

**APPROVED**

Minutes of the General Meeting of  
Shareholders of Mobile TeleSystems  
Open Joint Stock Company

Minutes No. \_\_\_\_\_  
dated \_\_\_\_\_, 2007  
Chairman

**APPROVED**

Resolution of Mobile TeleSystems Open Joint  
Stock Company, the sole shareholder of  
Astrakhan Mobile Closed Joint Stock  
Company

Resolution No. \_\_\_\_\_  
dated \_\_\_\_\_, 2007  
President of MTS OJSC

\_\_\_\_\_  
L. A. Melamed

## **MERGER AGREEMENT**

**between**

**Astrakhan Mobile Closed Joint Stock Company**

**and**

**Mobile TeleSystems Open Joint Stock Company**

Guided by the Civil Code of the Russian Federation and Federal Law of the Russian Federation *On Joint Stock Companies* No. 208-FZ dated December 26, 1995 (hereinafter, the JSC Law),

The Mobile TeleSystems Open Joint Stock Company (located at the address: 109147 Moscow, Marksistskaya str., 4), registered by the State Registration Chamber under the Ministry of Justice of the Russian Federation (Certificate of Registration No. R-7882.16, dated March 1, 2000), entered by the Moscow Registration Chamber into the citywide register of Moscow enterprises (Certificate of Registration No. 102.618, dated March 22, 2000), and entered into the Consolidated State Register of Legal Entities by the Moscow Department of the Ministry of Taxes and Levies of the Russian Federation on September 2, 2002 under Main State Registration Number 1027700149124, hereinafter referred to as "MTS OJSC" or the "Surviving Company," represented by its President, Leonid Adolfovich Melamed, acting on the basis of the Charter, on the one part; and,

The Astrakhan Mobile Closed Joint Stock Company (located at the address: 414004 Astrakhan, Studencheskaya str., 3), registered by the Department of International Relations and Foreign Economic Connections of the Astrakhan Region Administration on January 17 1995 under № 1112/081 (Certificate of the State Registration № 1112/ 081 of 17.01.1995) and entered into the Consolidated State Register of Legal Entities by the Inspectorate of the Ministry of Taxes and Levies of the Russian Federation of the Kirov region of Astrakhan on August 26, 2002 under Main State Registration Number 1023000819401, hereinafter referred to as "Astrakhan Mobile CJSC" or the "Acquired Company", represented by its General Director Andrei Nikolayevich Kholodov, acting on the basis of the Charter, on the other part,

(hereinafter referred to collectively as the "Parties") have entered into this Agreement as follows:

## **I. GENERAL PROVISIONS**

1.1 On the basis of Articles 15 and 17 of the JSC Law, for the purposes of attaining more effective results of their activity and increasing profits, the Parties have agreed to effect reorganization by the merger of Astrakhan Mobile CJSC with MTS OJSC with the transfer of all rights and obligations from Astrakhan Mobile CJSC to MTS OJSC in accordance with the Deed of Transfer executed by Astrakhan Mobile CJSC, and with the termination of the activity of Astrakhan Mobile CJSC.

1.2 MTS OJSC shall be deemed reorganized from the date when an entry regarding the termination of activity of Astrakhan Mobile CJSC is made by state registration authorities into the Consolidated State Register of Legal Entities.

1.3 Astrakhan Mobile CJSC shall cease to exist from the date an entry concerning termination of the activity of Astrakhan Mobile CJSC is made by state registration authorities into the state register of legal entities.

1.4 During the effective term hereof the Parties shall act jointly to provide organizational support for the merger of Astrakhan Mobile CJSC with MTS OJSC in the manner defined by this Agreement and by the current legislation.

1.5 The authorized governance bodies of the Surviving and Acquired Companies (the general shareholders meeting of the Surviving Company, the sole shareholder of the Acquired Company, MTS OJSC President (the sole executive body of MTS OJSC), the General Director of Astrakhan Mobile CJSC (the sole executive body of Astrakhan Mobile CJSC, etc.) shall, within the scope of their competence as established by law and by their respective constituent documents, ensure the following:

1.5.1 notify their creditors of the current reorganization and take measures to make settlements with creditors who demand termination or early performance of obligations;

1.5.2 notify state supervisory and registration authorities of the current reorganization;

1.5.3 take necessary measures to buy back shares from shareholders of the Surviving Company who have the right to demand by-back and exercise that right in accordance with the procedure established by the JSC Law;

1.5.4 ensure that the Federal Antimonopoly Service of the Russian Federation (the "FAS") is provided with the documents required for obtaining preliminary approval from FAS for the reorganization of MTS OJSC and Astrakhan Mobile CJSC by way of the merger of Astrakhan Mobile CJSC with MTS OJSC;

1.5.5 perform other necessary actions relating to the merger of Astrakhan Mobile CJSC with MTS OJSC.

