

Annex No. 4
to Deed of Transfer
of MTS PJSC

**Rules for distributing property, rights and obligations during MTS PJSC
reorganization in the form of MWS-1 LLC spin-off
executed jointly with merger of
MWS-1 LLC to MWS JSC**

Contents

TERMS AND DEFINITIONS..... 2

I. GENERAL PROVISIONS 4

1. Objectives and Scope of the Rules. Principles for Distributing Property, Rights and Obligations. 4

II. FEATURES OF DISTRIBUTION OF RIGHTS AND OBLIGATIONS FOR CERTAIN TYPES OF PROPERTY, RIGHTS AND OBLIGATIONS 17

2. Features of Distribution of Rights and Obligations under MTS PJSC Transactions..... 17

3. Features of the Distribution of Property, Rights and Obligations of MTS PJSC Arising from the Claims of Third Parties/to Third Parties. 22

4. Features of the Distribution of Rights to Certain Property Types. 23

5. Features of the distribution of property, rights and obligations of MTS PJSC arising from employment relations with the employees..... 24

6. Features of distributing rights and obligations in respect to other property, rights and obligations and legal relations..... 25

TERMS AND DEFINITIONS

The following terms and definitions are used in these Rules for Distributing Property, Rights and Obligations during Reorganization, unless otherwise expressly specified in the text of the Deed of Transfer:

Term	Term definition
CC RF	Civil Code of the Russian Federation
CPC RF	Commercial Procedure Code of the Russian Federation No. 95-FZ dd. July 24, 2002
AOC RF	Administrative Offences Code of the Russian Federation No. 195-FZ dd. December 30, 2001
MTS PJSC	Mobile TeleSystems Public Joint Stock Company (PSRN (Primary State Registration Number) 1027700149124), reorganized in the form of MWS-1 LLC spin-off executed jointly with merger of MWS-1 LLC to MWS JSC (PSRN (Primary State Registration Number) 1217700367026)
Spun-off Company, MWS-1 LLC	MTS Web Services-1 Limited Liability Company/MWS-1 LLC, a legal entity established by spin-off from MTS PJSC with simultaneous acquisition by MWS JSC
Target Entity, MWS JSC	Joint Stock Company “MTS Web Services” (PSRN (Primary State Registration Number) 1217700367026), which acquires MWS-1 LLC spun off from MTS PJSC
Date of Completion of the Reorganization	Date of making an entry in the Unified State Register of Legal Entities on establishing MWS-1 LLC in the form of spin-off from MTS PJSC and an entry on termination of activity of MWS-1 LLC as a result of acquisition by MWS JSC
Deed of Transfer Date	June 30, 2021
USRRE	Unified State Register of Real Estate
USRLE	Unified State Register of Legal Entities
IP	Intellectual Property

Term	Term definition
Distribution Principles	Basic principles, and functionally — technological principle, principle of adherence, used when allocating assets, rights and obligations in accordance with cl. 1.2 hereof
Deed of Transfer	The Deed of Transfer approved by the General Meeting of Shareholders of MTS PJSC and containing the rules for the distribution of property, rights and obligations, reflecting information on the property, rights and obligations of MTS PJSC transferred to MWS-1 LLC within the spin-off and simultaneous acquisition of MWS-1 LLC by MWS JSC, including annexes thereto
Transition Period	Time interval between the Deed of Transfer Date and the Date of Completion of the Reorganization
Rules, or Rules of Succession	Rules for Distributing Property, Rights and Obligations during the Reorganization
Reorganization	Reorganization of MTS PJSC in the form of spin-off of MWS-1 LLC executed jointly with acquisition of MWS-1 LLC by MWS JSC in the meaning of the terms used in these Rules
Lists of Property, Rights and Obligations	Lists of property, rights and obligations transferred during the reorganization of MTS PJSC to Spun-off Company/Target Entity, being Annex 3 to the Deed of Transfer
LESS (SORM)	System of hardware and software to provide for law enforcement intelligence operations in communication networks according to requirements of the legislation of the Russian Federation
SRO	Self-regulatory organization

Furthermore,

- (i) the **transfer of rights and obligations, liabilities (transfer of agreements)** for the purposes hereof means the transfer of the corresponding rights and obligations under such agreements during reorganization (cl. 4 Art. 58 of the CC RF) and not the transfer of agreement by virtue of the transaction in accordance with Art. 392.3 of the CC RF;
- (ii) the concepts of “**obligation**” and “**liability**” for the purposes of these Rules and the Deed of

Transfer are generally equivalent, unless the context indicates otherwise.

I. GENERAL PROVISIONS

1. Objectives and Scope of the Rules. Principles for Distributing Property, Rights and Obligations.

1.1. Objectives and Scope of the Rules.

- 1.1.1. The Rules for Distributing Property, Rights and Obligations during MTS PJSC Reorganization in the Form of MWS-1 LLC Spin-off executed simultaneously with reorganization in the form of merger of MWS-1 LLC to MWS JSC are an integral part of the Deed of Transfer and set the procedure for determining succession over the course of Reorganization (including the Transition Period), also in connection with a change in the type, composition, value of property, emergence, change, termination of the rights and obligations of MTS PJSC.
- 1.1.2. These Rules are developed in accordance with Articles 57, 58 and 59 of the Civil Code of the Russian Federation, Articles 15, 19, 19.1 of the Federal Law No. 208-FZ “On Joint Stock Companies” dd. December 26, 1995, Articles 51, 53 and 55 of the Federal Law No. 14-FZ “On Limited Liability Companies” dd. February 8, 1998 (as amended as of the date of approval of the Deed of Transfer) and other provisions of the applicable legislation of the Russian Federation in order to ensure the business continuity of MTS PJSC and MWS JSC in connection with the Reorganization, as well as to ensure rights and interests of shareholders, creditors and other third parties.
- 1.1.3. These Rules shall become effective upon approval of the Deed of Transfer, apply to the distribution of property, rights and obligations existing, arising or terminating for MTS PJSC prior to the Date of Completion of the Reorganization, while actual and legal actions in accordance with the Rules will be carried out after the Date of Completion of the Reorganization, including for the purpose of drawing up a Certificate of Transfer and Acceptance of Property, Rights and Obligations (as defined in cl. 1.2.6 and cl. 1.2.63 hereof) and accounting statements of MTS PJSC and MWS JSC. Taking into account that the Deed of Transfer was drawn up as of June 30, 2021, these Rules also apply, inter alia, for the period starting from the Deed of Transfer Date.

