

## Review of Major, Other Significant and Interested Party Transactions, Made by PJSC Kubanenergo in 2015

### Major Transactions

In 2015, PJSC Kubanenergo made no major transactions (including any related transactions) involving acquisition, disposal or possibility of disposal, expressly or by implication, of the Company's property with the value amounting to 25 per cent or more of the book value of the Company's assets as determined according to its accounting report.

### Significant Transactions

According to the Company, significant transactions are those transactions (or groups of related transactions) which commitment rate amounts to 5 per cent or more of book value of the Company's assets as determined according to its accounting report for the last reporting quarter preceding the transaction date.

In the 4<sup>th</sup> quarter 2015 PJSC Kubanenergo publicly offered two issues of exchange bonds under the exchange bonds program No. 4-00063-A-001P-02E of 8/26/2015:

Issue series	Number of bonds issued and offered, and nominal value, pcs / RUB	Maturity	Coupons rate	Early redemption option	Transaction amount in % of the book value of the Company's assets according to its accounting report for 9 months of 2015
001P-02	3,400,000 / 3,400,000,000	10 years, an offer to buy out the bonds under an agreement with bond holders latest within 4 years	12.63% p.a. for 1st to 14th coupons	not applicable	5.6%
001P-01	3,600,000 / 3,600,000,000	10 years, without an offer	10.44 % p.a.		5.9%

### Interested Party Transactions

The Company made 16 interested party transactions in the reporting year; all transactions have been approved by the Company's Board of Directors:

Item No.	Counterparty	Agreement	Amount of Agreement, in RUB	Scope and other essential terms of Agreement	Persons interested in transactions, and grounds to declare them interested <sup>1</sup>	No. and date of Minutes of the Board of Directors of the Company that has approved the transaction
<b>Transactions made before 6/10/2015 (date of the annual General Meeting of the Company's Shareholders)</b>						
1	OJSC Recreation Center Energetik	Acquisition of booking documents	10,934,000.00	<p><b>Parties to the Agreement:</b> Purchaser: OJSC Kubanenergo Recreation Center: OJSC Recreation Center Energetik</p> <p><b>Scope of the Agreement:</b> The Recreation Center sells and the Purchaser acquires booking documents issued by OJSC Recreation Center Energetik, valid for 7 days each, at prices specified in Appendix No. 1 to the Agreement.</p> <p><b>Duration of the Agreement:</b> The Agreement shall enter into force upon signature by both parties and shall be valid until 12/31/2015 or until the Parties completely fulfill their obligations.</p>	OJSC Russian Grids (holds more than 20% of shares in the Company and is an affiliate to OJSC Recreation Center Energetik)	2/24/2015 No. 203/2015

<sup>1</sup> As of the transaction date.

