**I. General provisions.**

1.1. The present Statutes are based on stipulations of the Law “On Joint Stock Companies and Protection of the Rights of Shareholders” No. LRUz-370 (The Law of the Republic of Uzbekistan) of 7 May 2014, other joint-stock companies legislation, and regulate relations in the area of management of Company, methods and forms of shareholders’ participations in Company’s activities, mutual rights and obligations of the shareholders and the governing bodies of the joint-stock company, revenue generation and principles of taxation, reorganization and liquidation of the Company.

1.2. The Statutes define the ways for establishing and regulations of the Company, and regulate the size of authorized capital, number, type and nominal value of shares (common and preferred shares), order of the securities placement, dividend payments.

1.3. Provisions which are not stated in Statutes, setting the procedure of activity, rights and responsibilities, and also the procedure of decision-making by management bodies (boards of directors) of Company were formulated in provision:  on the General Shareholder Meeting, Supervisory Board, Executive body and Auditing Committee of the Company approved by General Meeting of the Shareholders.

1.4. Full and short Company name.

The full Company name:

In Uzbek language: «BOSH MAXSUS KONSTRUKTOR BYUROSI-AGROMASH» Aksiyadorlik Jamiyati.

In Russian language: Акционерное общество «BOSH MAXSUS KONSTRUKTOR BYUROSI-AGROMASH».

In English language: Join-Stock Company «BOSH MAXSUS KONSTRUKTOR BYUROSI-AGROMASH»

Short Company name:

In Uzbek: «BMKB-AGROMASH»AJ.

In Russian: АО « BMKB-AGROMASH».

In English: JSC « BMKB-AGROMASH».

1.5. The postal address and location are determined by the state registration of the JSC « BMKB-AGROMASH» hereinafter referred to as the “Company”:

210, Sultanali Mashhadiy Str., Yasnobod region, Tashkent, 100007, Republic of Uzbekistan.

E-mail of the JSC «BMKB-AGROMASH» [– uzbmkb-agromash@mail.ru](mailto:–%20uzbmkb-agromash@mail.ru).

1.7. [Official website](http://www.linguee.ru/%D0%B0%D0%BD%D0%B3%D0%BB%D0%B8%D0%B9%D1%81%D0%BA%D0%B8%D0%B9-%D1%80%D1%83%D1%81%D1%81%D0%BA%D0%B8%D0%B9/%D0%BF%D0%B5%D1%80%D0%B5%D0%B2%D0%BE%D0%B4/official+website.html) of the JSC «BMKB-AGROMASH»: [www.agromash.uz](http://www.agromash.uz)

1.8. The Company was established by transformation of state organization into a joint-stock company based on decision taken by the Body mandated to dispose of State property, and on the decree of Tashkent city governance of State Committee on Property and Support Entrepreneurship, December, 7th, 1994 No. 1129

1.9. The Company is a legal entity and shall have assets in its exclusive ownership including assets which are transferred to the authorized capital accounted in its own balance sheets, it may acquire in its own name and enjoy proprietary and personal non-proprietary rights and bear responsibilities, act as plaintiff and defendant in the courts.

1.10. The Company was established without any limitation of the period of validity.

1.11. The Company shall have the right to open bank accounts inside and outside the Republic of Uzbekistan.

1.12. The Company shall have an official seal and shall have the right to have stamps and letterhead with the Company’s name, their own emblem, a trademark which has been registered in accordance with the established procedure and other means of visual identification of members of civil turnover, goods, works, and services.

1.13. The Company is responsible for its liabilities with all the property which belongs to it.

1.14. The Shareholders shall not be liable for obligations of the Company and shall bear the risk of losses connected with activity of the JSC within the limits of the value of the stock belonging to them.

1.15. The Company is not liable for the obligations of its shareholders.

1.16. The State and its bodies are not liable for Company’s obligations; likewise, the Company is not liable for the obligations of the state and its bodies.

1.17. The Company shall have the right to establish branches and open representative offices acting on the basis of the provisions approved by the Company’s Supervisory Board.

1.18. The Company may have subsidiary and dependent companies as a joint stock company or limited liability company.

1.19. A company shall be deemed to be dependent if the Company holds more than 20 per cent of the voting shares in the first company.

**II. Purpose (the main aspects), goals and timelines of activities**

2.1. Purpose of Company’s activities is to conduct research works, engineering documentation development, producing of the samples, testing and certification, production of agricultural machinery and other equipment.

Company is established to produce the products and goods, and service provision with the purpose of receiving profit.

2.2. The principal activities of Company are:

- R&D research and development work (engineering documentation development, sample production and testing),

- production of agricultural machinery and other equipment, and also  non-standard options;

- repair and services of equips;

- development, production, sales, service of production of industrial-technical purpose and [consumer goods](http://www.linguee.ru/%D0%B0%D0%BD%D0%B3%D0%BB%D0%B8%D0%B9%D1%81%D0%BA%D0%B8%D0%B9-%D1%80%D1%83%D1%81%D1%81%D0%BA%D0%B8%D0%B9/%D0%BF%D0%B5%D1%80%D0%B5%D0%B2%D0%BE%D0%B4/consumer+goods.html);

- rendering services both to individuals and legal entities;

- wholesale trade.

**III. Amount of the authorized capital stock**

3.1. The authorized capital of the Company shall consist of the nominal value of shares in Company which has been acquired by shareholders (outstanding shares) and shall be expressed in national currency of the Republic of Uzbekistan (Uzbek Soum). The nominal value of all shares issued by the Company must be the same for all.

3.2. The authorized capital stock of Company determines the minimum amount of property guaranteeing interests of its lenders.

Minimum size of authorized Fund (authorized capital) of Company can be determined in licensing requirements.

3.3. The Company shall distribute ordinary shares and shall have the right to distribute referred shares.  The nominal value of preferred shares distributed must not exceed 20 per cent of the Company’s authorized capital.

3.4. The authorized capital of the Company amounts to UZS 667 437 500 (six hundred sixty seven millions four hundred thirty - seven thousand five hundred Uzbek Soums), shared into 368750 (three hundred sixty - eight thousand seven hundred fifty) shares.

3.5. Shareholders hold 368 750 shares amounting to 100% of the authorized fund can be individuals and legal entities.

 The nominal value of one share is UZS 1810 (one thousand eight hundred ten).

3.6. The Company may allot additional shares only within the declared amount of shares prescribed by the Statutes of the Company.

3.7. The Company’s Supervisory Board shall issue a resolution on approval of Prospectus, approval of a decision on placement of securities.

3.8. By the resolution on increase of the authorized capital stock of Company by placement of additional shares the number of additionally placed common registered shares and preferred shares, terms and conditions of their placement must be determined.

3.9. Increase of authorized capital stock of the Company through the placement of additional shares must be registered in terms of nominal value of distributed additional shares.  Thereby, the declared amount of shares of specified types, stated in Statutes of the Company, shall be reduced by the number of distributed additional shares of these types.

3.10. The decision on introducing of the amendments and additions to the Company’s Statutes concerning the stipulated Article on declared shares of Company shall be taken by the General Meeting of Shareholders.