- 1.1.4. If, within the Transition Period, any amendments to the legislation of the Russian Federation or another state, or to the rules of stock exchanges, come into force or any requirements of regulatory bodies that will be binding on legal entities participating in the Reorganization are submitted, and any the provisions hereof will contradict them, the distribution of property, rights and obligations between MTS PJSC and the Spun-off Company/Target Entity in the relevant part shall be carried out in accordance with the applicable regulations or other specified requirements, taking into account other provisions and Principles of distribution established hereby.
- 1.1.5. Property, rights and obligations of MTS PJSC in accordance with the Deed of Transfer (including the Lists of Property, Rights and Obligations and the Rules) in the relevant part shall be transferred to the Spun-off Company/Target Entity. These Rules contain provisions on succession to the obligations of MTS PJSC in relation to its creditors and debtors and establish the procedure for the distribution of property, rights and obligations between MTS PJSC and the Spun-off Company/Target Entity, including during the Transition Period, due to the changes in the type, composition, value of property, as well as in connection with the emergence, change and termination of the rights and obligations of MTS PJSC, which may occur during the Transition Period.

1.2. Principles of Distribution of Property, Rights and Obligations

- 1.2.1. The distribution of property, rights and obligations between MTS PJSC and the Spun-off Company/Target Entity during the Reorganization is carried out on the basis of the following distribution principles (hereinafter referred to as the Distribution Principles).
- 1.2.2. **Basic principles** for the distribution of property, rights and obligations:
- property, rights and obligations distributed in accordance with the Lists of Property, Rights and Obligations in favor of the Spun-off Company/Target Entity shall be transferred, subject to the provisions of subsection 1.2 hereof, to the Spun-off Company/Target Entity, taking into account the changes that occurred during the Transition Period;
 - property, rights and obligations acquired/arisen during the Transition Period are not distributed, unless otherwise provided hereby.
- 1.2.3. **Functional and technological principle of distribution** — the principle of distributing

property, rights and obligations, according to which the distribution of property, rights and obligations for the Spun-off Company/Target Entity is carried out in accordance with their intended purpose (functional and technological specialization) based on the MWS JSC business profile.

1.2.4. In accordance with the functional and technological principle, property, rights and obligations are transferred to the Spun-off Company/Target Entity so that the Target Entity would implement the following activities:

- Carrying out activities in connection to and/or on the basis of telecommunications infrastructure and information technology infrastructure, including construction, operation and maintenance of communications facilities and communications networks, as well as other related infrastructure, including the operator's business conduct;
- Rendering services in the field of cloud technologies (cloud activity).

1.2.5. The following property, rights and obligations are related to the activities set out in cl. 1.2.4 hereof in accordance with the functional and technological principle:

No.	Category	Description of property/rights/obligations, including, but not limited to the following
1	Land plots	Land plots that are necessary to use facilities and fences transferred to the Spun-off Company/Target Entity
2	Buildings	1) A real estate item (a building, structure, non-residential premises, server room, automatic switch room, data processing center (DPC), where process equipment transferred to Spun-off Company/Target Entity is installed, and personnel who supports operation of such equipment is allocated, provided that the total area for installation of such equipment and personnel of the technical unit is at least 70 % of the real estate item area 2) Standalone DPC facilities 3) Their auxiliary facilities (checkpoints, etc., which serve the above facilities)
3	Antenna mast structures and other communication facilities	1) Antenna supports installed on the ground and on building roofs designed to install communication equipment 2) Communication facilities and other engineering infrastructure facilities created or adapted for placing communication cables, including own cable ducts 3) Containers designed for installation of communication equipment
4	Radio access network	1) Radio access network equipment (Radio access network/RAN): controllers, transcoders, repeaters, base stations of all types, including mobile base stations and terminal equipment 2) Stands, antennas and elements of antenna feeder system, cables 3) Software and hardware complexes of planning, optimization and localization and elimination of faults/accidents of RAN, control of network configuration and capacity development of RAN for traffic forecast, including both hardware and software part (licenses, software, etc.).

No.	Category	Description of property/rights/obligations, including, but not limited to the following
5	Transport network (including fixed one)	1) Equipment of transport network (regional, trunk, fixed): routers, multiplexors, switchboards, load balancers, network filtration equipment, VPN-hubs, equipment of clock network synchronization, equipment of wavelength division multiplex xWDM, measurement equipment for transport network elements, RRL — equipment of radio relay line of communication, including internal and external units, antennas and their connecting cables 2) Fixed networks: head TV stations, units of access of Telematic Services, automatic telephone exchanges (ATE), equipment of aggregation, access and home distribution networks 3) Infrastructure to support services for B2B/B2O/B2G (video surveillance, joint projects of system integration etc.) 4) Fiber optic communication lines (FOCL), cable line infrastructure (CLI)
6	Server infrastructure	Process and engineering equipment of DPC, server rooms and automatic switch rooms used to organize engineering and computing infrastructure and platforms: software and hardware complexes (SHC), servers, data storage systems and disc arrays, backup systems, structural elements and stands (structured cabling system, stands, cabinets, busbars, power distribution units etc.)
7	Switching network	1) Switching network equipment: CS CORE (MSC/VLR, MGW, HLR/HSS), PS CORE (SGSN, GGSN, MME, SP-GW, CGNAT, traffic mirroring and filtration systems), IMS (TAS, S-CSCF, SBC, ePDG), 5G Core equipment, long-distance and international network equipment, equipment of transit signaling networks (both CS and PS-domains, including SRF MNP, ENUM) 2) Network and service platforms to implement additional mobile communication services (VAS) 3) Equipment, which is an integral part of a switching network
8	TV	1) Equipment designed to serve TV-services: satellite earth stations, transceiving antenna posts, feeder structures, antenna matrices, coders, transcoders, modulators, routers, multiplexors, switchboards, load balancers, network filtration equipment 2) SHC of content and TV-signal protection (CAS, DRM), SHC of user control platforms (Huawei EVP, Ericsson MMP, Smartlabs Smartube), test SHCs of TV platforms 3) SHC for generation of TV-flows of service flows and tables 4) SHC for content distribution platforms (CDN) 5) SHC for platforms monitoring integrity of TV signals distribution and collection of analytical information
9	Power supply, climatic equipment, metrology	1) For facilities transferred to Spun-off Company/Target Entity (including buildings, base station sites), the following is transferred: internal and external power supply systems (including power feeders, accumulator batteries, stationary diesel generators, power metering devices, mobile diesel and petrol generators etc.), climatic cabinets, conditioning and cold supply systems 2) For buildings not transferred to Spun-off Company/Target Entity, if such building includes a critical equipment for the Target Entity, the internal and external power supply system shall be transferred 3) Instrumentation and control equipment
10	Software, licenses, monitoring and control systems	1) Software and licenses, system software for all transferred equipment and systems 2) SHCs related to functioning of process equipment, including both hardware (servers, test telephones and terminals, stationary, automobile and