1.6. MTS OJSC shall:

1.6.1. undertake management of the merger procedure;

1.6.2. ensure the preparation of draft documents required for the reorganization;

- 1.6.3. ensure that FAS is provided with the documents required for obtaining preliminary approval from the FAS for the merger of Astrakhan Mobile CJSC with MTS OJSC;
  - 1.6.4. provide consultancy and other assistance to the Acquired Company in the preparation of the Deed of Transfer and other necessary documents;
  - 1.6.5. be entitled to cover all necessary financial expenditures associated with reorganization;
  - 1.6.6. ensure the registration of necessary amendments and additions to the constituent documents of the Surviving Company in connection with reorganization.
- 1.7. Astrakhan Mobile CJSC shall also perform the following actions:
- 1.7.1. at the request of competent bodies of the Surviving Company, without delay provide the Surviving Company and its authorized representatives with any documents and information required for the reorganization;
  - 1.7.2. without delay, identify its creditors and debtors and the amounts of its accounts payable and accounts receivable (including debts to federal and local budgets and extra-budgetary funds).
- 1.8. The Parties undertake to provide each other with the documents and information they need to perform their respective obligations under this Agreement and the obligations imposed on them by the current legislation.
- 1.9. Until such time when the rights and obligations of the Acquired Company, Astrakhan Mobile CJSC, are transferred to its legal successor, MTS OJSC, the Parties shall independently bear expenses associated with organizing and holding general meetings of shareholders, as well as other expenses necessitated by the merger.
- 1.10. Spending of monetary funds in connection with reorganization procedures shall be carried out exclusively by the executive bodies of the Surviving and Acquired Companies.

## **II.**

### **PROCEDURE FOR THE MERGER OF ASTRAKHAN MOBILE CJSC WITH MTS OJSC**

- 2.1. The executive bodies of MTS OJSC and Astrakhan Mobile CJSC shall, within 30 (thirty) days of the date when the last of the companies participating in the reorganization (the Surviving and Acquired Companies) has adopted a resolution on reorganization by way of merger, send written notices to their creditors concerning the current reorganization. Settlements with creditors, including settlements in respect of creditors' claims for early performance or termination of obligations, shall initially be carried out by the executive bodies of the Surviving and Acquired Companies and then, after the rights, obligations, and property of Astrakhan Mobile CJSC have been transferred to the legal successor, by the executive bodies of the legal successor, MTS OJSC.
- 2.2. A decision to satisfy (in full or partly) or to refuse to satisfy creditors' claims shall be made by the executive bodies of the Surviving and Acquired Companies. Creditors' claims

for early performance of obligations or termination of obligations shall be accepted by the executive bodies within the period established by the law. Claims for early performance or termination of obligations can be rejected if received after the expiration of the period established by the law for the submission thereof, as well as in other circumstances stipulated by the law.

Creditors' claims shall be satisfied out of the property of the Surviving and Acquired Companies.

2.3. The Surviving and Acquired Companies shall prepare and submit documents to FAS for receiving preliminary approval for reorganization by the merger of Astrakhan Mobile CJSC with MTS OJSC.

2.4. Buy-back of shares in MTS OJSC.

2.4.1. Shareholder claims for the buy-back of their shares shall be accepted by the Surviving Company only from MTS OJSC shareholders included in the list of shareholders, entitled under the law to claim such buy-back, which was made on the basis of the data of the MTS OJSC shareholders register as at the date of preparation of the list of shareholders eligible to participate in the MTS OJSC extraordinary shareholders meeting that adopted the resolution on reorganization through the merger of the Acquired Company with MTS OJSC.

2.4.2. Shareholder claims for the buy-back of shares of the Surviving Company at the market price must be presented no later than 45 (forty-five) days after the adoption by the respective general shareholders meeting of the resolution on reorganization by merger. The market price of the shares shall be determined in accordance with the requirements of the JSC Law. The buy-back shall take place within 30 (thirty) days after the expiration of the period established for submission of share buy-back claims.