2	OJSC Energoser vice Kubani	Execution of legal land utilization documents, urban planning documents, elaboration of technical design and detailed design	3,376,330.79	<p><b>Parties to the Agreement:</b> Customer: OJSC Kubanenergo Contractor: OJSC Energoser vice Kubani</p> <p><b>Scope of the Agreement:</b> The Contractor shall, pursuant to the Customer's instructions, using its own resources and/or involving subcontractors, perform a set of the works for the execution of legal land utilization documents, urban planning documents, elaboration of design and detailed design documentation for technological connection facilities of Krasnodar Power Grids, branch of OJSC Kubanenergo, "Construction of two 110 kV OHL from 110 kV switchgear at 220/110/10 kV Afipskaya SS to Applicant's 110/6 kV SS" to connect power receivers of LLC AFIPKA NPZ (at an individual rate) in accordance with technological connection agreement No. 31200-13-00120178-4 of 6/17/2013, ensure approval of technical/design and estimate documentation that is the result of works under the Agreement in the prescribed manner by competent state bodies and local authorities including obtainment of the positive conclusion of the expertise on design documentation, as well as, on the instructions from the Customer, carry out supervision of the facility construction. The Customer undertakes to accept the result of works and pay for it in the manner and amount established by the Agreement. The content and scope of work, technical, economic and other requirements for the work and their results are defined in the Technical Specification (Appendix No. 1 to the Agreement).</p> <p><b>Duration of the Agreement:</b> The agreement shall enter into force upon signature by both Parties and shall be valid until the Parties fulfill their obligations.</p> <p><b>Duration of Works:</b> The works under the Agreement shall start upon signature of the agreement according to the work completion schedule (Appendix No. 2 thereto). The works under the Agreement shall be completed within sixty (60) days upon signature of the Agreement.</p>	OJSC Russian Grids (holds more than 20% of shares in the Company and is an affiliate to OJSC Energoser vice Kubani)	12/29/2014 No. 201/2014
3	OJSC Energoser vice Kubani	Performance of design and survey works at the privileged customers facilities.	435,689.79	<p><b>Parties to the Agreement:</b> Customer: OJSC Kubanenergo Contractor: OJSC Energoser vice Kubani</p> <p><b>Scope of the Agreement:</b> The Contractor shall, according to the Customer's instructions, perform design and survey works using its own resources and/or involving subcontractors at the privileged customers facilities (shortfall in income): "Reconstruction of 10/0.4 kV TSS "O2-1022/30kVA" including replacement of the power transformer, reconstruction and construction of 0.4 kV OHL ph.1 from 10/0.4 kV TSS "O2-1022/30kVA" at Otradnaya village, Otradnenskiy District" (No. 40303-13-00147194-1); "Construction of new 0.4 kV OHL from support No. 182 of "O-3" 10 kV OHL and 0.4 kV OHL including installation of 10/0.4 kV TSS at Otradnaya village, Otradnenskiy District" (No. 10303-14-00156962-1); "Construction of 0.4 kV OHL ph.2 from "PO5-793/100kVA" TSS from support No. 23 to 3-d Ulitsa Dovatora at Poputnaya village, Otradnenskiy District" (No. 10303-14-00165396-1); "Reconstruction of 0.4 kV OHL ph.1 from 10/0.4 kV "ND5-451/100kVA" TSS to support No. 5/1 at Nadyozhnaya village, Otradnenskiy District" (No. 10303-14-00159846-1); ensure approval of technical/design and estimate documentation that is the result of</p>	OJSC Russian Grids (holds more than 20% of shares in the Company and is an affiliate to OJSC Energoser vice Kubani)	2/25/2015 No. 203/2015

				<p>works under the Agreement in the prescribed manner by competent state bodies and local authorities. The Customer undertakes to accept the result of works and pay for it in the manner and amount established by the Agreement.</p> <p>The content and scope of work, technical, economic and other requirements for the work and their results are defined in the Technical Specification (Appendix No. 1 to the Agreement).</p> <p><b>Duration of the Agreement:</b> The agreement shall enter into force upon signature by both Parties and shall be valid until the Parties fulfill their obligations.</p> <p><b>Duration of Works:</b> The works under the Agreement shall start upon signature of the Agreement in accordance with the Works and Services Completion Schedule (Appendix No. 2 to the Agreement).</p> <p>The works under the Agreement shall be completed within 60 days upon signature of the Agreement.</p>		
4	OJSC RDEC IDGC	Supplementary Agreement on termination of the Process Development Agreement	-	<p><b>Parties to the Agreement:</b> Customer: OJSC Kubanenergo Contractor: OJSC RDEC IDGC</p> <p><b>Scope of the Agreement:</b> Stoppage of the works under the Agreement and termination thereof upon completion by the Contractor of the updated scope of works and payment therefor by the Customer.</p>	OJSC Russian Grids (holds more than 20% of shares in the parties to the transaction), S.V. Sergeyev, Chairman of the Board of Directors of OJSC Kubanenergo (is a member of the Boards of Directors of the parties to the transaction)	12/29/2014 No. 201/2014
5	OJSC IDGC of Center and Volga Region	Accident management at power facilities	2,251,823.48	<p><b>Parties to the Agreement:</b> Customer: OJSC Kubanenergo Contractor: OJSC IDGC of Center and Volga Region</p> <p><b>Scope of the Agreement:</b> The Contractor shall perform works on the mitigation of accidents at the Customer's power facilities caused by damage to equipment due to natural disasters, and submit the Result of works to the Customer, and the Customer shall accept and pay for the results of the works. Types of works, their content and scope are specified by the Parties in cost estimate documentation (Appendix No. 1 to the Agreement).</p> <p><b>Duration of the Agreement:</b> The Agreement shall enter into force upon signature by both Parties, cover the relations between the Parties actually arisen since January 21, 2014, and shall be effective until the Parties fulfill their obligations.</p> <p><b>Duration of works:</b> from January 21, 2014 to January 27, 2014</p>	OJSC Russian Grids (holds more than 20% of shares in the parties to the transaction), A.N. Kharin, member of the Board of Directors of OJSC Kubanenergo (is a member of the Boards of Directors of the parties to the transaction)	12/29/2014 No. 201/2014
6	OJSC IDGC of South	Accident management at power facilities	22,497,688.97	<p><b>Parties to the Agreement:</b> Customer: OJSC Kubanenergo Contractor: OJSC IDGC of South</p> <p><b>Scope of the Agreement:</b> The Contractor shall perform works on the mitigation of accidents at the Customer's power facilities caused by damage to equipment due to natural disasters, and submit the result of works to the Customer. Types of works, their content and scope are specified by the parties in cost estimate documentation (Appendix No. 1 to the Agreement).</p> <p><b>Duration of the Agreement:</b></p>	OJSC Russian Grids (holds more than 20% of shares in the parties to the transaction), A.N. Kharin, member of the Board of Directors of OJSC Kubanenergo (is a member of the Boards of Directors of	12/29/2014 No. 201/2014