No.	Category	Description of property/rights/obligations, including, but not limited to the following
		<p>portable benchmark systems and supporting equipment etc.), and software part (licenses, software, digital materials of the area, supporting databases of network topology and configuration etc.)</p> <p>3) Monitoring and control systems and inventory systems for transferred equipment and licenses for such systems</p> <p>4) Video surveillance systems at communication facilities, fire fighting systems, automated remote control systems, access control systems at communication facilities</p> <p>5) Internally developed and purchased software for cloud services and for support of cloud business activities</p> <p>6) Software, which is an integral process part of switching network equipment</p> <p>7) SHC of network planning and optimization, SHC of field testing</p>
11	Financial investments (all shares/units owned by MTS PJSC in authorized capital of a business entity (or another entity established in a foreign jurisdiction).	<p>1) Shares of Joint Stock Company METRO-TELECOM (METRO-TELECOM JSC), PSRN (Primary State Registration Number) 1027739003214, INN (Taxpayer ID) 7704208760</p> <p>2) Share in the authorized capital of Limited Liability Company MTS ENERGO (MTS ENERGO LLC), PSRN (Primary State Registration Number) 1177746748376, INN (Taxpayer ID) 9709006506</p> <p>3) Share in the authorized capital of Limited Liability Company MTS Electronics (MTS Electronics LLC), PSRN (Primary State Registration Number) 1217700118866, INN (Taxpayer ID) 9725046231</p> <p>4) Shares of Public Joint Stock Company Moscow City Telephone Network (MGTS PJSC), PSRN (Primary State Registration Number) 1027739285265, INN (Taxpayer ID) 7710016640</p> <p>5) Shares of Data Services Holding Sarl., registration number B 255775</p>
12	Contracts	<p>1) Contracts, orders and agreements:</p> <ul style="list-style-type: none"> - related to purchase, storage, commissioning (civil works and design and survey works), development, upgrade, planning, optimization, operation, repair, technical support, sale, dismantling, obtaining permit documentation and installation of transferred equipment - related to purchase, renewal, technical support of the license and software of the transferred equipment and systems - related to lease of equipment and sections of the network, including lease of channels, FOCL, CLI - necessary to ensure operability, resistance, safety and integrity of communication network infrastructure functioning (both as a whole and for separate elements and assemblies), including any contracts, agreements etc., related to communication network installation and development. <p>2) Partnership agreements for performance of testing, pilot areas, participation in external associations.</p> <p>Agreements associated with making income or spending funds for provision of infrastructural solutions in the form of private, public and hybrid clouds, services of installation in data centers</p> <p>3) Easements for land plots, which are registered to provide for functioning of communication equipment (CLI, FOCL etc.), right of way (suspended lines)</p> <p>4) Agreements associated with spending of funds and making income for installation of equipment of transferred sites</p> <p>5) Agreements for placement of equipment in residential buildings</p> <p>6) Agreements executed to support operation or public utilities of the real estate items included in the Deed of Transfer, agreements for lease of land</p>

No.	Category	Description of property/rights/obligations, including, but not limited to the following
		<p>plots, where transferred real estate items are installed, lease agreements associated with making income or services agreements executed for the specified real estate items</p> <p>7) Agreements for lease of garages and automotive equipment used to search, upgrade and build and operate mobile and fixed communication network sites.</p> <p>8) Agreements (associated with making income and spending funds):</p> <ul style="list-style-type: none"> - with communication providers, Internet traffic controllers, Internet service providers, content service providers, peering partners, registrars of domain names and administrators of domain names, registrars and owners of ip-addresses, owners of fiber optic cables, regional Internet registry offices, owners of telecommunication sites and facilities (DPCs, automatic switch rooms, Telehouses etc.), owners of orbital and frequency resource - for services of using local, intrazone, long-distance communication channels, data transmission communication services, including VPN services and Internet access (IP-transit), services for connection and throughput of data transmission network traffic, including traffic throughput to global Internet (peering, IP-transit), lease, sale and maintenance of optic fibers, installation of equipment in Data Centers, Telehouses, automatic switch rooms etc., services for registration (purchase) of domain names and ip-addresses, services for registration and support of autonomous systems (AS) и ip-address space (membership in RIPE), services of access to information resources of partners when cashing services of partners are installed in the MTS PJSC network, lease of orbital and frequency resource on a spacecraft, services of connection to clock synchronization network, lease of subnetworks of ip-addresses and services for support of autonomous systems (AS) <p>9) Other agreements related property, rights and obligation transferred to Spin-off Company/Target Entity</p>
13	Miscellaneous	<ol style="list-style-type: none"> 1) Auxiliary equipment for transferred equipment, auxiliary equipment of information technology (IT), permit documentation for transferred equipment 2) Spare parts and accessories/auxiliary communication equipment for transferred equipment 3) Laboratory equipment (servers, test equipment, measurement equipment) 4) IP-addresses from address space IPv4 and IPv6 registered by corresponding regional Internet registry offices for MTS PJSC, autonomous systems registered by corresponding regional Internet registry offices for MTS PJSC, which control the transferred IP-addresses 5) Tools and inventory, aircrafts, instruments to monitor physical and electrical values, technological processes, construction and installation tools, GPS navigation systems, welding machines for optical fiber and optical instruments used for operation and survey of facilities 6) Television, audio and video recording equipment, reproduction equipment installed in Network Control Centers, and also used to monitor quality of TV signal, designed for performance of processes of equipment operation, maintenance and repair 7) Vehicles necessary for performance of technical functions: development of mobile network and fixed network, operation of mobile and fixed network, power supply to communication facilities, offices 8) Furniture, inseparable improvements and equipment in transferred buildings 9) Clothes and shoes, instrumentation, domestic equipment for employees who perform searching, upgrade, construction and operation of communication facilities

No.	Category	Description of property/rights/obligations, including, but not limited to the following
		10) Uniforms, equipment for performance of works at communication facilities, personal protection equipment necessary to perform works according to health and safety norms.
14	Value added tax on acquired valuables under contracts, the rights and obligations under which are transferred to the Spun-off Company / Target Entity	Value added tax on acquired valuables, recorded on the date of completion of the reorganization on account 1917010100 (VAT in respect of estimated liabilities on purchased goods, works, services).