2.4.3. In accordance with the JSC Law, the total funds used to buy back MTS OJSC shares shall not exceed 10% (ten percent) of the value of the MTS OJSC's net assets on the date of adoption of the resolution on reorganization by way of merger. If the claims for the buy-back are received with respect to the number of shares that exceed the number of shares that can be bought back by the Surviving Company taking into account the limit established by law, the shares shall be bought back from shareholders pro rata to the claims submitted.

2.4.4. Shares, bought back by the Surviving Company, shall stay at its disposal. These shares shall not give the voting right, shall not be taken into account when calculating the votes, and no dividends shall be estimated for these shares. These shares shall be sold at a price not lower than their market price within one year from the date when the title to bought back shares passed to the Surviving Company, otherwise the MTS OJSC general shareholders meeting shall make a decision on the decrease of the charter capital of the Surviving Company through the redemption of the above shares.

2.4.5. Settlements with shareholders in respect of bought back shares shall be made by the Executive Bodies of the Surviving Company.

2.5. In connection with the fact that MTS OJSC owns 100% of the placed shares in Astrakhan Mobile CJSC, it is stipulated that:

- A joint general meeting of the shareholders of MTS OJSC and the shareholders of Astrakhan Mobile CJSC shall not be held.

- A resolution on amending the Charter of MTS OJSC to include information on the succession of MTS OJSC with respect to the rights and obligations of Astrakhan Mobile CJSC shall be adopted at a general meeting of MTS OJSC shareholders; such resolution can be adopted concurrently with the adoption by the general meeting of MTS OJSC shareholders of the resolution on reorganization by way of merger and the resolution approving the merger agreement.

- After the adoption of the resolution by the general meeting of MTS OJSC shareholders the President of MTS OJSC shall adopt a decision to reorganize Astrakhan Mobile CJSC, a decision on approval of the merger agreement on the part of Astrakhan Mobile CJSC, and a decision approving the Deed of Transfer of Astrakhan Mobile CJSC.

2.6. The Parties shall have the right to change the procedure and periods of performance of individual stages of the reorganization procedure and also to take other necessary actions not envisaged by this Agreement, on the basis of an additional agreement, if such actions are unconditionally necessitated by the requirements of the RF legislation or competent state authorities. Additional agreements governing the matters stated in this section will not require approval by the General Meeting of Shareholders of the Surviving and Acquired Companies.

2.7. After the completion of the process of reorganization by merger, MTS OJSC shall become the legal successor of Astrakhan Mobile CJSC in respect of all its rights and obligations, including disputed rights and obligations, in accordance with an Deed of Transfer executed by Astrakhan Mobile CJSC, which shall be approved by the sole shareholder of Astrakhan Mobile CJSC (decision of the President of MTS OJSC).

2.8. Reorganization shall be completed once the state registration authority has made an entry into the Consolidated State Register of Legal Entities concerning termination of the activity of Astrakhan Mobile CJSC.

2.9. For the purposes of supervising the merger procedure, the Parties may, if necessary, form a Joint Working Group, which shall be a temporary consultative and coordinating body operating till the completion of the merger procedure. The members of the Working Group shall be approved by the executive bodies of the Surviving and Acquired Companies.

### **III.**

#### **CHARTER CAPITAL AND SHARES OF THE SURVIVING AND ACQUIRED COMPANIES**

3.1. The charter capital of Astrakhan Mobile CJSC at the time of entry into this Agreement is RUR 4 345 000 (four million three hundred forty five thousand) and is divided into 4 345 000 (four million three hundred forty five thousand) registered common shares with a par value of RUR 1 (one) each, of the following issue:

- previous issues (№ 25-1-421, registered by the Finance Department of the Astrakhan Region Administration on 07.08.1997 and № 1-02-8077-R, registered by the Saratov Regional Department of the FCSM of Russia on 22.07.1998) were combined under the state registration number of issue 1-01-80077-R (notification of Regional Department of the FCSM of Russia in the Southern Federal District of 06.08.2003);

3.2. The charter capital of MTS OJSC at the time of conclusion of this Agreement is RUR 199 332 613.80 (one hundred ninety-nine million three hundred thirty-two thousand six hundred thirteen rubles and eighty kopecks) and is divided into 1,993,326,138 (one billion nine hundred ninety-three million three hundred twenty-six thousand one hundred thirty-eight) registered common shares with a par value of RUR 0.1 (one-tenth) (or 10 (ten) kopecks) each, of the following issues:

- the state registration number of the issue is 1-01-04715-A and was registered by the Regional Department of the FCSM of Russia on January 22, 2004.