3.11. Resolution to issue additional shares adopted by members of Supervisory Board of the Company is the decision to increase the authorized capital of Company.

3.12. Increase of authorized capital stock of Company by placement of additional shares will be supported through investments, equity capital of Company and accrued dividends according to procedure stipulated by law.

3.13. Where the Company’s charter capital is increased at the expense of its assets by means of distribution of additional shares, those shares shall be distributed among all the shareholders. At the same time, depending on which share belongs to each shareholder, such shares are distributed in proportion to the number of shares owned by him.

3.14. The Company’s charter capital may be reduced by means of reducing the nominal value of shares or reducing the total number thereof, including by means of acquisition of a portion of the shares with subsequent cancellation.

3.15. The Company may not reduce its authorized capital stock if as a result of such reduction the amount thereof becomes less than the minimum amount of authorized capital stock as determined in accordance with Law as of the date of submission of documents for state registration of relevant amendments to Statutes of the Company.

3.16. The resolution on reducing the Company’s authorized capital and on the corresponding amendments to the Company’s Statutes shall be passed by General Meeting of shareholders of the Company.

3.17. At making a decision to reduce the authorized capital (Charter capital) of the Company, the General Meeting of shareholders in decision specifies the reasons for reduction of authorized capital (Charter capital) and establishes the procedure for its reduction.

3.18. No later than 30 days from the date of adoption of resolution on reducing the Company’s authorized capital, the Company must notify the Company’s creditors of this in writing. In this respect, the Company’s creditors may, within 30 days from the date on which notifications are sent to them, present a written demand for the early termination or fulfillment of relevant obligations of the Company and compensation for losses.

**IV.** **The number, nominal value and types of shares of the Company.**

4.1. The Company shall have the right to issue the registered shares of two types: common shares and preferred shares.

4.2.  In accordance with the Law the Company shall have the right to issue and to place corporate bonds and other securities.

4.3.  The Company placed the ordinary nominal (registered) shares in the amount of 368750 shares, with the nominal value of UZS 1810 (one thousand eight hundred and ten) Uzbek soum each.

4.4. In addition to outstanding shares, the Company shall be entitled to place 10 000 000 ordinary registered shares with a par value of UZS 1810 (one thousand eight hundred and ten) Uzbek soum per share (authorized shares).

4.5. Shareholder can be natural or legal person which holds shares under ownership right or other legal basis.

4.6. The share of one type provides each shareholder – its owner – the same level of rights.

4.7. Shareholders which hold ordinary shares in the Company may participate in General Shareholders’ Meeting with the right to vote on all issues within their competence and shall have the right to receive dividends, and, in the event of Company’s liquidation, the right to receive part of its assets.

4.8. Rights to the shares passes to its purchaser from the moment of the making an appropriate entry record in the personal account of the purchaser and confirmed by statement of account issued by the Depositary in accordance with Law.

4.9. Rights, certified by share, passes to its purchaser from the moment of transfer of rights to this security.

4.10. Participation in General Meetings of shareholders, receipt of dividends and implementation of other rights provided by law in the course of corporate actions, shall be made on the basis of Register of the Company’s shareholders.

4.11. Forming of Register of the Company’s shareholders shall be made by the Central Securities Depository of securities.

4.12. The Company may issue the corporate bonds secured by Company’s assets, within equity capital  as of the date, on which the decision to issue corporate bonds was made.

4.13. Issue of corporate bonds by the Company including convertible bonds shall be provided by decision of Supervisory Board.

4.14. If the Company issued corporate bonds that are convertible into shares, by decision of Supervisory Board, this decision must be adopted unanimously by all members of the Supervisory Board.

**V. Order of placement and circulation of shares.**

5.1. Duration of placing additional shares and other securities of Company shall not exceed one year from the moment of the state registration of issue.

5.2. After the time period specified in article 5.1., the unplaced shares and other securities of Company shall be subject to cancellation in accordance with Legislation.

5.3. Transaction on placement and circulation of shares and other securities of Company, made in breach of Law in placement and circulation of shares, may be invalidated by court decision.

5.4. The Company has the right to conduct an open subscription on shares issued by it through Public Offerings in accordance with Legislation.

5.6. The Company shall have the right to conduct a closed subscription to shares which it issues except in those cases where the possibility of conducting a closed subscription is restricted by the requirements of Law.

5.7. Ways of placement of shares and other securities of Company, which are convertible into shares, may be made by open or closed subscription.

5.8. Open subscription for shares shall be conducted exclusively on stock market and OTC (over-the-counter) market.

5.9. Obligatory placement of shares and other securities of the Company, which are convertible into shares, may be provided for by the Legislation by open subscription.

5.10. Issue of shares and other convertible securities will be deemed failed in the event when the Issuer fails to  remove irregularities, which  led to suspension  of issue, and placement,  in term  specified in the decision, less than sixty percent (60%) of shares and other convertible securities.

5.11. In the event of the placement of shares and other convertible securities at stock market and OTC (over-the-counter) market,  issue which shall be deemed valid if the amount of placement shall be not less than thirty per cent of the total amount of shares and other convertible securities.

5.12. When deciding on placement of shares, also among the shareholders, price of placement (circulation at stock market and OTC (over-the-counter) market) of shares shall be approved by the Company’s Supervisory Board, on the basis of current market prices, settling at the trading venues of securities traders.

5.13. Payment for additional shares and other securities of the Company at their placement shall be made at a price not lower than the issue price under the resolution.

5.14.  In the event of payment for additional shares of the Company, in case of increase of authorized capital stock of the Company on account of its property, and also dividends, on which the resolution to pay with additional shares was adopted, placement of such shares are accounted for nominal value of shares of Company.

5.15. In the course of placement of shares and other securities of the Company, such shares may be paid for by monetary funds and other means of payment, property, and also  rights  (including property rights) which have a monetary value.

5.16. Manner of payment for additional shares and other securities of the Company shall be determined by decision on their issue.

5.17. If the nominal value of shares and other securities of Company, which was paid not by money,    is more than 200 times the minimum wage under the law, it is needed to conduct the monetary evaluation of property, contributed as payment for shares and other securities of the Company.

5.18. The additional shares must be paid during the placement term, stated in decision on issuance of shares of stock.

5.19. The shareholders – who own voting shares, have the preferential right to their acquisition at placement of shares and other convertible securities,  which were paid by money.

5.20. The Company shall be obliged, within 10 (ten) days from the date of a state registration of an issue of shares and other convertible securities, to offer its shareholders, who have a priority right,  to acquire shares and other convertible securities on equal terms proportionally to the number of shares they hold at offering price determined by the Board of Directors which made a decision on the issuance of securities.

 5.21. The Company shall have the right to acquire shares which it has distributed on the basis of decision of General Shareholders’ Meeting of the Company to reduce the charter capital of the Company by means of acquiring a part of distributed shares in order to reduce their overall number as well as by resolution of Company’s Supervisory Board for subsequent resale in accordance with established procedures.

  5.22. The resolution on acquiring shares shall define the categories (types) of acquired shares, amount of shares in each category (type) acquired by Company, acquisition price, form and term of payment as well as the period of share acquisition.

