders the following issues:

	Issue proposed by the shareholder	Decision proposed by shareholders	Name of shareholder(s)	Amount of voting shares owned by shareholder(s), in %
1.	Approval of Company’s annual report	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
2.	Approval of accounting report, including profit and loss statements	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in	7.36

			Krasnodar region	
3.	Approval of distribution of Company's profit by results of 2013	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
4.	On amount, terms and form of dividends by results of 2013	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
5.	Election of members to Company's Board of Directors (supervisory board)	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
6.	Election of members to Company's Auditing Commission (controller)	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
7.	Approval of Company's auditor	Is not provided	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36

2. To include the following person to the list of candidates for election to the Board of Directors:

	Candidate proposed by shareholder	Position, place of work of candidate proposed by shareholder	Name of shareholder(s) that proposed candidate	Amount of voting shares owned by shareholder(s), in %
1.	Yegoshin Yuriy Vladimirovich	Head of division at Department of Russian Ministry of Energy	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
2.	Ziborova Tatiyan Valentinovna	Deputy head of Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
3.	Ostrenok Inna Alexandrovna	Deputy head of Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
4.	Hemesh Inna Vitaliyevna	Head of Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
5.	Kuprin Vitaliy Yuriyevich	Head of Local office of Federal Agency for State Property Management in	Russian Federation represented by Local office of Federal Agency for State	7.36

		Krasnodar region	Property Management in Krasnodar region	
6.	Serdyuk Yelena Evgeniyevna	Head of Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
7.	Zavodskih Yuliya Alexandrovna	Deputy head of Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
8.	Tsukanova Nataliya Konstantinovna	Chief specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
9.	Balayev Avla Eldarovich	Chief specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
10.	Krestiyaniuk Pavel Nikolayevich	Leading specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
11.	Kramarenko Roman Anatoliyevich	2 nd category specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
12.	Sergeyev Sergey Vladimirovich	Deputy Director General in charge of capital construction, Russian Grids JSC	Russian Grids JSC	92.24
13.	Chermenteyeva Yuliya Peterovna	Head of management office for elaboration of legal documents of legal department of Russian Grids JSC	Russian Grids JSC	92.24
14.	Harin Andrey Nikolayevich	Deputy head of Department for corporate governance, price environment and control and auditing activity in spheres of Fuel and Energy Complex of RF Ministry of Energy	Russian Grids JSC	92.24
15.	Gavrilov Alexandr Ilyich	Director general of Kubanenergo JSC	Russian Grids JSC	92.24
16.	Lavrova Marina Aleksandrovna	Head of Directorate of Economy of Affiliates at Department for economic planning and budgeting of Russian Grids JSC	Russian Grids JSC	92.24
17.	Hoholkova	Deputy head of Shoulders	Russian Grids JSC	92.24

	Xeniya Valeriyevna	capital management office-head of division for provision of shareholders rights at Department of corporate governance and infraction with investors and shareholders, Russian Grids JSC		
18.	Varvarin Alexandr Vladimirovich	Managing director in charge of corporate relations and legal support, RSPP	Russian Grids JSC	92.24
19.	Suhov Oleg Alexandrovich	Head of situation and analytical centre of Russian Grids JSC	Russian Grids JSC	92.24
20.	Kobelyan Ashot Mihailovich	Head of office for planning, regulation and organization of purchase activity at Department of purchase activity, Russian Grids JSC	Russian Grids JSC	92.24
21.	Shatokhin Arseniy Grigoriyevich	Head of office for implementation of federal programmes at Department of implementing special projects, Russian Grids	Russian Grids JSC	92.24
22.	Mezhevich Valentin Yefimovich	Deputy director general in charge of strategic communications, Russian Grids	Russian Grids JSC	92.24

3. To include the following persons to the list of candidates for election to Auditing Commission:

	Candidate proposed by shareholder	Position, place of work of candidate proposed by shareholder	Name of shareholder(s) that proposed candidate	Amount of voting shares owned by shareholder(s), in %
1.	Yudin Andery Ivanovich	Deputy head of division in department of RF Ministry of Energy	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
2.	Lominina Anastasiya Vladimirovna	Leading specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
3.	Kapral Alexandr Evgeniyevich	3 rd category specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
4.	Udod Alexandr Nikolayevich	Deputy head of division at Local office of	Russian Federation represented by Local	7.36