3.3. In connection with the fact that MTS OJSC is the sole shareholder of Astrakhan Mobile CJSC, owning 4 345 000 (four million three hundred forty five thousand) registered common shares of Astrakhan Mobile CJSC, which is 100 (one hundred) percent of the total number of placed shares of Astrakhan Mobile CJSC and 100 (one hundred) percent of the paid-up charter capital of Astrakhan Mobile CJSC:

3.3.1. In connection with the reorganization by merger of Astrakhan Mobile CJSC to MTS OJSC, the registered common shares of Astrakhan Mobile CJSC owned by MTS OJSC shall not be converted into shares of MTS OJSC;

3.3.2. All registered common shares of Astrakhan Mobile CJSC owned by MTS OJSC and not subject to conversion shall be redeemed at the moment when an entry is made in the register regarding the termination of activity of the Acquired Company, Astrakhan Mobile CJSC;

3.3.3. MTS OJSC shall not adopt resolutions on placement of any additional shares necessary for the conversion of shares of Astrakhan Mobile CJSC in connection with the merger to MTS OJSC;

3.3.4. In connection with the reorganization of MTS OJSC by way of merger of Astrakhan Mobile CJSC to MTS OJSC, the charter capital of MTS OJSC shall not be increased and shall remain at its level as at the date of conclusion of this Agreement.

3.4. As a result of the reorganization, the charter capital of MTS OJSC, the legal successor of Astrakhan Mobile CJSC, shall not change and shall remain in the amount of RUR 199,332,613.80 (one hundred ninety-nine million three hundred thirty-two thousand six hundred thirteen rubles and eighty kopecks) and divided into 1,993,326,138 (one billion nine hundred ninety-three million three hundred twenty-six thousand one hundred thirty-eight) registered common shares with a par value of 0.1 (one-tenth) ruble (or 10 (ten) kopecks) each.

3.5. The registered common shares of MTS OJSC shall grant the following rights to their holders:

- to freely assign the shares owned by them, including the right to sell, donate, devise, bequeath, pledge, or in any other way alienate or encumber their shares without the consent of the other shareholders in accordance with applicable legislation and subject to the compliance with the provisions of the constituent documents of MTS OJSC;

- to receive dividends;

- to participate in the voting in presentia or in absentee at general shareholders meetings on all issues within his/her competence;

- to assign the right to vote to other shareholders of MTS OJSC or their own representatives on the basis of a proxy;

- to nominate and elect candidates to the management bodies and supervisory bodies of MTS OJSC in the manner and on the conditions established by the constituent

documents of MTS OJSC;

- in the manner and on the conditions established by the constituent documents of MTS OJSC, to submit for consideration of the management bodies of MTS OJSC, in accordance with their competence, proposals concerning the activities of MTS OJSC, the state of its property, and the amounts of profits and losses;

- to be elected to the management bodies and supervisory bodies of MTS OJSC;

- to elect working bodies of the general shareholders meeting in the situations provided for by the constituent documents;

- to request the convocation of an extraordinary general shareholders meeting or an extraordinary audit of the activities of MTS OJSC by the audit commission or by an independent auditor in the manner and on the conditions established by the legislation of the Russian Federation and the constituent documents of MTS OJSC;

- to demand the buy-back by MTS OJSC of all or some of the shares belonging to them in the manner and in the cases established by the legislation of the Russian Federation and the constituent documents of MTS OJSC;

- to receive a portion of the property of MTS OJSC in the event of its liquidation;

- to have free access to documents of MTS OJSC, in the manner provided for by the legislation of the Russian Federation and by the constituent documents of MTS OJSC, and to receive copies thereof for a reasonable fee;

- to exercise other rights envisaged by the constituent documents of MTS OJSC, by the legislation of the Russian Federation, and by resolutions of the general shareholders meeting adopted within its competence.

#### **IV.**

#### **LEGAL SUCCESSION**

4.1. As a result of the reorganization the Surviving Company shall, in accordance with current legislation of the Russian Federation, become the legal successor of the Acquired Company in respect of all obligations of the Acquired Company in relation to all its creditors and debtors, including disputed obligations, irrespective of whether these obligations were reflected in the Deeds of Transfer executed by the Acquired Company.

4.2. In connection with the reorganization by merger, all equipment and documentation for cellular communication networks built, under construction, designed and necessary for the provision of GSM 900/1800 cellular communication services in the territory of the Astrakhan Region shall be handed over to MTS OJSC.