5.23. Shares may be paid for by monetary funds and other means of payment, property and also  rights (including property rights).

5.24. The period of share acquisition is determined by resolutions on acquisition of shares, and it may not be less than ten days. The price at which a Company acquires common shares shall be determined in accordance with their market value.

5.25. The Company shall have not the right to execute transactions with issued shares for purpose of repurchasing them, and also to transfer issued shares into trust management of shares.

5.26. On the basis of decision of General Shareholders’ Meeting of the Company, the Company shall have the right to implement consolidation of outstanding shares, as a result of which two or more shares may be converted into one new share of the same category (type). In this respect, the relevant changes of Statutes regarding the nominal value and number of outstanding shares were accordingly introduced.

5.27. By resolution of General meeting of shareholders, the Company shall have the right to split   the Company’s outstanding shares, in the course of which, one share of Company is converted to two or more Company’s shares of the same type. Concurrently, the Statutes adjusted accordingly regarding the nominal value and the number of outstanding shares of Company.

5.28. Shareholders-owners of shares have the right to demand the redemption of all or part of their shares by the Company, if they voted against or did not take part in voting  by valid reasons at decisions by the General Shareholder Meeting concerning:

reorganization of the Company;

consolidation of outstanding shares;

execution of a major transaction connected with alienation or acquisition of Company’s assets according to article 84, parts 2 and 3 of the Law "On Joint Stock Companies and Protection of the Rights of Stockholders(Shareholders)", as amended (the "JSC Law") No. 370 Law of Republic of Uzbekistan of May 7, 2014.

introduction of amendments and additions to the Company’s Statutes or approval of the Company’s Statutes in a new wording, which restrict(s)  their rights.

5.29. The shares of Company shall be repurchased at the market price, determined without regard to its fluctuations resulting from the Company’s activities which have given rise to the demand to evaluate and repurchase such shares.

**VI. Dividend payments on issued shares**

6.1. Dividends are part of the Company's net profit distributed among shareholders.

6.2. The Company shall be obliged to pay dividends announced for shares of each category (type).

6.3. Shareholders registered in stockholders ledger of JSC, formed for General Shareholders’ Meeting in which the resolution to pay dividends was adopted, are entitled to the right of receipt of dividends.

6.4. By decision of the General Shareholders’ Meeting, dividends shall be paid in cash or other legal means of payment, or securities of the Company.

6.5. Dividends divided between shareholders pro rata to the number of the shares they hold.

6.6. The Company shall have the right, on the basis of the results for the first quarter, six months and nine months of a financial year and (or) on the basis of the results for a financial year, to adopt decisions concerning (announce) the payment of dividends on distributed shares

6.7. The resolution on paying (declaring) dividends following the results of the first quarter, half-year, first nine months of the financial year, and/ or following the results of the financial year, may be adopted during the three months following the end of the respective period.

6.8. The decisions to pay dividends, size of dividends, date and the form of payment shall be passed by General Meeting of Shareholders according to recommendations of Supervisory Board of the Company, basing on the financial statements in case of availability of Auditors’ Report about its reliability. Dividends paid by Company may not exceed the amount recommended by Supervisory Board of the Company.

6.9. The resolution on paying dividends should include a start and end date for the dividends payment.

6.10. Dividends shall be paid from net profit of the Company, remaining at disposal of the Company and (or) the retained earnings of prior years.

6.11. The time limit and procedure for the payment of dividends shall be determined by decision of the General Shareholders’ Meeting concerning the payment of dividends.

6.12. The term of annual dividend payments shall not exceed 60 days from the date of decision on their payment was passed.

6.13. Dividends not claimed by its legitimate owner or its legal successor or heir within three years, remains at disposal of the Company and, in compliance with the decision of the General Meeting of Shareholders of Company.

6.14. At the written request of a shareholder - non-resident of the Republic of Uzbekistan, the Company shall be obliged to convert the accrued dividends into hard currency by bank transfer to bank account provided by shareholder - non-resident.

6.15. Reasons for converting are certified statements of the Register of the Company’s shareholders and Company’s accounting records on amount of accrued dividends and date of dividend.

6.16. If the dividend is not paid through the fault of Company, within the established deadlines in accordance with decision of General Meeting of Shareholders, the penalty shall be imposed on the unpaid (not received) dividends on the basis of refinancing rate set by Central Bank of the Republic of Uzbekistan.

6.17. A shareholder shall have the right to demand payment of dividends and penalties through judicial procedures. If the Company declines to pay dividends and if the claims of shareholder are granted by Court, a procedure of insolvency elimination or Declaration of bankruptcy will be applied to Company in the manner established by the legislation.

6.18. The Company shall not have the right to pay, not to adopt a decision to make payment of dividends on the Company’s shares:

 until authorized capital stock of the Company has been fully paid up at its establishment;

if at the time of payment of dividends there are signs of bankruptcy or such signs will appear in Company as a result of payment of dividends;

if the value of net assets of the Company less than amount of authorized capital stock of the Company and reserve fund.

6.19. Upon termination of circumstances mentioned in clause 6.18. of these Statutes, the Company shall be obliged to pay dividends to its shareholders.

6.20. Company declares the amount of dividends, excluding taxes. Company publishes data on the amount of paid dividends on the official websites of authorized State agency responsible for regulation of securities market in terms set by legislation.

6.21. Taxation of dividends shall be carried out in accordance with the tax laws and benefits shall be established.

6.22. Company shall create a Reserve Fund in the amount of 15 percent of authorized capital stock of the Company.

6.23. Reserve Fund shall be formed through compulsory annual allocations from the Company’s net profit until it reaches the size stated in clause 6.22. of these Statutes.

6.24. The annual contributions to reserve fund amount to 5% of net profit until it reaches the size stated in clause 6.22. of these Statutes.

6.25. The reserve fund is intended to cover losses of Company, for corporate bonds redemption and dividends payment on privileged shares, repurchase of the Company's shares in the absence of other funds.

6.26. The Reserve Fund cannot be used for any other purposes.

6.27. Statutes of the Company envisage creation of any other funds.

6.28. The value of the Company’s net assets shall be assessed on the basis of data in the accounting records and is defined as the difference between the assets of the Company and total liabilities.

6.29. If by the end of second and each subsequent financial year, in accordance with annual accounting balance sheet, submitted for approval to General meeting of shareholders, or if it is discovered as a result of an audit that the value of Company’s net assets is less than the minimum amount of authorized capital stock regulated by legislation, the Company is obliged to reduce its authorized capital (authorized capital) to an amount which is less than the value of its net assets.

**VII. Rights and obligations of the Company’s shareholders**

7.1. The shareholders have the right:

to be included in registry of the Company’s shareholders;

to receive of an extract from the depo account in depository;

to receive part of profit of the Company in form of dividends;

to receive portion of Company’s property  in case of liquidation of Company  within the limits of their shares;

to participate in management of Company through  voting at General shareholders' meetings;

to elect and be elected to management and supervisory bodies of the Company;

to receive complete, reliable and timely information about the results of financial and economic activities of the Company in an orderly manner;

to freely dispose of dividends;

to protect their rights  in government authorities on regulation of the securities market  and also in Court;

to request compensation for losses caused to shareholder in an orderly manner;

to form associations and any other Non-profit NGOs  in order to protect their rights and interests;

to insure against risks associated with losses, including non-realized profits at the purchase of securities.

