

Minutes of the Board of Directors Meeting No. 305/2018
Public joint stock Company of power industry and electrification of Kuban
(Kubanenergo PJSC)

Date of the meeting 30 March 2018
Form of the meeting postal voting (by filling in questionnaires)
Place of vote counting office 105, building 1, 2A Stavropolskaya St.,
Krasnodar (postal address of the Corporate Secretary of
“Kubanenergo” PJSC)
Date of drawing up minutes 2 April 2018

Board of Directors Members: 11

Questionnaires were submitted by: Fadeev A.N. (Chairperson of the BoD), Varvarin A.V., Balayeva S.A., Gavrilov A.I., Gritsenko V.F., Yefimov A.L., Medvedev M.V., Osipova Ye.N., Tyurkin K.V., Khokholkova K.V., Shagina I.A.

Questionnaires were not submitted by: none

According to requirements of paragraph 7.3 of the 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 on 20.06.2017, minutes No.39), the quorum for holding the meeting should count at least half of elected members of Board of Directors.

Quorum is present

Agenda

1. Discussion of a report from Director General of Kubanenergo PJSC on the Company’s credit policy in the 4th quarter of 2017
2. Approval of the restated Regulations for Information Policy of Kubanenergo PJSC
3. Approval of the Plan for reduction of overdue receivables for electricity transmission services and settlement of disputes existing as of 01.01.2018
4. Approval of the Programme of non-state pension provision for employees of Kubanenergo PJSC for the 1st quarter of 2018

Item 1

Discussion of a report from Director General of Kubanenergo PJSC on the Company’s credit policy in the 4th quarter of 2017

The following resolution is proposed:

1. Take note of the report from the Director General of Kubanenergo PJSC on the Company’s credit policy in the 4th quarter of 2017, as specified in Annex 1 to this resolution of the Company’s Board of Directors.
2. Note the exceeding of the debt settlement limit and debt servicing limit as of 31.12.2017.
3. Approve temporal exceeding of the debt settlement limit and debt servicing limit as of 31.12.2017.
4. Instruct the Company’s Director General to ensure implementation of requirements set by the Regulations on the Company’s Credit Policy approved by the Board of Directors.

Voting results

| | | | | | |
|---------------|---|-----|---------------|---|-----|
| Fadeev A.N. | - | FOR | Medvedev M.V. | - | FOR |
| Gavrilov A.I. | - | FOR | Osipova Ye.N. | - | FOR |

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|----------------|---|-----|------------------|---|-----|
| Balayeva S.A. | - | FOR | Tyurkin K.V. | - | FOR |
| Varvarin A.V. | - | FOR | Khokholkova K.V. | - | FOR |
| Gritsenko V.F. | - | FOR | Shagina I.A. | - | FOR |
| Yefimov A.L. | - | FOR | | | |

Thus, on the first issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

Item 2

Approval of the restated Regulations for Information Policy of Kubanenergo PJSC

The following resolution is proposed:

Approve the restated Regulations for Information Policy of Kubanenergo PJSC, as specified in Annex 2 to this resolution of the Company's Board of Directors

Voting results

| | | | | | |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N. | - | FOR | Medvedev M.V. | - | FOR |
| Gavrilov A.I. | - | FOR | Osipova Ye.N. | - | FOR |
| Balayeva S.A. | - | FOR | Tyurkin K.V. | - | FOR |
| Varvarin A.V. | - | FOR | Khokholkova K.V. | - | FOR |
| Gritsenko V.F. | - | FOR | Shagina I.A. | - | FOR |
| Yefimov A.L. | - | FOR | | | |

Thus, on the second issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

Item 3

Approval of the Plan for reduction of overdue receivables for electricity transmission services and settlement of disputes existing as of 01.01.2018

The following resolution is proposed:

1. Approve the Plan for reduction of overdue receivables for electricity transmission services and settlement of disputes existing as of 01.01.2018, as specified in Annex 3 to this resolution of the Company's Board of Directors.
2. Take note of the Report on implementation of the Plan of Kubanenergo PJSC for reduction of overdue receivables for electricity transmission services and settlement of disputes existing as of 01.10.2017, as specified in Annex 4 to this resolution of the Company's Board of Directors.
3. Take note of the Report of Kubanenergo PJSC on measures taken in respect of receivables existing as of the 4th quarter of 2017, as well as newly accrued receivables, as specified in Annex 5 to this resolution of the Company's Board of Directors.
4. Take note of the Report on implementation of the instructions issued the Board of Directors on 31.03.2017 (minutes No.269/2017) pertaining collection of 2 495 million rubles of overdue receivables from the sum of receivables existing as of 01.01.2017 in 2017, as specified in Annex 6 to this resolution of the Company's Board of Directors.
5. Instruct the Director General of the Company to:
 - 5.1. Ensure collection of 2 766 million rubles of overdue receivables from the sum of receivables existing as of 01.01.2018 in 2018, precisely: 678 million rubles in the 1st quarter of 2018, 414 million rubles in the 2nd quarter of 2018, 1 053 million rubles in the 3rd quarter of 2018, 621 million rubles in the 4th quarter of 2018.
 - 5.2. Ensure quarterly reporting on the process of implementation of the instructions set forth in paragraph 5.1 of this resolution.

Voting results

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|---------------|---|-----|---------------|---|-----|
| Fadeev A.N. | - | FOR | Medvedev M.V. | - | FOR |
| Gavrilov A.I. | - | FOR | Osipova Ye.N. | - | FOR |
| Balayeva S.A. | - | FOR | Tyurkin K.V. | - | FOR |

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|----------------|---|-----|------------------|---|-----|
| Varvarin A.V. | - | FOR | Khokholkova K.V. | - | FOR |
| Gritsenko V.F. | - | FOR | Shagina I.A. | - | FOR |
| Yefimov A.L. | - | FOR | | | |

Thus, on the third issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

Item 4

Approval of the Programme of non-state pension provision for employees of Kubanenergo PJSC for the 1st quarter of 2018

The following resolution is proposed:

Approve the Programme of non-state pension provision for employees of Kubanenergo PJSC for the 1st quarter of 2018, as specified in Annex 7 to this resolution of the Company's Board of Directors.

Voting results

| | | | | | |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N. | - | FOR | Medvedev M.V. | - | FOR |
| Gavrilov A.I. | - | FOR | Osipova Ye.N. | - | FOR |
| Balayeva S.A. | - | FOR | Tyurkin K.V. | - | FOR |
| Varvarin A.V. | - | FOR | Khokholkova K.V. | - | FOR |
| Gritsenko V.F. | - | FOR | Shagina I.A. | - | FOR |
| Yefimov A.L. | - | FOR | | | |

Thus, on the fourth issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

Chairperson of the BoD

Fadeev A.N.

Corporate secretary

Russu O.V.