4.3. In connection with the reorganization by merger, all licenses and any other approvals necessary for designing, construction, and operation of a cellular communication network and provision of GSM 900/1800 cellular communication services and accompanying services in the territory of Astrakhan Region shall be transferred to MTS OJSC as the legal successor, including:

- license № 19751 for provision of cellular mobile telephone services in the range of 1800 MHz, granted by the Ministry for Informatization and Communications of the Russian Federation on 18.10.01,

and all other approvals.

**V.**  
**TERM OF THE AGREEMENT**

5.1. This Agreement shall become effective upon its approval by the General Shareholders Meeting of MTS OJSC and the sole shareholder of Astrakhan Mobile CJSC.

5.2. The Deed of Transfer executed by Astrakhan Mobile CJSC shall become effective upon its approval by the sole shareholder of Astrakhan Mobile CJSC.

5.3. This Agreement shall be deemed terminated upon the removal of Astrakhan Mobile CJSC from the Consolidated State Register of Legal Entities.

5.4. The rights and obligations of Astrakhan Mobile CJSC shall pass to its legal successor, MTS OJSC, at the moment when an entry concerning the termination of Astrakhan Mobile CJSC activities is made in the state register of legal entities by the state registration authority.

5.5. The Parties grant to the executive bodies of the Acquired Company (the General Director of Astrakhan Mobile CJSC) the right to make additions and clarifications to the Deed of Transfer executed by Astrakhan Mobile CJSC necessitated by the performance of any business operations in the ordinary course of business of Astrakhan Mobile CJSC, by the payment of taxes, other obligatory payments and wages, by the repayment of debts and early performance of obligations of Astrakhan Mobile CJSC upon creditors' claims made in connection with reorganization, and by other similar circumstances.

5.6. The Deed of Transfer shall reflect the legal succession of MTS OJSC in respect of the obligations and rights of Astrakhan Mobile CJSC in relation to all its debtors, as well as in relation to all its creditors, who do not seek early performance by Astrakhan Mobile CJSC of its obligations or termination of the respective obligations, and in relation to its rights and obligations, which shall be performed early or terminated. Furthermore, the Deed of Transfer shall contain the full list of property of Astrakhan Mobile CJSC being transferred to the legal successor, MTS OJSC.

5.7. Once this Agreement has been duly approved, the Parties shall not have the right to unilaterally withdraw from the reorganization of MTS OJSC and Astrakhan Mobile CJSC by way of the merger of Astrakhan Mobile CJSC with MTS OJSC, except in the circumstances established by law.

5.8. Liability for nonperformance or improper performance of obligations under this Agreement shall be borne by the Parties in the manner established by the legislation.

**VI.**  
**REQUISITE DETAILS AND SIGNATURES OF THE PARTIES:**

6.1. In the event of changes in the requisite details specified below, the Parties hereto shall notify each other of such changes within 2 days.

6.2. This Agreement was signed in Moscow on « \_\_\_\_ » \_\_\_\_\_ 2008.

6.3. Requisite details and signatures of the Parties:



**Mobile TeleSystems Open Joint Stock Company:**

Location: 4, Marksistskaya Street, Moscow 109147, Russian Federation;

Postal address: 4, Marksistskaya Street, Moscow, 109147, Russian Federation.

Registered by the State Registration Chamber under the Ministry of Justice of the Russian Federation (Registration Certificate No. R-7882.16, dated March 1, 2000).

Entered by the Moscow Registration Chamber in the citywide register of Moscow enterprises (Registration Certificate No. 102.618, dated March 22, 2000)

Main State Registration Number: 1027700149124.

Taxpayer ID (INN): 7740000076.

Tel.: (495) 911-65-65; Fax: (495) 911-65-99.

President

L. A. Melamed

Chief Accountant

I.R. Borisenkova

**Astrakhan Mobile Closed Joint Stock Company:**

Location: Russian Federation, 414004, Astrakhan, Studencheskaya str., 3.

Postal address: Russian Federation, 414000, Astrakhan, John Reed str., 37.

Registered by the Department of International Relations and Foreign Economic Connections of the Astrakhan Region Administration on January 17 1995 under № 1112/081 (Certificate of the State Registration № 1112/ 081 of 17.01.1995).

Main State Registration Number: 1023000819401.

Taxpayer ID (INN): 3015027748.

Tel. (8512) 34-80-35; Fax: (8512) 47-71-27.

General Director

A.N. Kholodov

Chief Accountant

T.V. Kopilova