7.2. Shareholders may have other rights in accordance with law and these Statutes.

7.3. Exercise of these rights shall not affect the rights and legally protected interests of other shareholders.

7.4. Establishment of restrictions on alienation of shares does not deprive the right of a shareholder — owner of those shares to participate in the management of Company and to receive dividends.

7.5. The shareholders shall be obligated:

 to meet the  requirements of present Statutes, to implement decisions of the management bodies of the Company  within the scope of their competence;

not to disclose information constituting commercial and official secrecy of the Company;

to implement all commitments towards the Company;

to assist the Company in carrying out of its activities;

7.6. The shareholder is obliged to timely inform the Depository, rendering services on accounting of rights to the shares, of any changes in his information. If a shareholder of the Company fails to provide information on any change in its data, the Central Depository and the Depositary rendering services on accounting of rights to the shares, will not be liable for any losses caused in that connection.

**VIII. Structure of the Company governance**

8.1. The governing bodies of the Company are:

The General Meeting of Shareholders;

The Supervisory Board;

The Executive Body **(The General Director )**

**IX. The General Meeting of Shareholders**

9.1. The General Meeting of Shareholders is the supreme governing body of the Company.

9.2. The Company shall hold a General meeting of shareholders (the annual General meeting of shareholders).

9.3. The annual General Meeting of Shareholders shall be held not later than six months after the end of the financial year.

9.4. The annual Shareholders Meeting shall settle issues of the election of the Supervisory Board and the Audit Commission of the Company, approval of the Auditor of the Company, approval of the annual report and annual financial statements, including income statements (profit and loss accounts) of the Company, distribution of profits (including through payment (declaration) of dividends) and losses based on the results of the financial year and any other issues referred to the scope of the General Meeting of Shareholders.

9.5. Shareholders can also call extraordinary General Meeting of Shareholders

9.6. Date and procedure for holding the General Meeting of Shareholders, the order of informing shareholders about holding meetings of shareholders, list of information, documents and materials submitted to shareholders in preparation to the General meeting shall be determined by Supervisory Board of the Company.

9.7. The following issues fall under the authority of the General Shareholder Meeting:

amendments to the Statutes or approval of a new;

restructuring of the Company;

liquidation of the Company, appointment of liquidator (liquidation commission) and approval of the interim and the final liquidation balance sheets;

determination of the number of members on the Supervisory Board of the Company and Committee of minority shareholders, election of their members and the early termination of members’ authority;

determination of the   limit of issued (declared ) shares;

reduction of Company's authorized capital stock;

acquisition of its own shares;

approving the organizational structure of the Company;

election of members of Internal Audit Commission of the Company;

approval of  Annual Report;

distribution of the Company’s profits and losses;

hearing of reports of Supervisory Board of the Company and conclusions of Internal Audit Commission of the Company on matters within their competence, including compliance with the requirements set out by the legislation in governance of the Company;

 adoption of resolutions on execution of transactions by Company in case if:

-the subject  of the transaction is represented by property, value of which amounts to more than 50 per cent of the book value of the Company’s assets at the date of the decision to enter into such transaction;

- there are two or more affiliated  members of Supervisory Board involving in transaction.

9.8. Issues referred to competence of General Meeting of Shareholders shall not be delegated to the executive bodies of the Company

9.9. The issues referred to competence of General Meeting of Shareholders shall not be delegated to Supervisory Board of the Company, with the exception of the following issues:

increasing of the authorized capital of the Company, and also  introduction of amendments and additions to the Company’s Statutes related to the increase of  authorized capital of the Company;

defining the placement price of shares (stock and OTC Securities  markets);

the resolution on issuing  corporate bonds including convertible bonds;

the resolution on issuing   derivative securities;

adoption of a decision to repurchase by the Company corporate bonds;

establishment of the executive body of the Company,  election (appointment) at the position of the head, early termination of powers;

establishing the level of their (executive body of the Company) remuneration and compensation payable thereto;

approval of the Company’s annual business plans

9.10. The right to vote at the General Shareholder Meeting on issues submitted to a vote is held by following shareholders:

shareholders-owners of ordinary shares of the Company;

shareholders-owners of preferred shares  in cases provided by the Law.

9.11. Decision of General Shareholders’ Meeting on voting issue is made by a majority of votes of the shareholders, which own the Company’s voting shares and take part in the meeting, unless otherwise set by the Law

9.12. Decision on matters relating to the:

introduction of amendments and additions to the Company’s Statutes  or approval of an updated version thereof;

reorganisation of the Company;

liquidation of the Company, appointment of the liquidator (liquidation commission) and approval of the interim and the final liquidation balance sheets;

determination of  limit of issued (declared ) shares;

hearing of reports of Supervisory Board of the Company and conclusions of Internal Audit Commission of the Company on matters within their competence, including compliance with requirements set out by legislation in governance of the Company;

adoption of resolutions on execution of transactions by the Company in case:

- if the unanimous consent of the Supervisory Board on approval of cost estimate is not reached, this matter will be submitted to the General Meeting of Shareholders in accordance with procedure prescribed by Statutes of the Company;

- if adoption of resolutions on  execution of a major transaction involving assets, value of which amounts to more than 50 per cent of the book value of the Company’s assets at the date of adoption of the resolution one execution of a major transaction;

- if  resolution on approval of transaction with  affiliated person, in case when two or more members of Supervisory Board are affiliated persons,  is taken by the general meeting of shareholders by a majority (by a qualified majority)of three quarters of the holders of voting shares participating in the general meeting of shareholders.

  9.13. The procedure of making decisions by General Meeting of Shareholders of the Company on points of procedure for conducting the General Shareholders’ Meeting is determined by resolution of the present Statutes of the Company and the Company’s Regulations on General Meeting of Shareholders, approved by decision of the General Meeting of Shareholders.

9.14. General Meeting of Shareholders hasn't the right to make decisions on the questions which have not been included in agenda of this meeting, and also to change the agenda of this meeting.

9.15. Shareholders, registered in the Register of Shareholders and composed within three working days before the General Meeting, have the right to participate in the General Meeting of the Shareholders.

9.16. When requested by a shareholder, the Company shall be obliged to provide the shareholder with information of entering into the Shareholder Register, formed for conducting of General Meeting of Shareholders.

Representative of the state is included in register of shareholders of the Company by Central Depository on the basis of written notification of State Committee of the Republic of Uzbekistan on assistance to privatized enterprises and development of competition with application of relevant decision on its appointment.

9.17. Notice of General Meeting of Shareholders shall be published on the Single portal of corporate information, on the official website of Company, in mass media, as well as sent to shareholders by e-mail no later than twenty-one days before the date of General Meeting of Shareholders.