1.2.6. The categories and descriptions of property/rights/obligations set out in clause 1.2.5 hereof are applied when drawing up Certificates of Transfer and Acceptance of Property, Rights and Obligations, as well as related documents/documentation drawn up when transferring property, rights and obligations to the successor upon completion of the Reorganization and solely taking into account and in conjunction with the Deed of Transfer and other Distribution Principles.

1.2.7. **Principle of Following:** The Spun-off Company/Target Entity is distributed property, rights and obligations that are additional, auxiliary or inseparably (physically and (or) technologically) related to other property, rights and obligations distributed to the Spun-Off Company/Target Entity. In particular:

- 1) components, elements of property, infrastructure for property maintenance shall follow the fortunes of main property; spare parts shall follow the fortunes of the property that they are designed for;
- 2) stocks, raw materials, components intended to create property shall follow the fortunes of the corresponding property;
- 3) agreements for service (including warranty service), technical support and other similar agreements shall follow the fortunes of the corresponding property;
- 4) intangible assets (in particular, software (SW) license inseparably incorporated with certain property (“embedded software”), shall follow the fortunes of the corresponding property;
- 5) the fate of contracts under which MTS PJSC must provide services, perform the works, deliver goods and perform other activities to its counterparties (Main Contracts) is followed

by contracts for purchase of property, materials, subcontracts and other agreements designed for execution of the Main Agreements, as well as property, rights intended for execution of the Main agreements;

- 6) the fate of property, IP objects, which shall be distributed to Spun-off Company/Target Entity according to functional and technological principle shall be followed by property, agreements, IP objects, designed for development of the specified property, IP objects.
- 7) inseparable improvements to property (including leased property) are not subject to distribution to the Spun-off Company/Target Entity if the respective property is not subject to distribution to the Spun-off Company/Target Entity;
- 8) rights arising from quality warranty for the property, IP objects shall follow the fate of the corresponding property, IP objects, even if the corresponding agreements are not specified in the Lists of Property, Rights and Obligations;
- 9) the fate of property, transactions and legal relations is followed by the documents related to the corresponding property, transactions and legal relations, unless otherwise results from the legal requirements;
- 10) if the Spun-off Company/Target Entity is to be distributed any rights (for example, the right to an IP item), then preparation for obtaining such rights shall be transferred to the Spun-off Company/Target Entity (the principle applies to all preparations for the future creation or acquisition / sale of property, deliverables, etc.).

1.3. Excluded Property, Assets and Liabilities

- 1.3.1. The property, rights and obligations specified below in this subsection 1.3 are not transferred to the Spun-off Company/Target Entity, notwithstanding any other conditions of the Deed of Transfer, including these Rules and the Lists of Property, Rights and Obligations, specifying otherwise (unless such transfer is required in accordance with the legislation).

To avoid doubts, the grounds for non-transfer of property, rights and obligations to Spun-off Company/Target Entity are specified in this section 1.3, and also follow from the Distribution Principles as specified herein.

The regulation of this subsection 1.3 applies to the definition of property, rights and

obligations, distributed or not distributed to the Spun-off Company/Target Entity during the Reorganization, regardless of whether the circumstances specified below in this subsection 1.3 (grounds for non-transfer to the Spun-off Company/Target Entity) existed on the Deed of Transfer Date or appeared later (during the Transition Period).

1.3.2. The following property, rights, liabilities and documents are not transferred to the Spun-off Company/Target Entity:

- (1) documents, information and materials that MTS PJSC has to keep in accordance with the law and cannot transfer to the legal successor;
- (2) the rights of the beneficiary in insurance related to business projects (where MTS PJSC is the insured), which does not apply to property, rights and obligations transferred to the Spun-off Company/Target Entity;
- (3) obligations to pay taxes and fees;
- (4) value added tax on acquired valuables, presented to MTS PJSC for payment in respect of purchased goods, works, services accepted by MTS PJSC for accounting on the basis of primary accounting documents before the Date of completion of the reorganization;

1.3.3. The following rights and obligations are not subject to transfer to the Spun-off Company/Target Entity:

- (1) under state or municipal contracts or civil contracts, as well as life cycle contracts, concluded in accordance with Federal Law No. 44-FZ “On the Contract System in the Procurement of Goods, Work, Services to Meet State and Municipal Needs” dd. 05.04.2013 (**Government Contracts**); and property, subcontracting and similar agreements are not subject to transfer to the Spun-off Company/Target Entity either, if such transfer will lead to a violation of the relevant Government Contracts;
- (2) under agreements concluded in accordance with Federal Law No. 223-FZ “On Procurement of Goods, Work, Services by Certain Types of Legal Entities” dd. December 18, 2011, as well as other agreements concluded as a result of bidding procedures (auctions, tenders), except for the cases when the following conditions are met simultaneously: (i) such transfer is permitted by law and the applicable procurement regulations of the respective customer, (ii) consent has been obtained from the customer under the agreement to transfer the agreement to the Spun-off Company/Target Entity, (iii) other principles and conditions of the Rules have been complied with. If the agreement specified in this clause

is not subject to transfer to the Spun-off Company/Target Entity, then property, subcontracting and similar agreements are not subject to transfer to the Spun-off Company/Target Entity either, if such transfer will lead to a violation of the relevant agreement.