				The Agreement shall come into force upon signature by both parties, cover the relations between the parties actually arisen since 1/21/2014, and shall be effective until the parties fulfill their obligations. <b>Duration of Works:</b> from January 21, 2014 to February 19, 2014	the parties to the transaction)	
7	Confidential information					1/29/2015 No. 202/2015
<b>Transactions made since 6/10/2015:</b>						
8	PJSC Lenenergo	Settlement Agreement to the Agreement on maintenance, on-line support and repair of the facilities	28,014,320.00	<p><b>Parties to the Settlement Agreement:</b> Plaintiff: PJSC Lenenergo Defendant: PJSC Kubanenergo</p> <p><b>Scope of the Settlement Agreement:</b> The Defendant shall pay to the Plaintiff the debt under agreement No. 13-14725/407/30-27 of 1/21/2014 in the amount of RUB 24,929,386.27 (including VAT), and the interest accrued from the date of the Settlement Agreement for use of borrowed funds before 6/30/2016 according to the repayment schedule specified in Clause 1 of the Settlement Agreement.</p> <p>The Defendant shall, pursuant to the court decision, pay the Plaintiff the interest for use of borrowed funds in the amount of RUB 1,776,738.13 before 8/31/2015.</p> <p>Interest shall be accrued on the outstanding amount for the use of borrowed funds from the date of the Settlement Agreement to the actual repayment date under agreement No. 13-14725/407/30-27 of 1/21/2014, at the refinancing rate of the Central Bank of the Russian Federation valid on the date of the Settlement Agreement.</p> <p>The Parties shall pay the state duty in equal proportion</p>	PJSC Russian Grids (holds more than 20% of shares in the parties to the transaction)	12/11/2015 No. 225/2015
9	PJSC IDGC of Center	Performance of accident recovery works	10,369,521.74	<p><b>Parties to the Agreement:</b> Customer: PJSC Kubanenergo Contractor: PJSC IDGC of Center</p> <p><b>Scope of the Agreement:</b> The Contractor shall perform works on the mitigation of accidents at the Customer's power facilities caused by damage to equipment due to natural disasters, and submit the result of works to the Customer. Types of works, their content and scope are specified by the parties in cost estimate documentation (Appendix No. 1 to the Agreement).</p> <p><b>Duration of the Agreement:</b> The agreement shall enter into force upon signature by both parties and shall be valid until the parties fulfill their obligations. The terms and conditions of the Agreement shall be applicable to the relationship of the parties arisen since 1/21/2014.</p> <p><b>Duration of Works:</b> from January 21, 2014 to February 2, 2014</p>	PJSC Russian Grids (holds more than 20% of shares in the parties to the transaction), Y.N. Mangarov, Chairman of the Board of Directors of OJSC Kubanenergo, A.N. Kharin, member of the Board of Directors of PJSC Kubanenergo (are members of the Boards of Directors of the parties to the transaction)	7/17/2015 No. 216/2015
10	Confidential information					3/31/2015 No. 206/2015

