

Decision Project

1 Matter of the agenda: «On reorganization of OJSC «Far East Telecom» in form of assets allocation».

Decision project:

1. Reorganize the Open Joint-Stock Company «Far East Telecommunications Company» (OJSC «Far East Telecom»), located at the address 57, Svetlanskaya st., Vladivostok, the Russian Federation, by assets allocation of the Closed Joint-Stock Company «Cellular Communications of Northern Regions» (CJSC «Cellular CNR») located at the address 56 Leninskaya st., Petropavlovsk-Kamchatskiy city, Kamchatskiy region, the Russian Federation.

2. Approve the following procedure and terms of the OJSC «Far East Telecom» reorganization via assets allocation of the CJSC «Cellular CNR»:

2.1. The OJSC «Far East Telecom» is reorganized via assets allocation of the CJSC «Cellular CNR» that receives rights and liabilities of the OJSC «Far East Telecom» under the separation balance sheet in connection with provision of mobile radiotelephonic connection service in the territory of Magadanskaya region and Kamchatskiy krai. Company separated is established in the form of closed joint-stock company.

2.2. Shares of the CJSC «Cellular CNR» are placed via their purchase by the company reorganized, thus, the OJSC «Far East Telecom» becomes a sole shareholder of the CJSC «Cellular CNR» with 100% of its shares.

2.3. The supreme management body of the CJSC «Cellular CNR» shall be the General Meeting of Shareholders (Sole Shareholder). According to the Articles of Association of the OJSC «Far East Telecom» decisions on matters within the authority of Company's General Meeting of Shareholders, 100% belonging to the OJSC «Far East Telecom», shall be taken by the Board of Directors of the OJSC «Far East Telecom».

2.4. Executive management bodies of the CJSC «Cellular CNR» shall be the Executive Committee and CEO with authority defined by the CJSC «Cellular CNR» Articles of Association.

2.5. It is guaranteed that rights of both creditors and shareholders who voted against the OJSC «Far East Telecom» reorganization or not taking part in voting on the General Meeting of Shareholders agenda on the OJSC «Far East Telecom» reorganization in form of assets allocation according to the current legislation of the Russian Federation.

2.6. Guarantee of creditor's rights

The OJSC «Far East Telecom» must notify its creditors about reorganization decision and right of the latter to claim termination or advanced execution of liabilities.

This right of creditors and the procedure for its exercise is set forth by the Civil Code of the Russian Federation and the Federal Law «On Joint-Stock Companies», as follows:

- the separation balance sheet includes provisions on the CJSC «Cellular CNR» assignment of all OJSC «Far East Telecom» liabilities concerning all its creditors and debtors (including disputable) liabilities connected with provision of mobile radiotelephonic connection in the territory of Kamchatskiy krai and Magadanskaya region and other activities. Also the separation balance sheet includes the procedure for assignment definition in relation to alterations of type, content, price of the reorganized OJSC «Far East Telecom» property as well as in relation to appearance, alteration or termination of rights and liabilities of the OJSC «Far East Telecom» reorganized that can take place after the date of assignment deed, separation balance sheet;

- at the date when reorganization is decided the OJSC «Far East Telecom» makes the list of creditors that includes all creditors of the OJSC «Far East Telecom»;

- not later than in 30 days from the moment when the reorganization is decided the OJSC «Far East Telecom» shall make an announcement of the decision taken in printed matter "Vestnik gosudarstvennoi registratsii" (Bulletin of State Registration) as well as send written notice about it to its creditors via registered mail of appropriate content. Creditors of the OJSC «Far East Telecom» shall be entitled to claim advance termination or execution of corresponding liabilities of the OJSC «Far East Telecom» and recovery of their losses not later than in 30 days from the date of notification.

2.7. Guarantee of shareholders' rights

Shareholders of the OJSC «Far East Telecom» who voted against reorganization or did not take part in the voting may claim shares buy-back. This right of shareholders and the procedure for its exercise is set forth by the Civil Code of the Russian Federation and the Federal Law «On Joint-Stock Companies».

Purchase price for ordinary and preferred shares is to be defined by the Board of Directors of the OJSC «Far East Telecom» with the help of an independent evaluator. Purchase price will be stated in the data sent to the

shareholders of the OJSC «Far East Telecom» before the General Meeting of Shareholders convocation where the matter of the OJSC «Far East Telecom» reorganization in form of assets allocation is going to be considered.