- (3) under government contracts (including the contracts between the prime contractor and the contractor or between the contractors for the supply of products, rendering of services required for the chief contractor to execute the state defense order) concluded in accordance with Federal Law No. 275-FZ “On State Defense Order” dd. December 29, 2012 (**Defense Contracts**); property, subcontracting and similar agreements are not subject to transfer to the Spun-off Company/Target Entity either, if such transfer will lead to a violation of the relevant Defense Contracts;
- (4) under MTS PJSC bonds, as well as MTS PJSC debt liabilities, arising in connection with the placement by MTS International Funding Designated Activity Company, Ireland, registered No: 462303, of marketable ISIN bonds: US55377WAB46 and ISIN: XS0921331509;
- (5) under transactions, rights and obligations from other legal relations (for example, based on the permissive procedure for the use of state or municipal property), for which the transfer of rights and (or) obligations is prohibited by law (including any applicable regulations of state authorities and local self-government), except for the cases when the following conditions are met simultaneously: (i) such transfer is permitted by law subject to obtaining the required consent, (ii) consent has been obtained to transfer the agreement to the Spun-off Company/Target Entity and (iii) other principles and conditions of the Rules have been complied with.

For the avoidance of doubt: the above prohibition, in particular, may be established by an act of law or follow from the failure to obtain the required consent (in the form of a unilateral expression of will or agreement) to transfer the rights and (or) obligations under the transaction, when such consent is necessary by virtue of a legislative act or non-contradicting transaction terms.

- (6) under transactions governed by foreign law, while the applicable law and/or the corresponding transaction term, which do not contradict the legislation of the Russian Federation, simultaneously prohibit the transfer of rights and (or) obligations under the corresponding transactions as a result of reorganization in the form of spin-off, except for

the cases when the following conditions are met simultaneously: (i) such transfer is permitted by the applicable law subject to obtaining the consent of the counterparty, (ii) consent has been obtained from the counterparty under the agreement to transfer the agreement to the Spun-off Company/Target Entity and (iii) other principles and conditions of the Rules have been complied with.

- (7) under transactions, for which it is impossible for JSC “MWS” to fulfill its obligations pursuant to the legislation of the Russian Federation due to the absence of a special permit (license), SRO admission, etc., with JSC “MWS” as of the Completion Date of the Reorganization; the above applies, inter alia, to transactions for which MTS PJSC provides performance (renders a service, performs work, etc.), where at least some of the performance cannot be provided to JSC “MWS” due to the fact of JSC “MWS” not having the license (state permit), SRO admission, etc. by the Date of Completion of the Reorganization;
- (8) under transactions that cannot be executed/implemented by JSC “MWS” for the reasons of incurable nature.

1.3.4. The following is not subject to distribution to the Spun-off Company/Target Entity being related to LESS:

- (1) property, rights and obligations, which shall remain with MTS PJSC under the laws;
- (2) property, rights and obligations that are necessary solely for LESS functioning (including, but not limited to, routers and switchboards, servers and other equipment, SW and licenses allocated specifically for LESS operation); at the same time, if a part may be allocated from the agreement (for example, a certain specification to the framework agreement), MTS PJSC shall keep the corresponding part, and the rest shall be distributed to the Spun-off Company/Target Entity, if such distribution follows from the Deed of Transfer (including Rules);
- (3) separately allocated LESS equipment.

1.3.5. The following is not subject to distribution to the Spun-off Company/Target Entity:

- (1) licenses (state permits);

- (2) equipment transferred into the possession of MTS PJSC clients (only in relation to consumers being individuals); equipment and materials used to connect such subscribers, corresponding connection points; equipment and materials intended for transfer to such individuals; agreements with temporary storage warehouses directly related to the equipment specified;
- (3) rights (permits) to use radio frequencies;
- (4) equipment under the projects for private (client) LTE networks;
- (5) certified systems of information control and security used to provide the services of information security;
- (6) instrumentation and other equipment necessary to MTS PJSC for compliance with the license requirements of FSS and FSTEC;
- (7) points of connection with communication providers and network numbering;
- (8) agreements for multi-subject use of radio frequency spectrum and corresponding communication infrastructure with communication providers;
- (9) equipment, software and agreements for Teradata;
- (10) rights and obligations under an agreement with ORACLE ULA and related agreements with subsidiaries associated with making income;
- (11) inventory system SITR, IMS platform;
- (12) agreements/orders for works to perform electromagnetic compatibility expertise.

1.3.6. The following property, rights and obligations are not subject to distribution to Spun-off Company/Target Entity: property, rights and obligations that are subject to distribution to Limited Liability Company Tower Infrastructure Company established through reorganization of MTS PJSC in the form of spin-off, under a deed of transfer approved by MTS PJSC, when the decision is made to reorganize MTS PJSC in the form of spin-off of Limited Liability Company Tower Infrastructure Company.

1.4. Application of the Rules to Transfer Property, Rights and Obligations by Succession

1.4.1. In case of any discrepancies/contradictions regarding the determination of the legal successor in terms of property, rights and obligations or other legal relations distributed in connection with the Reorganization, the following documents shall prevail over each other (in descending order in terms of force):

- 1) These Rules,
- 2) The Deed of Transfer, including all annexes (except for the Rules).

Herewith, the mandatory provisions of legislation shall prevail over any of the documents listed above.

In particular, this means that:

- if certain property (or a certain agreement) in accordance with the Deed of Transfer (except for the Rules) is distributed to the Spun-off Company/Target Entity, however, in accordance with the Rules, it has to remain in MTS PJSC, then the property (agreement) will not be transferred to the Spun-off Company/Target Entity, despite the content of other provisions of the Deed of Transfer and other (except for the Rules) annexes thereto;

- if certain property (or a certain agreement) in accordance with the Deed of Transfer (except for the Rules) remains with MTS PJSC, however, in accordance with the Rules, it has to be distributed to the Spun-off Company/Target Entity, then the property (agreement) will be transferred to the Spun-off Company/Target Entity.

1.4.2. For the purposes of applying these Rules, the following sections/subsections of the Rules shall prevail over each other (in descending order in terms of force):

- (1) Subsection 1.3 (“Excluded Property, Assets and Liabilities”) of section I of the Rules;
- (2) Section II of the Rules (“Features of Distribution of Rights and Obligations for Certain Types of Property, Rights and Obligations”);
- (3) Subsection 1.2 (“Principles of Distribution of Property, Rights and Obligations”) of section I of the Rules.

1.4.3. Changes in the type, composition, value of property that occurred during the Transition Period and changes associated with the emergence, change and termination of the rights and obligations of MTS PJSC, which are distributed to the Spun-off Company/Target Entity in accordance with the Lists of Property, Rights and Obligations, will be recorded in the clarifications reflected in the Certificate of Transfer and Acceptance of Property, Rights and Obligations (and annexes thereto) drawn up upon completion of the Reorganization.

