

Item # 2 of the Agenda of the Extraordinary General Shareholders' Meeting of the Magnitogorsk Iron and Steel Works Open Joint Stock Company

On Reorganization of the Company by Merging ZAO RFZ (Stock Clearing Centre Closed Joint Stock Company)

Draft Decision:

- 1. The Magnitogorsk Iron and Steel Works Open Joint Stock Company (MMK OJSC), Ul.Kirova 93, Magnitogorsk, Chelyabinsk Region, Russia, (main state registration # 1027402166835) shall be re-organized by merging the Stock Clearing Centre Closed Joint Stock Company (ZAO RFZ), Ul.Zaveniaghina 9, Magnitogorsk, (main state registration # 1067445030531) in which MMK OJSC owns 100% of shares, with the transfer of all the rights and obligations of ZAO RFZ to MMK OJSC and termination of the activities of ZAO RFZ as such.**
- 2. MMK OJSC shall be the transferee and successor of ZAO RFZ with respect to all the rights and obligations of the latter.**
- 3. It shall be determined that as MMK OJSC owns 100% of the placed shares of ZAO RFZ:**
 - Registered ordinary shares of ZAO RFZ owned by MMK OJSC shall not be converted into shares of OAO MMK;**
 - All registered ordinary shares of ZAO RFZ owned by MMK OJSC and not subject to conversion, shall be cancelled at the moment of making an entry in the Uniform State Register of Legal Entities regarding the termination of activities of the merged ZAO RFZ;**
 - MMK OJSC's authorized capital and the number and par value of MMK OJSC's shares after the re-organization of MMK OJSC by merging ZAO RFZ shall not be changed.**
- 4. An agreement on merging ZAO RFZ into MMK OJSC shall be approved.**
- 5. MMK OJSC's Individual Executive Body shall be instructed to sign an agreement on merging ZAO RFZ into MMK OJSC and take all necessary steps pertaining to such a merger.**