9.18. Company shall be obliged to inform a State representative, in writing, not later than twenty-one days prior to the date of General Meeting of Shareholders

9.19. Information (materials) to be provided to shareholders and State representative entitled to participation in General Meeting of Shareholders, during preparation for such meetings, shall include the following: annual report of the Company, conclusions of Internal Audit Commission of the Company and Audit Agency on the results of conducting a review of annual financial and economic activity of the Company, and  as well as information about candidates to the Supervisory Board and Internal Audit Commission of the Company, drafts of amendments or additions to be incorporated in the Company’s Statutes or the draft of a revised Statutes.

9.20. Shareholders of the Company possessing in the aggregate no less than one (1) per cent of the voting shares in the Company, before February 15, shall have the right to propose issues to the agenda of the annual General Shareholders’ Meeting, and nominate candidates for election to the Supervisory Board and Internal Audit Commission of the Company, the number of which must not exceed the total number of members of the corresponding body.

 9.21. The shareholders (shareholder) are/(is) entitled to introduce changes into the nominations of candidates to the Supervisory Board and Internal Audit Commission of the Company not later than three (3) working days from the date of publication a notice of the Annual General Meeting of Shareholders.

9.22. Issues for agenda of the General Meeting of Shareholders shall be made in writing and contain a description of the reasons for convening the meeting, contain the name of shareholders (shareholder), quantity and category (type) of shares they own.

9.23. At making proposals on nomination of candidates in the Supervisory Board and Internal Audit Commission of the Company, including self-nomination, it shall be indicated the full name of candidate, number and category (class) of shares held by candidate (in case the candidate is a shareholder of the Company), as well as full name of the shareholder(s) nominating the candidate, number and category (class) of shares held by them.

9.24. Supervisory Board shall consider any received suggestions and decide on their introduction to the agenda of the general meeting of shareholders or refusal thereof within ten days after the deadline specified in Clause 9.20. hereof.

In case of any change in the list of nominated candidates by shareholders to the Supervisory Board and Internal Audit Commission of the Company, in accordance with Clause 9.21 of these Statutes,  it’s needed to take a decision on changes the list of candidates nominated by them, no later than two (2) calendar days following the date that the changes were introduced.

9.25. Motivated decision of Supervisory Board   on refusal to include the issue into the agenda of the General Shareholders’ Meeting, or include the candidate into the candidate list for the corresponding body of the Company, shall be sent to the shareholders (shareholder), who proposed the issue to the agenda or a candidate, not later than 3 days after such decision was made.

9.26. Decision of Supervisory Board   on refusal to include the issue into the agenda of General Shareholders’ Meeting, or include the candidate into the candidate list for the corresponding body of Company and Internal Audit Commission of the Company, may be appealed against in Court.

9.27. An extraordinary General Shareholders’ Meeting is held by decision of Supervisory Board    and is convened on the initiative of Supervisory Board, at the requirement of Internal Audit Commission, Auditor, or shareholder (or shareholders) possessing (in the aggregate) not less than 5 (five) percent of the Company’s voting shares on the date of the requirement.

9.28. An extraordinary General Shareholders’ Meeting, which is convened at the requirement of Internal Audit Commission, the Auditor, or shareholder (or shareholders) possessing (in the aggregate) not less than 5 (five) percent of the Company’s voting shares, is convened by Supervisory Board no later than 30 days after the written request for the holding of the extraordinary General Shareholders’ Meeting was made.

9.29. The request for convocation of the extraordinary General Shareholders’ Meeting shall include issues to be put on the agenda providing reasons their submission.

9.30. The request for convocation of the extraordinary General Shareholders’ Meeting should be signed by the persons (person) requesting its convocation.

9.31. When the request was made by the Internal Audit Commission, Auditor or shareholders (a shareholder) possessing no less than 5 per cent of the voting shares in the Company regarding convening of an extraordinary General Shareholders’ Meeting, and within 10 days from the date on which such request was made the Supervisory Board did adopt a decision on convening of an extraordinary General Shareholders’ Meeting or a decision was made on refusal of its’ convening

9.32. The resolution of the Company’s Supervisory Board to convene the Extraordinary General Meeting of Shareholders or a resolution to reasonably refuse from its convocation shall be forwarded to the persons requesting such convocation not later than 3 days after such resolution is passed.

9.33. The resolution of the Company’s Supervisory Board to reasonably refuse from its convocation could be complained against at the court.

9.34.  If within the period of time which fixed in accordance with Clause 9.31., the Company’s Supervisory Board did not adopt a decision on convening of an Extraordinary General Shareholders’ Meeting or a decision was made on refusal of its’ convening, the Extraordinary General Meeting of Shareholders may be convened by the bodies and persons requesting its convocation.

In this case, the expenses of preparation and holding of the General Shareholders’ Meeting may be reimbursed at the Company's expense upon the resolution of the General Shareholders’ Meeting

9.35.  The date of holding General Meeting of Shareholders cannot be set less than twenty-one days and no longer than 30 (thirty) days   after the decision on the holding of that meeting is adopted.

9.36. For counting of the polls and registration of shareholders for participating in the General Meeting of Shareholders, and issuance of voting ballots, the Supervisory Board of Company establishes the Company’s counting commission. The quantitative and personal composition of Company’s counting commission shall be approved by the General Meeting of Shareholders.

9.37. The Company’s counting commission shall consist of at least three persons.

9.38. The Company’s counting commission may not include members of the Supervisory Board, members of Internal Audit Commission of Company, Director of the Company, members of Management Board of the Company, the trustee as well as persons nominated for these positions

9.39. Any shareholder shall have the right to attend the General Meeting of Shareholders personally or through its representative. The right to participate in the General Meeting of Shareholders the representative of the state shall be exercised by him.

9.40. The power of attorney to vote on behalf of a natural person must be notarized. The power of attorney to vote on behalf of the legal person shall be issued signed by its head with the seal of this legal entity.

9.41. The General Shareholder Meeting is legitimate (has quorum) if, by the end of the registration to participate in the General Shareholders’ Meeting, Shareholders included in the list of stockholders or their representatives as well as persons who acquired the right of ownership of the voting stocks after the date of the preparation of the list of shareholders, holding in aggregate at least fifty per cent (50%) of the voting Stocks have been registered for participation.

9.42. Where there is no quorum for the holding of General Shareholders’ Meeting, the date of repeat General Shareholders’ Meeting should be announced. Agenda of repeat General Shareholders’ Meeting cannot be changed.

9.43. A repeat General Shareholders’ Meeting shall be competent (quorate) if, by the end of the registration to participate in the General Shareholders’ Meeting, shareholders included in the list of stockholders or their representatives possessing a total of no less than 40 per cent of the votes conferred by the distributed voting shares in the company took part in it.

 9.44. If the date of the holding of General Shareholders’ Meeting is postponed in the absence of the quorum for less than twenty days, the shareholders entitled to participate in the General Meeting of Shareholders  shall be determined in accordance with register of shareholders, entitled to participate in the invalid General Meeting of Shareholders.

9.45. Voting at General Shareholders’ Meeting is based on the “one voting share of the Company – one vote” principle except for cumulative voting on election of the members of the Company’s Supervisory Board.