Shares purchased by the OJSC «Far East Telecom» shall be at its disposal. Named shares do not give a voting right, are not taken into consideration with votes count, do not bring dividends. Named shares shall be sold at the price lower their market value within a year from the date of transfer of title for shares purchased to the OJSC «Far East Telecom», otherwise, the General Meeting of Shareholders of the OJSC «Far East Telecom» shall decide to reduce the share capital of the OJSC «Far East Telecom» via buy-back of named shares.

3. Approve of the following method for the CJSC «Cellular CNR» shares placement – shares buy-back of the company established by the company reorganized, namely OJSC «Far East Telecom».

4. Approve of the following procedure for the CJSC «Cellular CNR» shares placement – ordinary registered uncertified shares of the CJSC «Cellular CNR» amounting at 171 537 538 (one hundred seventy one million five hundred thirty seven thousand five hundred thirty eight) shares par value 1 (one) ruble each shall be placed at the date of state registration of the company separated via their purchase by the company reorganized - the OJSC «Far East Telecom».

5. Elect as a CEO of the CJSC «Cellular CNR», established via reorganization in form of assets allocation from the OJSC «Far East Telecom», Shabanov Igor Timofeevich (passport of the Russian Federation citizen 30 00 № 024642, issued by the 1st Division of the Passport and Visa Service of Department for Internal Affairs of Petropavlovsk-Kamchatskiy city on 01.11.2000).

6. Elect as members of the Inspection Committee of the CJSC «Cellular CNR», established via reorganization in form of assets allocation from the OJSC «Far East Telecom»:

- Markeev Ilya Evgenievich (passport of the Russian Federation citizen 30 01 № 085427 issued by the 3rd Division of the Passport and Visa Service of Department for Internal Affairs of Petropavlovsk-Kamchatskiy city on 27.11.2001);

- Shadrina Elena Anatolyevna (passport of the Russian Federation citizen 44 04 № 198295 issued by the Daprtment for Internal Affairs of Magadan city on 15.09.2004);

- Mikheenko Lyudmila Alekseevna (passport of the Russian Federation citizen 05 00 № 288257 issued by Pervorechenskiy District Department for Internal Affairs of Vladivostok city on 13.04.2001).

7. Elect as members of the Executive Committee of the CJSC «Cellular CNR», established via reorganization in form of assets allocation from the OJSC «Far East Telecom»:

- Kikosh Aleksandr Nikolaevich, deputy director of the OJSC «Far East Telecom», Kamchatka branch, for technical issues (passport of the Russian Federation citizen 30 02 № 176609, issued by the 1st Division of the Passport and Visa Service of Department for Internal Affairs of Petropavlovsk-Kamchatskiy city on 25.09.2002);

- Mordovskiy Evgeniy Nikolaevich, deputy director of the OJSC «Far East Telecom», Kamchatka branch, for business development (passport of the Russian Federation citizen 30 02 № 161938, issued by the 2nd Division of the Passport and Visa Service of Department for Internal Affairs of Petropavlovsk-Kamchatskiy city on 22.08.2002);

- Torgashin Evgeniy Viktorovich, deputy CEO – director of the OJSC «Far East Telecom», Magadan branch (passport of the Russian Federation citizen 05 03 № 426087 issued by Spasskiy City Department for Internal Affairs of Primorskiy krai on 11.03.2003);

- Shutak Galina Aleksandrovna, deputy director of the OJSC «Far East Telecom», Magadan branch, for technical issues (passport of the Russian Federation citizen 44 03 № 184409 issued by Spasskiy Department for Internal Affairs of Magadan city on 06.02.2004);

- Sidorin Dmitriy Sergeevich, deputy director of the OJSC «Far East Telecom», Magadan branch, for business development (passport of the Russian Federation citizen 05 03 № 201788 issued by Leninskiy District Department for Internal Affairs of Vladivostok city on 29.11.2002).

8. Approve the separation balance sheet (attached).

9. Approve the Articles of Association of the CJSC «Cellular CNR», established via reorganization in form of assets allocation from the OJSC «Far East Telecom» (attached).

10. Approve Provisions on the Executive Committee of the CJSC «Cellular CNR», established via reorganization in form of assets allocation from the OJSC «Far East Telecom» (attached).

11. Approve Provisions on the Inspection Committee of the CJSC «Cellular CNR», established via reorganization in form of assets allocation from the OJSC «Far East Telecom» (attached).

12. Register of shareholders of the CJSC «Cellular CNR» shall be kept by the CJSC «Cellular CNR» itself.