



Minutes of Board of Directors Meeting No. 251/2016

Public joint stock Company of power industry and electrification of Kuban ("Kubanenergo" PJSC)

Date of meeting	20 September 2016
Form of holding the meeting	absentee voting (questionnaire)
Place of vote counting	office 105, building 1, 2A Stavropolskaya St., Krasnodar (postal address of "Kubanenergo" PJSC)
Date of vote counting	20.09.2016, 5 p.m.
Date of drawing up minutes	23 September 2016

Board of Directors Members: 11

Questionnaires were submitted by: Mangarov Yu.N. (Chairperson of the BoD), Bobkov D.A., Varvarin A.V., Yefimov A.L., Khokholkova K.V., Bogashov A.Ye., Gavrilov A.I. Sofyin V.V.Gritsenko V.F., Serov A.Yu., Shmakov I.V.

Questionnaires were not submitted by:

According to requirements of paragraph 7.3 of Regulations for the Board of Directors of Public joint stock Company of power industry and electrification of Kuban (approved by decision of annual General meeting of "Kubanenergo" PJSC shareholders dated 27.06.2016, minutes No.37), the quorum for holding the meeting should count at least half of elected members of Board of Directors.

Quorum is present

Agenda

1. On approval of Programme of Exchange-traded Bonds series 002R.
2. On approval of Securities Prospectus – exchange-traded bonds placed under the Programme of Exchange-traded Bonds.
3. On approval of report on the results of implementation of business plan (as well as investment programme and information of key operation risks) of Kubanenergo PJS in the 2nd quarter and 6 months of 2016.
4. On approval of on the results of implementation of key performance indicators of efficiency of Director General of Kubanenergo PJSC in the 2nd quarter of 2016.
5. On approval of amended list of projects in the sphere energy saving and enhancement of cost efficiency that are appropriate for implementation via energy service contracts.
6. On approval of Credit plan of Kubanenergo PJSC for the 4th quarter of 2016.
7. On expressing the Company's opinion concerning the agenda issues of the Board of Directors' meeting of Kubanenergo's affiliated companies.
8. On discussion of Regulations for Internal Audit Department of Kubanenergo PJSC.
9. On approval of budget for Internal Audit Department of Kubanenergo PJSC.
10. On approval of schedule for Internal Audit Department of Kubanenergo PJSC in 2016.
11. On approval of report on implementation of consolidated on principals of RAS and IFRS business-plan of Kubanenergo Group in the 1st half of 2016.

Item 1

On approval of Programme of Exchange-traded Bonds series 002P

The following decision is proposed:

To approve the Programme of Exchange-traded Bonds: non-convertible interest-bearing certified bearer bonds subject to mandatory centralized deposit, placed under the series 002P with total nominal amount of all bonds equaling to maximum 25 000 000 000 (twenty five billion) rubles inclusive and with maturity on longer than 10 920th (ten thousand nine hundred twentieth) day from the date of placement of exchange-traded bonds of separate issue placed under the exchange-traded bonds programme (in accordance with Annex 1 to the resolution of the BoD)..

Voting results

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	AGAINST	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the majority of the BoD members participating in the meeting adopted the proposed decision on the first item.

Item 2

On approval of Securities Prospectus – exchange-traded bonds placed under the Programme of Exchange-traded Bonds

The following decision is proposed:

To approve the Securities Prospectus: exchange-traded non-convertible interest-bearing certified bearer bonds subject to mandatory centralized deposit, placed under the series 002P with total nominal amount of all bonds equaling to maximum 25 000 000 000 (twenty five billion) rubles inclusive and with maturity on longer than 10 920th (ten thousand nine hundred twentieth) day from the date of placement of exchange-traded bonds of separate issue placed under the exchange-traded bonds programme (in accordance with Annex 2 to the resolution of the BoD).

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	AGAINST	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the majority of the BoD members participating in the meeting adopted the proposed decision on the second item.

Item 3

On approval of report on the results of implementation of business plan (as well as investment programme and information of key operation risks) of Kubanenergo PJS in the 2nd quarter and 6 months of 2016

The following decision is proposed:

1. To approve the report on the results of implementation of business plan (as well as investment programme and information of key operation risks) of Kubanenergo PJS in the 2nd quarter and 6 months of 2016, in accordance with Annex 3 to the resolution of the BoD.

2. Confidential

3. Confidential

Voting results

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	FOR	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the third item.