11	JSC Tumenenergo	Services for the arrangement and running of interregional competitions	2,384,390.00	<p><b>Parties to the Agreement:</b> Customer: PJSC Kubanenergo Contractor: JSC Tumenenergo</p> <p><b>Scope of the Agreement:</b> The Contractor shall provide services of organization and holding of the event at the training grounds of the Nizhnevartovsk Power Grids Branch of OJSC Tumenenergo in Nizhnevartovsk on July 20-24, 2015 in accordance with the Regulation on Inter-Regional Competitions of Maintenance and Operating Personnel of Subsidiaries of PJSC Russian Grids within the scope of repair and maintenance of relay protection and automation coincide with the 70<sup>th</sup> Anniversary of Victory in the Great Patriotic War, and the Customer shall pay for the services in accordance with the terms and conditions of the Agreement.</p> <p>The essence of the Contractor's services provided to the Customer under the Agreement is to determine the level of professional qualification of the personnel for repair and maintenance of relay protection and automation, extend advanced new working methods among the S&amp;A of PJSC Russian Grids which, in its turn, will help PJSC Russian Grids to take strategic decisions aimed at reliability of the power supply network, as well as to increase the investment attractiveness of the assets of PJSC Russian Grids and its S&amp;A.</p> <p><b>Duration of the Agreement:</b> The Agreement shall come into force upon signature and be valid until the parties fulfill their obligations.</p>	PJSC Russian Grids (holds more than 20% of shares in the parties to the transaction)	7/17/2015 No. 216/2015
12	OJSC Energoservice Kubani	Performance of design and survey works at the privileged customers facilities (shortfall in income)	438,162.12	<p><b>Parties to the Agreement:</b> Customer: OJSC Kubanenergo Contractor: OJSC Energoservice Kubani</p> <p><b>Scope of the Agreement:</b> The Contractor shall, according to the Customer's instructions, perform design and survey works using its own resources and/or involving subcontractors at the privileged customers facilities (shortfall in income):</p> <ol style="list-style-type: none"> <li>1 Construction of a section of 0.4 kV IOHL in Khutor Tsibanobalka, Anapa District, in accordance with technological connection agreement No. 10102-14-00156984-1 of 2/17/2014 (applicant A.F. Gribova);</li> <li>2 Construction of a section of 0.4 kV IOHL in Khutor Utash, Anapa District, in accordance with technological connection agreement No. 10102-13-00138732-1 of 10/28/2013 (applicant I.B. Belyakova);</li> <li>3 Construction of a section of 0.4 kV IOHL in Khutor Prostorniy, in accordance with technological connection agreement No. 10102-13-00144384-1 of 10/31/2013 (applicant A.F. Muravyov);</li> <li>4 Reconstruction of 10/0.4 kV Ap5-104 TSS and 0.4 kV IOHL in Supsyeh Rural Community, in accordance with technological connection agreements No. 40102-13-00139522-1 of 12/12/2013 (applicant V.M. Krivitskiy), No. 10102-13-00151524-1 of 12/19/2013 (applicant Gulam Sahi);</li> <li>5 Reconstruction of 10/0.4 kV Ap5-125 TSS, reconstruction of 0.4 kV OHL in Supsyeh Rural Community, in accordance with technological connection agreements No. 10102-13-00146950-1 of 12/12/2013 (applicant S.V. Pasechnikova), No. 10102-13-00156062-1 of 1/23/2014 (applicant N.A. Kozak), No. 10102-13-00156046-1 of 1/23/2014 (applicant T.K. Tomashevich), No. 10102-14-00174046-1 of 5/7/2014 (applicant N.M. Kondakov), No. 10102-14-00178084-1 of 5/27/2014 (applicant G.V. Hmyelyevskih);</li> </ol> <p>ensure approval of technical/design and estimate documentation that is the result of</p>	PJSC Russian Grids (holds more than 20% of shares in the Company and is an affiliate to OJSC Energoservice Kubani)	2/24/2015 No. 203/2015