9.46. Voting on any issues on the agenda of the General Meeting of Shareholders may be held with voting bulletins.

9.47. The result of voting shall be announced at the General Meeting of Shareholders  during which voting was taken, and  shall be brought to notice of shareholders through publishing decisions with Report on the voting results by Senior Issuer’s Management Body, after closing of General Meeting of Shareholders.

9.48. Minutes of General Meeting of Shareholders shall be made not later than ten days after closing the General Meeting of Shareholders in two copies. Both copies shall be signed by the person presiding over the General Meeting of Shareholders and Secretary of the General Meeting of Shareholders.

9.49 Procedure of General Meetings of Shareholders is determined by the Company’s Regulations on the General Meeting of Shareholders.

9.50. Resolutions taken by the Company's General Meeting of Shareholders and the result of voting shall be brought to notice of shareholders no later than 30 days from the date of the adoption of the decision.

**X. Supervisory Board of the Company**

10.1. Supervisory Board of the Company provides general Company management, save for the matters that are in the competence of the General Meeting of Shareholders.

10.2. The Supervisory Board of consists of seven members re-elected annually.

10.3. The competence of the Supervisory Board include:

determining the priority lines of the Company's activity;

convening the Annual and Extraordinary General Meetings of Shareholders, except when General Meeting of Shareholders may be convened by the bodies and persons requesting its convocation;

preparation of agendas of the General Meetings of Shareholders;

fixing the date, time and place of General Meetings of Shareholders;

determining the date of formation of register of shareholders entitled to participate in the General Meeting of Shareholders;

issues on introduction of amendments and additions to the Company’s Statutes or approval of an updated version placed on the agenda of General Shareholders’ Meeting;

determination of market value of property;

appointment of corporate  consultant, if necessary, introduction of such post in Company and approval of regulations defining the procedure for corporate  consultant’s activity;

approving the business plan for the next year by 1 December of the current year at the meeting of the Supervisory Board;

establishment of the internal audit service, if necessary, introduction of this position in the Company and appointment of its employees, as well as quarterly hearing of its reports;

access to any documents concerning activity of Executive body of the Company, and obtaining them from Executive body to carry out Supervisory Board’s duties. Received documents can be used by the Supervisory Board and its members for official purposes;

making resolutions  to conduct an audit (except for mandatory audit), to determine the audit organization and the maximum amount of payment for its services and conclusion (termination) of the contract with it.

provision of recommendations on the amount of remunerations and compensations to be paid to members of the audit Commission;

provision of recommendations on the dividend amount, form and procedure of payment;

use of the Company's reserve fund and other funds;

establishment of branches and opening representative offices of the Company;

establishment of subsidiaries and dependent companies by the Company;

adoption of resolutions on execution of transactions in cases provided in the  Articles 8 and 9 of Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of the Rights of Stockholders(Shareholders)", No. 370 Law of Republic of Uzbekistan of May 7, 2014

transactions involving companies in the commercial and non-profit organizations in the order established by the legislation;

decision on redemption of corporate bonds of the Company;

decision on increase of the authorized fund (authorized capital) of the Company, and on amendments and additions to the Company’s Statutes related to the increase of  authorized capital of the Company;

approval of decision on issue of securities and approval of prospectus;

determining the placement price (placing on the stock exchange and organized over-the-counter securities market) of shares based on the market prices prevailing at the sites of organizers of trading in securities, but not below specified in the decision on their issue;

resolution on issuing corporate bonds including convertible bonds;

resolution on issuing derivatives;

appointment of General Director of the Company, early termination of his powers; appointment of Chairman of Board of the Company is carried out on the elected basis and with participation of foreign managers

establishing the amounts of remunerations and compensations payable to the Executive body of the Company;

approval of the Company’s annual business plan;

pre-approval of the Company’s annual report  no later than thirty (30) days prior to the date of the General Meetings of Shareholders.

10.4. The decision on any other matters related to the competence of the Supervisory Board in accordance with present Statutes and legislation shall be referred to the competence of the Supervisory Board of the Company.

10.5. Issues referred to the competence of the Supervisory Board of the Company shall not be delegated to the Executive bodies of the Company.

10.6. The General Meeting of Shareholders elects the members of the Supervisory Board in compliance with the procedure prescribed by these Statutes until the next annual General Meeting of Shareholders.

10.7. Persons elected to the Supervisory Board of the Company may be re-elected unlimited number of times.

10.8. Members of the Board and General Director of Company may not be elected to the Supervisory Board of the Company

10.9. Members of the Supervisory Board may not be persons working under a labour contract in the same Company.

10.10. Supervisory Board of Company, whose shares are included in exchange quotation list of stock exchange, must have at least one independent member who can be re-elected annually. At the same time, in companies with a predominant share of state and (or) an economic Association, representatives of state and (or) an economic Association shall nominate and vote on an independent member of Supervisory Board.

10.11. An independent member of Supervisory Board is a person who:

has not worked in Company and (or) its affiliates in the last three years;

is not a shareholder of Company and (or) founder (shareholder, participant) of affiliated persons of Company;

has no civil relations with a major client and (or) a major supplier of Company and (or) an affiliate of Company. In this case, a large client and a large supplier are recognized as persons with whom there is a valid contract in amount of more than two thousand minimum wages;

does not have any agreements with Company and (or) its affiliates, except for those related to ensuring the performance of tasks and functions of Supervisory Board’s member;

is not a spouse, parent (adopter, adopter), child (adopted, adopted), blood or half-brother or sister of a person who is or has been for the last three years a member of management and internal control of Company and (or) affiliated persons of Company;

he / she is not an employee of a public administration body or state enterprise

10.12. Those candidates who have received most votes shall be deemed elected to the Supervisory Board of the Company.

10.13. Chairman of the Supervisory Board shall be elected by members of the Supervisory Board by a majority vote in respect of the total number of members of the Supervisory Board of the Company.

10.12. The Chairman of the Supervisory Board shall arrange its activities, convene the meetings of the Supervisory Board and preside at such meetings, provide for the Minutes keeping at such meetings and preside at the General Meetings of Shareholders.

10.13. In the event the Chairman of the Supervisory Board is absent, his functions shall be fulfilled by one of the members of Supervisory Board of the Company.

10.14. Supervisory Board Meeting is to be called by Chairman of Supervisory Board of the Company as per his own initiative, or by the request of Supervisory Board’s member, a member of Revision Commission or the Company's auditor, Company's Executive Body, or a request from a shareholder who owns no less than 1% (one percent) of the Company's voting stock.

10.15. Procedure of convening and holding of meetings of the Supervisory Board of the Company is determined by present Statutes and Regulations on Supervisory Board, which is adopted by the General Meeting of Shareholders.

10.16. The Supervisory Board of the Company is obliged to consider all issues at its meeting proposed by:

- shareholders owning in the aggregate at least 1 percent of voting shares of the Company;

- any member of the Supervisory Board, Director and Revision Commission.

10.17. The quorum for holding meetings of the Supervisory Board of the Company shall be not less than seventy-five percent of the number of elected members of Supervisory Board of the Company.