1.4.4. For the purposes of drawing up a Certificate of Transfer and Acceptance of Property, Rights and Obligations specified in cl. 1.4.3 of the Rules, information may be used, which

is contained in the deed of transfer approved by MTS PJSC when making a decision on reorganization of MTS PJSC in the form of spin-off of Limited Liability Company Tower Infrastructure Company.

II. FEATURES OF DISTRIBUTION OF RIGHTS AND OBLIGATIONS FOR CERTAIN TYPES OF PROPERTY, RIGHTS AND OBLIGATIONS

2. Features of Distribution of Rights and Obligations under MTS PJSC Transactions.

- 2.1. The successor under the agreements related to property, rights and obligations distributed in accordance with the Lists of Property, Rights and Obligations and the provisions hereof in favor of the Spun-off Company/Target Entity is the Spun-off Company/Target Entity as per the Distribution Principles.
- 2.2. It is allowed to transfer a part of the agreement to the Spun-off Company/Target Entity (for example, a certain specification to the framework agreement), if it is possible based on the agreement content, legislative regulation and the nature of the contractual relationship; herewith, a part of the rights and obligations under the agreement may be transferred to the Spun-off Company/Target Entity as per the Deed of Transfer (including the Rules).
- 2.3. If the agreement transferred to the Spun-off Company/Target Entity as per the Deed of Transfer (including the Rules) has been partially executed before the Date of Completion of the Reorganization, then the unfulfilled (both by MTS PJSC and the counterparty) obligations and corresponding requirements only shall be transferred to the Spun-off Company/Target Entity. In particular:
 - 2.3.1. the aspects fulfilled by the counterparty under the agreement before the Date of Completion of the Reorganization in favor of MTS PJSC shall not be transferred to the Spun-off Company/Target Entity (unless otherwise follows from the Lists of Property, Rights and Obligations and the Distribution Principles);
 - 2.3.2. the requirement for the counterparty to fulfill the unfulfilled aspects under the agreement before the Date of Completion of the Reorganization shall be transferred to the Spun-off Company/Target Entity;
 - 2.3.3. the contractual obligation of MTS PJSC to fulfill the aspects unfulfilled by MTS PJSC before the Date of Completion of the Reorganization shall be transferred to the Spun-off

Company/Target Entity;

2.3.4. the rights and obligations based on the invalidity or non-conclusion of the agreement in terms of returning the aspects overfulfilled arising from the termination of the agreement and other similar claims (if they arise, or the due date of which will come starting from the Date of Completion of the Reorganization) shall be transferred to the Spun-off Company/Target Entity.

2.4. If MTS PJSC closes transactions during the Transition Period, which are aimed at MTS PJSC purchase of shares/units of business entities (or other subjects established in a foreign jurisdiction), including those aimed at increasing the size of shares in authorized capitals, distribution of rights and obligations under such transactions (in respect to shares/units purchased under such transactions) shall be carried out as follows:

No.	MTS PJSC transactions	Distribution of rights and obligations under transactions
1	Transactions aimed at increasing the share in authorized capital of a business entity (or another subject established in a foreign jurisdiction), shares/units of which under a Deed of Transfer shall be transferred to Spun-off Company/Target Entity	Rights and obligations under transactions shall be distributed for the benefit of Spun-off Company/Target Entity
2	Transactions aimed at increasing the share in authorized capital of a business entity (or another subject established in a foreign jurisdiction), shares/units of which under a Deed of Transfer shall not be transferred to Spun-off Company/Target Entity	Rights and obligations under the transactions are not distributed to the Spun-off Company/Target Entity.
3.	Transactions aimed at purchase of share in the authorized capital of IT-GRAD 1 Cloud Limited Liability Company (PSRN (Primary State Registration Number) 1127847416982, location: Russian Federation, 196247, St. Petersburg, ploschad Konstitutsii, 3, bldg. 2, letter A, office 35-N, office 6)	Rights and obligations under transactions shall be distributed for the benefit of Spun-off Company/Target Entity
4	Transactions aimed at purchase of share in authorized capital of a business entity (or another subject established in a foreign jurisdiction), except for the ones specified in cl. 1 and 3 above	Rights and obligations under the transactions are not distributed to the Spun-off Company/Target Entity.

2.5. Features of the Transfer of Rights and Obligations under Loan Agreements.

2.5.1. Loan agreements / contracts (including framework loan agreements / contracts),

rights and obligations under which are transferred to Spun-off Company/Target Entity subject to the receipt of the written consent of the counterparty(creditor) to transferring rights and obligations during reorganization:

Item No.	Counterparty	No. and date of the loan agreement/contract(including framework loan agreements / contracts), the rights and obligations under which are transferred to the Spun-off Company/ Target Entity	No. and date of tranche/loan transaction confirmation
1	Sberbank PJSC	6541 dated 24.05.2018	1. 00/0000/6601/6541/05 dated 23.10.2020 2. 00/0000/6601/6541/06 dated 23.10.2020 3. 00/0000/6601/6541/07 dated 23.10.2020 4. 00/0000/6601/6541/08 dated 23.10.2020 5. 00/0000/6601/6541/09 dated 25.06.2021 6. 00/0000/6601/6541/10 dated 25.06.2021 7. 00/0000/6601/6541/11 dated 25.06.2021
2	Sberbank PJSC	6541 dated 24.05.2018	Confirmations (loan transactions) that entered into force in accordance with the terms of the loan agreement after June 30, 2021, and before the Date of Completion of the Reorganization, tranches/credit funds for which were provided (drawn) prior to the Date of Completion of the Reorganization..
3	Sberbank PJSC	7262 dated 20.08.2019	Confirmations (loan transactions) that entered into force in accordance with the terms of the loan agreement after June 30, 2021, and before the Date of Completion of the Reorganization, tranches/credit funds for which were provided (drawn) prior to the Date of Completion of the Reorganization.
4	VTB Bank	4669 dated 24.09.2019	1. 08103389s dated 21.09.2019 (R-

Item No.	Counterparty	No. and date of the loan agreement/contract(including framework loan agreements / contracts), the rights and obligations under which are transferred to the Spun-off Company/ Target Entity	No. and date of tranche/loan transaction confirmation
	(PJSC)		172/422460) 2. 01/00001i dated 10.01.2020 (R-71/422460) 3. 08/00006i dated 21.01.2020 (R-186/422460) 4. 08/00015i dated 28.01.2020 (R-278/422460) 5. 08/00022i dated 31.01.2020 (R-336/422460)
5	VTB Bank (PJSC)	4409 dated 30.05.2018	1. 01/00009i dated 05.02.2020 (R-367/422460) 2. 01/00025i dated 20.03.2020 (R-1086/422460)
6	VTB Bank (PJSC)	4409 dated 30.05.2018	Confirmations that entered into force in accordance with the terms of the loan agreement after June 30, 2021, and before the Date of Completion of the Reorganization, tranches for which were provided (drawn) prior to the Date of Completion of the Reorganization.

