

Minutes of Board of Directors Meeting No. 181/2014
Open joint stock company of power industry and electrification of Kuban
(“Kubanenergo” JSC)

Date of meeting February 27, 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 27.02.2014, 5 p.m.
Date of drawing up minutes February 28, 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 “Kubanenergo” JSC becoming a member of Non-profit partnership of territorial grid companies
2. On approving internal document of the Company: Standard on transactions of “Kubanenergo” JSC with bills of third parties
3. On taking into consideration the expanded list of risks of business-plan non-fulfillment of the Company
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

Item 1

On “Kubanenergo” JSC becoming a member of Non-profit partnership of territorial grid companies

The following decision is proposed:

1. To approve participation of Kubanenergo 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;

2. 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

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 approving internal document of the Company: Standard on transactions of "Kubanenergo" JSC with bills of third parties

The following decision is proposed:

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.

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 taking into consideration the expanded list of risks of business-plan non-fulfillment of the Company

The following decision is proposed:

To defer the discussion to a later date

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 taking into consideration the report of Director General on provision of insurance in the Company for the 4th quarter of 2013 and 2013

The following decision is proposed:

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.

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.