10.18. In case if the number of members of Supervisory Board becomes less than seventy-five per cent, the Company is obliged to convoke an extraordinary General  Meeting of Members to elect a new membership of the Supervisory Board of the Company. The remaining members of Supervisory Board of the Company have the right to make a decision upon the convening of such extraordinary General Shareholders’ Meeting, and in the event of early termination of powers of Chairman of Executive Body of the Company, the Supervisory Board may appoint an Acting Chairman of the Executive Body to exercise the functions of the Chairman of the Executive Body of the Company.

10.19. Decisions at the meeting of the Supervisory Board are made by a majority of votes of its members present at the meeting. At resolution of matters at a meeting of Supervisory Board each member of the Supervisory Board shall have one vote.

10.20. The decisions of the Supervisory Board shall be taken unanimously on the following issues:

- increase of the authorized fund of the  Company by increasing the nominal value of shares and  introduction of the respective amendments in the Company’s Statutes;

- increase of the authorized fund of the  Company by allotment of additional shares and introduction of the respective amendments in the Company’s Statutes;

- resolution on approval of transaction with  affiliated person;

- issuance of Company’s corporate bonds  convertible into shares.

10.21. The decisions taken by Supervisory Board without participation of the representative of the state, and vetoed decisions would not be executable.

10.22. Transfer of vote by one member of Supervisory Board of Company to other member of the Supervisory Board is not allowed.

10.23. The present Company's Statutes provide the right for casting vote of Chairman of the Supervisory Board at adoption of decision by Supervisory Board, in case of equality of votes of the members of the Supervisory Board of the Company.

10.24. Minutes of meetings of Supervisory Board shall be kept. The minutes of a meeting of the Supervisory Board shall be executed no later than 10 days from the date of the meeting.

10.25. Minutes of meeting of the Supervisory Board shall be signed by members of Supervisory Board participating in the meeting, who bear responsibility for the accuracy of the Protocol.

10.26. Decision of Supervisory Board may be adopted by absentee voting (by ballot) all members of the Supervisory Board unanimously.

10.27. The minutes of the meeting of Supervisory Board of the Company shall be submitted by Executive Board of the Company on the date of its signature. In the case of decision-making (by Supervisory Board) regarding the convening of General Meetings of Shareholders, information of this decision shall be submitted by Executive body of the Company on the day of meeting of the Supervisory Board.

10.28. By decision of General Meeting of Shareholders, members of Supervisory Board of the Company may be paid, during their term of office, remuneration and/or compensation for the expenses connected with performance of their duties. The amount of such remuneration and compensation is determined by decision of the General Meeting of Shareholders.

10.29. From among the members of Supervisory Board of Company, committees may be established to consider the most important issues and prepare recommendations for Supervisory Board.

10.30. Company, whose shares are included in exchange quotation list of the stock exchange, is obliged to create an audit Committee consisting exclusively of members of Supervisory Board of Company. The internal audit service of Company is accountable to audit Committee in its activities, if any.

10.31. Procedure for formation and work of committees, their number and composition are established by regulations on Supervisory Board of the Company

10.32. The activities of the Supervisory Board of the Company, on issues which are not reflected on the Statutes, shall be determined by the “Regulations on the Supervisory Board” and shall be approved by the General Meeting of Shareholders.

**XI. Executive Body of the Company**

11.1. The management of day-to-day activities of Company is performed by General Director and his competence is determined by the present Statutes and by the “Regulations on the Executive Body of the Company”.

11.2. General Director is appointed by the Supervisory Board.

11.3. Supervisory Board is responsible for appointing Executive Body of the Company and terminating its offices. According to decision of the Company’s Supervisory Board, appointment of a General Director may be made on a competitive basis.

11.4. The rights and responsibilities of General Director of the Company are determined, accordingly, by the present Statutes and by employment contract to be signed by General Director with the Company for one year with annual decision on its prolongation or termination.

11.5. Such contracts shall be signed on behalf of Company by Chairman of Supervisory Board of the Company or by a person duly authorized by Supervisory Board of the Company. Such employment contract may contain their responsibility to increase the effectiveness of the Company and frequency of their reports on an annual business plan implementation for the General Meeting of Shareholders and the Supervisory Board of the Company.

11.6. The Company’s General Director is responsible for day-to-day activities of the Company, with the exception of matters exclusively assigned to the competence of the General Meeting of Shareholders or the Supervisory Board of Company.

11.7. The Company’s General Director makes arrangements and ensures implementation of resolutions passed by the General Meeting of Shareholders and Supervisory Board of the Company, provides administrative - regulatory activities to manage the Company, determines and approves the rule of the internal regulations, and Company’s General Director is responsible for staffing of Company.

11.8. The General Director of the Company acts without a power of attorney on the Company's behalf, including the representation of its interests, opens clearing and other accounts in banks, concludes contracts and agreements including labor agreements, conducts transactions on behalf of the Company, appoints the Branch Manager or representative offices of the Company, approves personnel, issues orders and provides direction to all employees of the Company,  issues powers of attorney, corresponds, represents in Court on behalf of the Company, demands that the employees of the Company fulfill the terms of employment contracts, rules and regulations of the Company.

11.9. The General Director of Company is responsible for managing Company’s day-today activities within the limits of his competence, organization of execution of decisions of the General Meeting of Shareholders and Supervisory Board of the Company, leading the development of programmes and business development plans for the Company, issuing quarterly reports on business plan implementation to Supervisory Board of the Company, ensuring reception of profits, ensuring observance of legality in activities of Company, executing of contractual obligations, maintaining of working and technological disciplines, ensuring compliance with social guarantees and labour protection of employees of the Company, ensuring  proper and accurate accounting records and reports in Company.

11.10. Amount of remuneration for General Director depends directly on effectiveness of the Company and should be stipulated in the contract.

11.11. Only upon approval of Supervisory Board of Company may the General Director combine his position with other executive roles in the management of other organizations.

11.12. The Supervisory Board of the Company is authorized to terminate the authority of and cancel the contract with General Director.

11.13. The Supervisory Board shall be entitled to demand early termination of the contract with the General Director of the Company, if he is committing fundamental breach of the Company’s Statutes or any damages resulting from General Director’s actions and failure to act.

**XII. Liability of members of Supervisory Board of the Company and General Director.**

12.1. While executing their rights and fulfilling their obligations, the members of Supervisory Board of the Company, General Director must act in the interests of the Company, execute their rights and fulfill their obligations to the Company reasonably and  in an orderly manner.

12.2. If several persons are liable pursuant to the terms of this article of the Statutes, they shall be jointly and severally liable to the Company.

12.3. Those members of Supervisory Board of Company who voted against the decision which incurred losses to the Company or did not take part in voting are not liable for such losses.

12.4. Company or shareholder (shareholders) who owns (own) no less than 1 (one) per cent of voting shares of the Company may apply to the court with the claim against a member of the Supervisory Board of the Company, General Director of Company on recovery of damages incurred to the Company.

12.5. The powers of a member of Supervisory Board, the General Director of Company may be terminated by a court decision, with a ban on holding a managerial position in business companies for a period of not less than one year, if the court finds him guilty of causing property damage to Company.