2.5.2. Rights and obligations under loan agreements/contracts (including framework loan agreements / contracts) specified in cl. 2.5.1 above shall be transferred to the Spun-off Company/Target Entity as follows:

Item No.	Rights and obligations under the loan agreement/transaction transferred to the Spun-off Company/target entity	Procedure and conditions for the distribution of rights under loan agreements/transaction
1	Rights and obligations for a separate confirmation (credit transaction) specified in cl. 1–4, cl. 1, cl. 4, 5, 6, cl. 2.5.1, in respect of which the consent of the counterparty(creditor) to the transfer the rights/obligations under the agreement / contract / transaction was obtained as of the Date of Completion	The rights and obligations are distributed to Spun-off Company/Target Entity.

Item No.	Rights and obligations under the loan agreement/transaction transferred to the Spun-off Company/target entity	Procedure and conditions for the distribution of rights under loan agreements/transaction
	of the Reorganization.	
2	Rights and obligations for a separate confirmation (credit transaction) specified in cl. 5, 6, 7, cl. 1, cl. 2 and cl. 3, cl. 2.5.1, in respect of which as of the Date of Reorganization Completion, the counterparty's (creditor) consent was obtained for transfer of rights/obligations under the agreement / contract / transaction provided that the specified rights and obligations are not distributed to Limited Liability Company Tower Infrastructure Company, as specified in cl.1.3.6 of the Rules	The rights and obligations are distributed to Spun-off Company/Target Entity.
3	Rights and obligations for separate confirmations (credit transactions) specified in cl. 5, 6, 7, cl. 1, cl. 2 and cl. 3, cl. 2.5.1, and rights and obligations for separate confirmations specified in cl. 1–4, cl. 1, cl. 4, cl. 5 and cl. 6, cl. 2.5.1, in respect of which the consent of the counterparty(creditor) to the transfer the rights/obligations under the agreement/contract/transaction was not obtained as of the Date of Completion of the Reorganization.	Rights and obligations are not distributed to the Spun-off Company/Target Entity

2.6. If during the Transition Period an agreement is concluded under which the property, rights and obligations cannot be distributed in accordance with these Rules, , the successor of such property, rights and obligations may be determined when concluding the agreement and specified in such agreement, including, but not necessarily, with a reference to this clause hereof. For the avoidance of doubt: the indication in the relevant agreement on distributing rights and obligations to the Spun-off Company/Target Entity under it (or a similar indication) does not mean that the parties to the agreement have agreed on such distribution; such an indication in the agreement is an additional or special indication (marker) of MTS PJSC that the rights under the agreement shall be distributed to the Spun-off Company/Target Entity as per the Distribution Principles.

3. Features of the Distribution of Property, Rights and Obligations of MTS PJSC Arising from the Claims of Third Parties/to Third Parties.

3.1. Distribution of Rights and Obligations Arising from Civil, Arbitration, Administrative Proceedings, as well as Mediation Tribunal Proceedings.

3.1.1. The rules of this clause 3.1 of the Rules of Succession shall apply to all legal relations (including procedural) being or arising from or relating to any (1) claims in the pre-trial settlement of disputes (cl. 5 Art. 4 of the CPC RF and similar norms), (2) proceedings in courts of general jurisdiction, arbitration courts and mediation courts, (3) execution of acts of courts of general jurisdiction, arbitration courts and mediation courts (any of the requirements specified in this clause 3.1.1 is referred to hereinafter as **“Procedural Legal Relations”**). Procedural Legal Relations related to the consideration of administrative cases (in accordance with AOC RF, on appeal against administrative fines and similar), as well as related to the cases considered over the course of administrative and legal proceedings, shall be governed by cl. hereof.

3.1.2. If Procedural Legal Relations arise for MTS PJSC based on any obligations or related to property or transactions that (rights and obligations under which) are distributed in accordance with the Deed of Transfer (including any of its annexes) to the Spun-off Company/Target Entity, such Procedural Legal Relations shall be transferred to the Spun-off Company/Target Entity.

3.1.3. If Procedural Legal Relations arise for MTS PJSC based on administrative legal relations (administrative offense, violation of competition legislation, environmental legislation, etc.), the relevant Procedural Legal Relations shall be transferred to the Spun-off Company/Target Entity only if (i) it is legally permitted and (ii) the relevant Procedural Legal Relations are associated with property, right, obligation, distributed to the Spun-off Company/Target Entity.

3.2. Should any claims for tax liabilities be submitted to MTS PJSC (including during the Transition Period), such claims shall not be distributed to the Spun-off Company/Target Entity.

3.3. The rights that occurred in the Transition Period to receive dividends (profit), as well as accounts receivable that occurred in the Transition Period, related to receiving dividends under shares/net profit distribution in the limited liability company, if such shares/units are distributed in accordance with the Deed of Transfer to Spun-off Company/Target Entity, shall not be distributed and remain with MTS PJSC.

- 3.4. The rights that occurred in the Transition Period to receive a part of the property left after satisfaction of the creditors' demands, in case of liquidation of a business entity, whose shares/units were distributed to Spun-off Company/Target Entity, shall be distributed to Spun-off Company/Target Entity.
- 3.5. Fulfillment of obligations arising from agreements and other legal relations, including for loss reimbursement and payment of penalties (both voluntary and as resolved by court or arbitration tribunal), shall be distributed to the Spun-off Company/Target Entity, if the rights or obligations from the relevant agreement and other legal relations are distributed to the Spun-off Company/Target Entity in accordance with the Deed of Transfer (including any annex thereto).

