

DRAFT RESOLUTION ON REORGANIZATION IN THE FORM OF FTC JSC SPIN-OFF

The shareholders of Public Joint-Stock Company "MegaFon" are proposed to adopt the following resolution:

1. Reorganize the Public Joint-Stock Company (hereinafter - MegaFon PJSC) in the form of spin-off of First Tower Company JSC (FTC JSC or Created Company) according to the procedures and based on the terms and conditions as set forth in this decision:

1.1. Name and location of the Created Company:

- Full name in Russian: Акционерное общество «Первая Башенная Компания».
- Short name in Russian: АО «ПБК».
- Full name in English: Joint Stock Company «First Tower Company».
- Short name in English: FTC JSC.
- Domicile of the Created Company: Moscow, Russian Federation.
- Location address of the Created Company: 41 Oruzheiniy lane, Moscow, 127006, Russian Federation.

1.2. Spin-off procedures and conditions:

As a result of the spin-off of FTC JSC from MegaFon PJSC part of the property, rights and duties of MegaFon PJSC that is reorganized in the form of the spin-off shall be transferred to FTC JSC in compliance with the Transfer Certificate (that is also referred to as demerger financial statements according to part 4 Article 19 of the Federal Law No.208-FZ "On Joint-Stock Companies" dated 26.12.1995).

In compliance with the law the following actions are proposed as part of the procedure of reorganization of MegaFon PJSC in the form of FTC JSC spin-off:

- Within 3 (Three) Business days following the decision on the reorganization, MegaFon PJSC shall inform in writing the registration agency of the start of reorganization, including the form of reorganization with the decision on reorganization attached.
- After the date of the record on the start of the reorganization in the Unified State Register of Legal Entities, MegaFon PJSC shall publish a notice on reorganization twice a month in the printed media that is intended for publishing data on state registration of legal entities.
- Upon reorganization of MegaFon PJSC the lenders shall receive guarantees as set forth by Article 60 of the Civil Code of the Russian Federation.

- Subject to respective requests from the shareholders of MegaFon PJSC who voted against the reorganization in the form of spin-off or did not participate in voting on that issue, the redemption of shares of MegaFon PJSC (upon the decision of the Extraordinary General Shareholders Meeting of MegaFon PJSC on the reorganization pursuant to the effective law) shall be carried out in conformity with the procedure and at the redemption price set forth by MegaFon's Board of Directors based on the market value of the shares determined by an independent appraiser.
- MegaFon PJSC shall file an application for state registration of the legal entity to be established through reorganization (FTC JSC) with the registration agency at its location.
- MegaFon PJSC shall be deemed to be reorganized since the date of record in Unified State Register of Legal Entities on the state registration of FTC JSC.
- After the date of state registration of FTC JSC (hereinafter the Reorganization Date), MegaFon PJSC shall transfer to FTC JSC part of its property, rights, duties and obligations (assets and liabilities) in relation to its creditors and debtors, including challenged rights and obligations (if applicable), as well as assuming changes in type, composition and value of the above part of property, rights, duties and obligations of MegaFon PJSC that may take place after the date, when the Transfer Certificate was made, according to the Transfer Certificate.
- Within 30 (Thirty) days after the Reorganization Date, MegaFon PJSC shall send to the Bank of Russia the notice on changes in information related to issuers.

1.3. Method of placement of the Created Company's shares: acquisition of shares of the Created Company (FTC JSC) by the Reorganized Company itself (MegaFon PJSC).

Procedures for placement of shares of the Created Company: 50 000 000 (Fifty Million) ordinary registered shares of the Created Company with face value of 10 (Ten) Kopecks each shall be acquired by the Reorganized Company (MegaFon PJSC) on the date of state registration of the Created Company (FTC JSC) to be created as a result of spin-off.

Result of placement of shares of the Created Company:

- Charter capital of MegaFon PJSC shall not change;
- Charter capital of FTC JSC shall be 5 000 000 (Five Million) RUR and shall be divided into 50 000 000 (Fifty Million) ordinary registered shares with face value of 10 (Ten) Kopecks each.

The source of funding for the charter capital of the Created Company (FTC JSC): retained earnings of the Reorganized Company (MegaFon PJSC).

Decision on issue of shares of the Created Company (FTC JSC) to be placed (distributed) in course of reorganization in the form of spin-off shall be approved by the Board of Directors of MegaFon PJSC according to the procedures as set forth by the existing legislation of the Russian Federation.

- 1.4. Elect Mr. Aleksander Vladimirovich Teremetsky as General Director of the Created Company.
- 1.5. Elect Mr. Yuri Antonovich Zheimo as Auditor of the Created Company.
- 1.6. Appoint KPMG JSC as the auditor of the Created Company (location address: 10 Presnenskaya Emb., Block C, Floor 31, Moscow, 123317, Russian Federation).
- 1.7. Approve the Charter of the Created Company.
- 1.8. Approve the Joint-Stock Company "Independent Registrar Company" as the registrar of the Created Company (location address: 8 Ivan Franco Street, Moscow, 121108, Russian Federation).
- 1.9. Approve the Transfer Certificate.
- 1.10. Upon the expiry of three years since the Extraordinary General Shareholders Meeting of MegaFon PJSC decides on reorganization of MegaFon PJSC in the form of spin-off of FTC JSC the above decision shall not be subject to execution.