12.6. Member of Supervisory Board, General Director of Company and Trustee may be held liable for the damage caused to society by provision of information, misleading or false information or offers to conclusion and (or) making decisions on conclusion of large transactions and (or) transactions with affiliated entities with the purpose of reception by them or them affiliated persons of profit (income).

**XIII. Committee of the minority shareholders of the Company**

13.1. In order to protect the legitimate rights and interests of minority shareholders, the Company may establish Committee of minority shareholders from among such members.

13.2. Responsibilities of the Committee of minority shareholders include:

participation in submission for approval by General Meeting of Shareholders or Supervisory Board of the Company of any major transactions and transactions with affiliated persons;

review of the appeals from minority shareholders related to protection of their rights and legitimate interests;

introduction of requests on protection of Company’s minority shareholders rights and interests to the authorized state authority  for regulation of the securities market;

consideration of other issues  in accordance with legislation and the present Statutes of the Company.

**XIV. Audit Commission**

14.1. In order to exercise control over the Company’s financial and business activity, the General Meeting of Shareholders shall elect an Audit Commission composed of three members for a term of one year.

14.2. Qualification requirements for members of Audit Commission of the Company  is determined by General Meeting of Shareholders and by Regulations on the Audit Commission, approved by General Meeting of Shareholders.

14.3. The same person may not be elected to the Audit Commission of the same Company more than three times in a row.

14.4. The members of the Audit Commission may not simultaneously be members of the Supervisory Board, as well as work under the labour contract in the same Company.

14.5. Terms of reference of Audit Commission of Company is determined by legislation and this Charter of the Company

14.6. The Audit Commission has the following powers:

- upon written request of the Audit Commission, any officials  of the Executive Body  of the Company shall provide it with any required documents concerning the financial and economic activities of the Company;

- to request  the plenipotentiaries of Supervisory Board for extraordinary General Meeting of Shareholders if violations have been identified in production and economic, financial, legal activities which pose a threat to the interests of the Company and  need to be resolved  within the competence of management bodies of the Company;

-  to request explanations from the employees of the Company, including any officials, on the issues within the competence of the Audit Commission;

- to pose a question for management bodies of the Company about the responsibility of the Company's employees, including officials, in case they violate the Statutes, regulations, rules and instructions taken by the Company.

14.7 The Company’s financial and economic activities shall be audited at the end of the year as well as any time upon the initiative of the Company’s Audit Commission, resolution of the General Meeting of Shareholder, Supervisory Board of the Company or upon request of any shareholder (shareholders) of the Company holding jointly at least 5 (five) percent of the Company’s voting shares, by prior notification to the Supervisory Board of the Company.

14.8. On the basis of audit of the Company’s financial and economic activities, the Company’s Audit Commission shall prepare a report, which must contain the following:

evaluation of the authenticity of the information in reports and other financial documents of the Company;

information on violations by the Company of the procedure for maintaining accounting records and submitting financial reports which is established by legal acts, and on violations of legal acts which occur when carrying out financial and economic activities of the Company.

14.9. The Company’s Audit Commission shall quarterly submit to the meeting of the Supervisory Board of the Company the report of transactions with affiliated persons or major transactions in Company, and compliance with the requirements of legislation as well as Company internal documents related transactions. A report containing information mentioned in clause 14.8. of these Statutes shall be heard at the annual General Meeting of Shareholders.

14.10. The operating procedures of the Audit Commission are determined by the Regulations on Audit Commission and approved by the General Meeting of Shareholders.

**XV. Internal Audit Service of the Company**

15.1. Internal Audit Service may be established by Company. The Internal audit service is directly subordinated and accountable to the Supervisory Board of the Company.

15.2. Internal Audit Service shall control and evaluate the work of the Executive body, branches and representative offices through inspections and monitoring, compliance with legislation, Company’s Statutes and other documents, ensure completeness and reliability of accounting and financial reports, of established rules and procedures of business transactions, preservation of assets and compliance with requirements set by legislation for management of the Company.

15.3. Internal Audit Service carries out its activities in accordance with the procedure determined by the Cabinet of Ministers of the Republic of Uzbekistan, unless otherwise required by law.

**XVI. Reorganization and liquidation of the Company**

16.1. Reorganization of the Company (by merger, affiliation, separation, extraction, transformation) is effected in accordance with Legislation by the decision of the General meeting of shareholders.

16.2. In cases established by legislation, reorganization of legal entities in the form of mergers, acquisitions or transformation could be done only with the consent of the authorized state bodies

16.3. Registering body carries out state registration of the newly established legal entities after cancellation of the state registration of securities issue, liquidated as a result of restructuring of the Company, as well as its exclusion from the Unified Government Register.

16.4. The liquidation of the Company shall result in its termination without assignment of any rights and obligations in a succession order to any other persons.

16.5. In the case of voluntary liquidation of Company, the Supervisory Board of Company being liquidated, submits  for the decision of the General Shareholders’ Meeting the question on liquidation of Company and appointment of liquidator or liquidation Commission (hereinafter, the liquidator)

16.6. The General Shareholders’ Meeting of voluntary liquidated Company shall take decisions concerning the liquidation of Company and appointment of liquidator

16.7. Upon liquidation of the Company, by order of a court, appointment of liquidator shall be made according to the procedure established by the legislation.

16.8. The powers in relation to managing the Company passing to the liquidator from the day of his appointment. The liquidator on behalf of the Company acts in court.

16.9. If the shareholder of a liquidated Company is the State, the Liquidation Commission shall be appointed, and shall include a representative of the body authorized to dispose of State property.

16.10. Liquidation Commission shall place a publication in official publications, according to the procedure under the law, concerning the liquidation of the Company and the procedure and periods for its creditors to make claims.

16.11. The assets of the liquidated Company left after the settlement of debts with creditors shall be distributed among the shareholders according to the following priority:

primarily, payment of shares which shall be repurchased from the shareholders in cases stipulated by the legislation of the Republic of Uzbekistan "On Joint Stock Companies and Protection of the Rights of Stockholders(Shareholders)";

secondly, payment of accrued but unpaid dividends on preferred shares and liquidation value of preferred shares defined by the Statutes;

thirdly, distribution of the liquidated Company’s property among shareholders — owners of ordinary shares.

16.12. Distribution of property of each order of priority shall be satisfied after full satisfaction of claims of the previous order.

16.13. If the Company's property is not enough to pay accrued but unpaid dividends and the liquidating value defined by the Statutes to all shareholders owning preferred shares, the property is distributed between the shareholders owning preferred shares in proportion to the amount of shares of this type owned by the shareholders.

16.14. The company is obliged to convert a part of liquidation value of assets to foreign currencies to transfer them to a shareholder — foreign investor.

16.15. The liquidation of the Company shall be considered completed and the Company shall be deemed to have ceased its activity as of the date of the relevant entry made by the state registration authority to the Unified State Register of Legal Entities.

16.16. The registering body is obliged to make a relevant record on liquidation of the Company only after cancellation of the State registration of Securities issue.

**XVII. Dispute resolution**

17.1. Disputes in the sphere of activity, reorganization and liquidation of joint stock companies and protection of shareholders ' rights are resolved according to the procedure established by Law.