4. Features of the Distribution of Rights to Certain Property Types.

- 4.1. Encumbrances of property rights in relation to a real estate facility and/or a land plot, as well as in relation to other property, follow the real estate facility and/or a land plot and/or other property. This regulation applies both to the rights belonging to MTS PJSC in relation to third-party property, and to the rights of third parties in relation to the property of MTS PJSC.
- 4.2. If, during the Transition Period, MTS PJSC completes the creation of objects (including real estate facilities), which, in accordance herewith, shall be distributed to the Spun-off Company/Target Entity, and this can be confirmed by the relevant documents (construction permit, commissioning permit, etc.), or MTS PJSC may receive and/or detect as a result of any other actual and/or legal actions a document that will be the constitutive/title deed document for the objects created and/or acquired by MTS PJSC, but the rights of MTS PJSC for the said objects will not be registered with the relevant registration authority (if such registration is required) by the Date of Completion of the Reorganization, the rights from the aforementioned constitutive/title deed documents will be transferred to the Spun-off Company/Target Entity. The basis for state registration of rights to the specified property (if such registration is required) for the Spun-off Company/Target Entity will be the Deed of Transfer, including the Rules of Succession, constitutive documents transferred from MTS PJSC, as well as a Certificate of Transfer and Acceptance of Property, Rights and Obligations can serve as such as clarified and indicated in cl. 1.4.3 hereof.
- 4.3. Rights and obligations in relation to the objects (hereinafter referred to as "**New Objects**") arising as a result of operations for consolidation and/or disaggregation of fixed assets (hereinafter referred to as the "**Disaggregated Objects**") shall be transferred to the Spun-off Company/Target Entity, provided that the Disaggregated Objects are transferred to the Spun-

off Company/Target Entity pursuant to Lists of Property, Rights and Obligations and/or these Rules. Operations for consolidation and/or disaggregation of fixed assets mean the breakdown of fixed assets into separate integral parts carried out during the Transition Period, the merging of these individual integral parts into New Objects in accounting.

5. Features of the distribution of property, rights and obligations of MTS PJSC arising from employment relations with the employees.

5.1. The following rights and obligations of MTS PJSC shall be transferred to Spun-off Company / Target Entity that arise from employment relations with MTS PJSC employees, who will be transferred to JSC “MWS” during Reorganization (at the same time in any case, despite any other specification in the Rules, MTS PJSC shall (1) keep the documents, storage of which is mandated for MTS PJSC by the legislation of the Russian Federation, and also (2) MTS PJSC shall keep the rights and obligations in respect to employees that may not be transferred to Spun-off Company / Target Entity in accordance with the legislation of the Russian Federation):

- employee’s debt to MTS PJSC for recovery of the paid salary for future periods not worked at the moment of Reorganization completion;
- balance of outstanding vacation days (both positive and negative);
- obligations of MTS PJSC for performance of instructions/demands of officials from the state supervision and control authorities in respect to corresponding employees as regards compliance with the labor laws;
- obligations and debt of MTS PJSC regarding compensation of damage caused to employee’s property;
- obligations and debt of MTS PJSC for payment of compensation as specified by an employment agreement and/or other agreement for use, wear (depreciation) of personal transport, equipment and/or other technical facilities and/or materials owned by the employee, and used by such employee with consent or knowledge of MTS PJSC and for its benefit in process of performance of their labor duties in MTS PJSC;
- obligations and debt of MTS PJSC for recovery of moral damage to the employee based on the effective court ruling;
- the right to recover debt from the employee for compensation of material damage caused to MTS PJSC (including damage caused by the employee to property of third parties kept by MTS PJSC, if MTS PJSC is responsible for integrity of such property);

- obligations of MTS PJSC for payment of annual, quarterly and other bonuses not estimated or paid in accordance with the internal document of MTS PJSC and/or employment agreements with the employees at the moment of Reorganization completion;
- debt of the employee for advance payments issued on condition of accountability or debited off the corporate credit card;
- obligations of MTS PJSC for repayment of salary debt for the periods before the Date of Reorganization Completion (including performance of compensating and/or stimulating payments provided for by the legislation and/or employment agreement), payment of severances, temporary disability benefits, as well as other benefits/payments paid in accordance with the legislation, employment and/or collective agreement from the employer's funds that were not received in connection with the employee's death;
- obligations of MTS PJSC for repayment of debt to the employee for the overdeducted amounts.

5.2. MTS PJSC obligations in respect to payments of compensating and/or stimulating nature, and also payments for programs of long-term material stimulation to the employees, who will be transferred to JSC "MWS" during Reorganization, related to the period and having occurred before the Date of Reorganization Completion, not fulfilled by the Date of Reorganization Completion, shall be related to Spun-off Company/Target Entity, unless otherwise provided for by the legislation.

5.3. All rights and obligations of MTS PJSC arising from employment relations with its employees, who refused to continue employment relations in connection with Reorganization, shall not be related (distributed) to Spun-off Company/Target Entity.

5.4. All rights and obligations of MTS PJSC arising from employment relations with its employees who will continue employment relations with MTS PJSC after the Date of Reorganization Completion, shall not be related (distributed) to Spun-off Company/Target Entity.

6. Features of distributing rights and obligations in respect to other property, rights and obligations and legal relations

6.1. Rights and obligations of MTS PJSC as a participant/founder/member in non-profit partnerships, unions/associations, autonomous non-profit organizations, consumer co-operatives, public associations, and other non-profit organizations, except for institutions, shall

be distributed in accordance with the Deed of Transfer with account of Distribution Principles, if their distribution is permitted by constituent and other documents of the corresponding non-profit organizations and applicable laws. Otherwise they shall not be distributed and shall remain with MTS PJSC.

6.2. The property (fixed assets, construction in progress, stocks) and accounts receivable/payable and rights and obligations under the agreements shall be transferred to Spun-off Company/Target Entity, provided that they comply with the functional and technological principle of distribution, being received by MTS PJSC before the Date of Reorganization Completion as a result of MTS PJSC reorganization in the form of acquisition of the following organizations by MTS PJSC:

- Limited Liability Company MultiCable Networks of Balashikha, PSRN (Primary State Registration Number) 1165001054261;
- Joint Stock Company Progressive Technologies Research and Production Association (PSRN (Primary State Registration Number) 1025001631137;
- Limited Liability Company Satellite TV, PSRN (Primary State Registration Number) 1127746631495.