				<p>works under the Agreement in the prescribed manner by competent state bodies and local authorities. The Customer undertakes to accept the result of works and pay for it in the manner and amount established by the Agreement.</p> <p>The content and scope of work, technical, economic and other requirements for the work and their results are defined in the Technical Specification (Appendix No. 1 to the Agreement).</p> <p><b>Duration of the Agreement:</b> The agreement shall enter into force upon signature by both Parties and shall be valid until the Parties fulfill their obligations.</p> <p><b>Duration of Works:</b> The works under the Agreement shall start upon signature of the Agreement in accordance with the Works and Services Completion Schedule (Appendix No. 2 to the Agreement).</p> <p>The works under the Agreement shall be completed within 45 days upon signature of the Agreement.</p>		
13	OJSC Mobile GTPP	Cooperation agreement for accident (emergency) prevention and management at electrical grid facilities	-	<p><b>Parties to the Agreement:</b> OJSC Mobile GTPP, PJSC Kubanenergo.</p> <p><b>Scope of the Agreement:</b> The Agreement stipulates the Parties' rights and obligations and their cooperation for the purpose of prevention and management of accidents (emergencies) at electrical grid facilities associated with damage to equipment and deenergizing of consumers caused, without limitation, by acts of God and hazardous meteorological (natural) phenomena, and the need to disconnect the supply of electricity so as to eliminate the threat to life, health, damage to equipment and other causes in the Parties' area of operating responsibility.</p> <p>The concept (definition) of the accident shall be understood in the meaning in which it is treated by the Rules of investigation into the causes of accidents in the power industry approved by Decree of the Government of the Russian Federation No. 846 of 10/28/2009.</p> <p><b>Duration of the Agreement:</b> the Agreement shall come into force upon signature thereof and shall remain in force until July 30, 2016.</p> <p>Unless any Party claims to terminate the Agreement thirty (30) days prior to its expiration, the Agreement shall be extended for each subsequent year subject to no limitation of number of extensions.</p>	PJSC Russian Grids (holds more than 20% of shares in the Company and is an affiliate to OJSC Mobile GTPP)	11/24/2015 No. 224/2015
14	PJSC FGC UES	Addendum to the real estate rental agreement to change the rental fee.	2,160,000.00	Recalculation of rental payments under the real estate rental agreement.	PJSC Russian Grids (holds more than 20% of shares in the parties to the transaction)	9/23/2014 No. 197/2014
15	PJSC FGC UES	The Agreement on reimbursement of the Company's expenses associated with the need to reconstruct the facilities.	30,477,150.00	<p><b>Parties to the Agreement:</b> Owner: PJSC Kubanenergo Company: PJSC FGC UES</p> <p><b>Scope of the Agreement:</b> The subject matter of the Agreement shall be reimbursement of the Owner's expenses associated with the Owner's measures implemented in favor of and in connection with the construction by the Company of its facility that result in the need to reconstruct the Owner's facilities.</p> <p>With the reimbursement received from the Company thereunder, the Owner shall</p>	PJSC Russian Grids (holds more than 20% of shares in the parties to the transaction)	11/24/2015 No. 224/2015

				<p>arrange reconstruction of its facilities and implement any other measures required due to the reconstruction.</p> <p>The measures implemented by the Owner may include dismantling (demolition, removal), reconnection, relocation and reconfiguration of its facilities, variation of length and/or any other parameters of its facilities, and any other significant measures (as specified in Appendix No. 1 to the Agreement), including, without limitation, construction site stripping and arrangement of conditions for the Company's power grid facilities commissioning in accordance with design and estimate documentation titled "500 kV OHL, Rostov NPP Tihoretskaya No. 2 with extension of 500 kV Tihoretsk SS".</p> <p>Measures implemented by the Owner shall also be intended for the preservation of the connection point having the parameters required for the connection to the Company's (re)constructed facility.</p> <p><b>Duration of the Agreement:</b> The agreement shall enter into force upon signature by the Parties and shall be valid until the Parties fulfill their obligations thereunder.</p>		
16	PJSC FGC UES	Agency agreement for the reconstruction of PJSC Kubanenergo's facilities.	30,234,280.00	<p><b>Parties to the Agreement:</b> Agent: PJSC FGC UES; Principal: PJSC Kubanenergo.</p> <p><b>Scope of the Agreement:</b> The Principal shall assign and the Agent shall, subject to the terms and conditions of the Agreement, undertake on its own behalf but at the Principal's expense or on behalf and at the expense of the Principal legal and any other actions for the reconstruction of the Principal's facilities within the scope of the construction of the Agent's facility.</p> <p><b>Duration of the Agreement:</b> The agreement shall enter into force upon signature and shall be valid until the Parties completely fulfill their obligations thereunder.</p>	PJSC Russian Grids (holds more than 20% of shares in the parties to the transaction)	11/24/2015 No. 224/2015

**Total:**

**161,749,648.09**