Item 4

On approval of report on the results of implementation of business plan (as well as investment programme and information of key operation risks) of Kubanenergo PJS in the 2nd quarter and 6 months of 2016

The following decision is proposed:

To defer the discussion to a later date

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	FOR	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the fourth item.

Item 5

On approval of amended list of projects in the sphere energy saving and enhancement of cost efficiency that are appropriate for implementation via energy service contracts

1. To approve the amended list of projects in the sphere energy saving and enhancement of cost efficiency that are appropriate for implementation via energy service contracts, in accordance with Annex 4 to the resolution of the BoD.

2. To consider as void paragraph 1 of the resolution adopted by the BoD of Kubanenergo PJSC on 08.02.2016 on item 1 (minutes of meeting No.230/2016)

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	FOR	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR

Gritsenko V.F. - FOR Shmakov I.V. - FOR
Yefimov A.L. - FOR

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the fifth item.

Item 6

On approval of Credit plan of Kubanenergo PJSC for the 4th quarter of 2016

The following decision is proposed:

To approve Credit plan of Kubanenergo PJSC for the 4th quarter of 2016, in accordance with Annex 5 to the resolution of the BoD

Voting results

Bobkov D.A.	- FOR	Mangarov Yu.N.	- FOR
Bogashov A.Ye.	- ABSTAINED	Serov A.Yu.	- FOR
Varvarin A.V.	- FOR	Sofin V.V.	- FOR
Gavrilov A.I.	- FOR	Khokholkova K.V.	- FOR
Gritsenko V.F.	- FOR	Shmakov I.V.	- FOR
Yefimov A.L.	- FOR		

Thus, the majority of the BoD members participating in the meeting adopted the proposed decision on the sixth item.

Item 7

On expressing the Company's opinion concerning the agenda issues of the Board of Directors' meeting of Kubanenergo's affiliated companies

The following decision is proposed:

To defer the discussion to a later date

Voting results

Bobkov D.A.	- FOR	Mangarov Yu.N.	- FOR
Bogashov A.Ye.	- FOR	Serov A.Yu.	- FOR
Varvarin A.V.	- FOR	Sofin V.V.	- FOR
Gavrilov A.I.	- FOR	Khokholkova K.V.	- FOR
Gritsenko V.F.	- FOR	Shmakov I.V.	- FOR
Yefimov A.L.	- FOR		

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the seventh item.

Item 8

On discussion of Regulations for Internal Audit Department of Kubanenergo PJSC

The following decision is proposed:

1. To approve the Regulations for Internal Audit Department of Kubanenergo PJSC, in accordance with Annex 6 to the resolution of the BoD.
2. To recommend Director General of Kubanenergo PJSC to approve the Regulations for Internal Audit Department of Kubanenergo PJSC, in accordance with Annex 6 to the resolution of the BoD.

Voting results

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	FOR	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the eighth item.

Item 9

On approval of budget for Internal Audit Department of Kubanenergo PJSC

The following decision is proposed:

To approve the budget for Internal Audit Department of Kubanenergo PJSC, in accordance with Annex 7 to the resolution of the BoD.

Voting results

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	ABSTAINED	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the majority of the BoD members participating in the meeting adopted the proposed decision on the ninth item.

Item 10

On approval of schedule for Internal Audit Department of Kubanenergo PJSC in 2016

The following decision is proposed:

To approve the schedule for Internal Audit Department of Kubanenergo PJSC in 2016, in accordance with Annex 8 to the resolution of the BoD.

Voting results

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	FOR	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the tenth item.

Item 11

On approval of report on implementation of consolidated on principals of RAS and IFRS business-plan of Kubanenergo Group in the 1st half of 2016

The following decision is proposed:

To approve the report on implementation of consolidated on principals of RAS and IFRS business-plan of Kubanenergo Group in the 1st half of 2016, in accordance with Annex 9 to the resolution of the BoD.

Voting results

Bobkov D.A.	-	FOR	Mangarov Yu.N.	-	FOR
Bogashov A.Ye.	-	AGAINST	Serov A.Yu.	-	FOR
Varvarin A.V.	-	FOR	Sofin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	ABSTAINED	Shmakov I.V.	-	FOR
Yefimov A.L.	-	FOR			

Thus, the majority of the BoD members participating in the meeting adopted the proposed decision on the eleventh item.

Chairperson

Mangarov Yu.N..

Corporate secretary

Russu O.V.