		Federal Agency for State Property Management in Krasnodar region	office of Federal Agency for State Property Management in Krasnodar region	
5.	Alexandrova Yelena Vasilievna	Chief specialist of division at Local office of Federal Agency for State Property Management in Krasnodar region	Russian Federation represented by Local office of Federal Agency for State Property Management in Krasnodar region	7.36
6.	Shmakov Igor Vladimirovich	Head of sector for control and risks at Department of internal audit and control, Russian Grids JSC	Russian Grids JSC	92.24
7.	Kuznetsova Yelena Polikarpovna	Head of division for general audit and inspections at Office for auditing activity and internal audit under Department of internal audit and control, Russian Grids JSC	Russian Grids JSC	92.24
8.	Guseva Yelena Yuriyevna	Leading specialist of Office for auditing activity and internal audit under Department of internal audit and control, Russian Grids JSC	Russian Grids JSC	92.24
9.	Malyshev Sergey Vladimirovich	Leading specialist of Office for auditing activity and internal audit under Department of internal audit and control, Russian Grids JSC	Russian Grids JSC	92.24
10.	Bunyaeva Mariya Viktorovna	Leading specialist of Office for auditing activity and internal audit under Department of internal audit and control, Russian Grids JSC	Russian Grids JSC	92.24

Voting results

Vagapov S.G. - FOR Lavrova M.A. - FOR

Varvarin A.V. - FOR Katina A.Yu. - FOR

Gaichenya I.A. - FOR Magadeyev R.R. FOR

Kolyada A.S. - FOR Solod A.V. - FOR

Thus, the BoD members unanimously adopted the decision on the first item.

Item 2

On fixing the date of the meeting of the BoD for discussion of issues related preparation to annual General meeting of Company's shareholders

The following decision is proposed:

To fix the date of the meeting of the BoD for discussion of issues related preparation to annual General meeting of Company's shareholders (including issues related to setting the date, place and time of annual General meeting of Company's shareholders, choosing agenda issues, setting the date of making the list of persons/entities entitled to participate in annual General meeting of

Company's shareholders, approving form and text of voting ballots, etc): no later than 18 April 2014 and no later than 29 April 2014

Voting results

Vagapov S.G.	- FOR	Lavrova M.A.	- FOR
Varvarin A.V.	- FOR	Katina A.Yu.	- FOR
Gaichenya I.A.	- FOR	Magadeyev R.R.	FOR
Kolyada A.S.	- FOR	Solod A.V.	- FOR

Thus, the BoD members unanimously adopted the decision on the second item.

Item 3

On approving redrafted list of posts in executive body of Kubanenergo JSC, which approval is referred to competence of the Board of Directors

The following decision is proposed:

1. To approve redrafted list of posts in executive body of Kubanenergo JSC, which approval is referred to competence of the Board of Directors:

- first deputies director general;
- deputies director general.

2. To consider as invalid deputies list of posts in executive body of Kubanenergo JSC, which approval is referred to competence of the Board of Directors that was approved by the Board of Directors on 09.04.2013 (minutes of meeting No.158/2013 dd 12.04.2013)

Voting results

Vagapov S.G.	- FOR	Lavrova M.A.	- FOR
Varvarin A.V.	- FOR	Katina A.Yu.	- FOR
Gaichenya I.A.	- FOR	Magadeyev R.R.	FOR
Kolyada A.S.	- FOR	Solod A.V.	- FOR

Thus, the BoD members unanimously adopted the decision on the third item.

Item 4

On approving additional purchase under the contract 407/30-1354 dated 02.12.2011 concluded by Kubanenergo JSC and "PSK Teplotsentrstroy" LLC

The following decision is proposed:

To approve the additional purchase under the contract 407/30-1354 dated 02.12.2011 concluded by Kubanenergo JSC and "PSK Teplotsentrstroy" LLC for increasing the cost of contract by 39 390 728.40 rubles, 18% Vat included. The total cost of the contract on project "Overhead lines (110kV) from "Psou" substation to "Adler" substation, from "Adler" to "Kudepsa" substation, from "Kudepsa" to "Hosta" substation (design and research works, modernization)" (paragraph 157 of the Programme of construction of Olympic venues and development of Sochi as mountain and climatic resort) will amount 1 147 347 150.00, 18% VAT included.

Voting results

Vagapov S.G.	- FOR	Lavrova M.A.	- FOR
Varvarin A.V.	- FOR	Katina A.Yu.	- FOR
Gaichenya I.A.	- FOR	Magadeyev R.R.	FOR
Kolyada A.S.	- FOR	Solod A.V.	- FOR

Thus, the BoD members unanimously adopted the decision on the fourth item.

Chairperson

Magadeyev R.R.

Corporate secretary

Russu O.V.