

APPROVED
By General shareholders meeting
of JSC "UZRCSE"
Minutes on.....,2016

AMENDMENTS AND ADDITIONS MADE INTO REGULATION ABOUT SUPERVISORY BOARD OF
JSC "UZRCSE"

№	Current version	Proposed version	Justification
1	1.4 Members of Supervisory board are elected by General shareholder meeting annually by carrying out cumulative vote in order provided by legislation and Articles of society in number of seven members.	1.4 Members of Supervisory board are elected by General shareholder meeting annually by carrying out cumulative vote in order provided by legislation and Articles of society in number of seven members. The candidates meeting the following requirements can be elected to structure of supervisory board: - existence of higher education - existence of qualification certificate of corporate managing director in JSC UZRCSE with state share in authorized capital given by Scientific and educational center of corporate management (except for the cases established by legislation);	The presidential decree of the Republic of Uzbekistan of 24.04.2015 N UP-4720 "About measures for introduction of modern methods of corporate management in joint stock companies" The provision on an order of issue of the qualification certificate of corporate managing director (approved by Resolution on 11.01.2016 of MinEcon. under No. 110 and State Committee of competition under No. 01/03-26/29 registered by MinJusc. on 28.01.2016 under No. 2755) cl. 25 th , paragraph 4 of the Code of corporate management

2		<p>To add with cl. 1.6</p> <p>On resolution of general shareholder meeting structure of supervisory board may consist of not less than one independent member (but not less than 15% of members number of supervisory board provided by its Articles).</p> <p>The following persons can be independent members of the supervisory board of JSC UZRCSE, who:</p> <ul style="list-style-type: none"> a) did not work in JSC UZRCSE, its affiliated or affiliated enterprises, over the last 5 years; b) are not connected with companies rendering advisory services to JSC UZRCSE, its affiliated or affiliated enterprises; c) are not connected with significant client or supplier of JSC UZRCSE, its affiliated or affiliated enterprises; d) have no personal contracts for service in JSC UZRCSE, its affiliated or affiliated enterprises; e) are not a member of family of person who is or was within the last 5 years, an executive of JSC UZRCSE, its affiliated or affiliated enterprises; e) are not controlling official of JSC UZRCSE (or member of a group of persons and/or organizations, collectively exercising control over joint-stock company); g) are not connected with JSC UZRCSE with civil contracts and are not a worker of major shareholder of JSC UZRCSE. 	<p>Recommendation of cl. 18 of the Code of corporate management</p>
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3	<p>2.1. Competence of Supervisory board includes: definition of priority activities of the Exchange;</p> <p>convocation of annual and extraordinary General shareholder meetings, except for cases, provided by a part of the eleventh article 65 of Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders rights";</p> <p>preparation of agenda of General shareholder meeting;</p> <p>definition of date, time and venue of General shareholder meeting;</p> <p>definition of date for formation of register of shareholders of society for notification about holding General shareholder meeting;</p> <p>introduction in decision of General meeting of shareholders the questions provided in the second paragraph the first part, article 59 of Law of the Republic of Uzbekistan "On joint-stock societies and protection of shareholders rights ", in cases when matters are referred to competences of General shareholder meeting;</p> <p>organization of establishing the market value of property;</p> <p>early termination of powers of Chairman and board</p>	<p>2.1. The competence of the Supervisory board includes:</p> <p>definition of priority activities of the Exchange with regular hearing of the report of executive body of society on the taken measures for achievement of the development strategy of society;</p> <p>convocation of annual and extraordinary General shareholder meetings, except for cases, provided by the eleventh part of article 65 of Law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders rights ";</p> <p>preparation of agenda of General shareholder meeting;</p> <p>definition of date, time and venue of General shareholder meeting;</p> <p>definition of date for formation of shareholders register of society for notification about holding General shareholder meeting;</p> <p>introduction into decision of General meeting of shareholders the questions provided in the second paragraph the first part article 59 of Law of the Republic of Uzbekistan "On joint-stock societies and protection of shareholders rights", in cases when matters are referred to competences of General shareholder meeting;</p> <p>organization of establishing the market value of property;</p> <p>early termination of powers of Chairman and board</p>	<p>Article 75, paragraph 2 of Law "On Joint Stock Companies and Protection of Shareholders Rights"</p>
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<p>members, and also appointment of acting as Chairman and board members;</p> <p>appointment of corporate consultant and adoption of Regulation defining order of its activity;</p> <p>approval of annual business plan of the Exchange;</p> <p>creation of service of internal audit and appointment of its workers, and also quarterly hearing of its reports;</p> <p>determination of number of personnel of the Exchange;</p> <p>access to any documents concerning activity of executive body of the Exchanges, and receiving them from executive body for execution assigned on supervisory board of duties. Received documents can be used by supervisory board of society and its members only in office purposes;</p> <p>decision making on carrying out audit inspection, on definition of auditor</p> <p>organization and limit amount of payment of its services;</p> <p>making recommendations about sizes paid to members of audit commission (auditor) of society of remunerations and compensations;</p> <p>making recommendations about dividend size, form and order of its payment;</p> <p>use reserve and other funds of the Exchange;</p> <p>creation of branches and opening of representative offices of society;</p> <p>decision making on transactions in cases provided by</p>	<p>members, and also appointment of acting as Chairman and board members;</p> <p>appointment of corporate consultant and the adoption of Regulation defining order of its activity;</p> <p>approval of annual business plan of the Exchange;</p> <p>creation of service of internal audit and appointment of its workers, and also quarterly hearing of its reports;</p> <p>determination of number of personnel of the Exchange;</p> <p>access to any documents concerning activity of executive body, exchanges, and receiving them from executive body for execution assigned to supervisory board of duties. Received documents can be used by supervisory board of society and its members only in office purposes;</p> <p>making decision on carrying out the audit inspection, on definition of auditor</p> <p>organization and extreme amount of payment of its services;</p> <p>making recommendations about sizes paid to members of audit commission (auditor) of society of remunerations and compensations;</p> <p>making recommendations about dividend size, form and order of its payment;</p> <p>use reserve and other funds of the Exchange;</p> <p>creation of branches and opening of representative offices of society;</p> <p>making decision on transactions in cases provided by</p>	
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<p>chapters 8 and 9 of law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders rights "; conclusion of transactions connected with participation of society in commercial and noncommercial organizations, in order established by legislation; increase in authorized capital by increase in par value of shares, and also entering corresponding amendments and additions into Articles connected with such increase in authorized capital of the Exchange; approval of decision on issue of securities and prospectus of issue; determination of placement price (exposure on exchange and organized off-exchange securities market) of shares according to article 34 of Law of the Republic Uzbekistan "On joint stock companies and protection of shareholders rights"; establishment of sizes of remunerations and compensations paid to executive body of society.</p>	<p>chapters 8 and 9 of law of the Republic of Uzbekistan "On joint stock companies and protection of shareholders rights"; conclusion of transactions connected with participation of society in commercial and noncommercial organizations, in the order established by the legislation; to exclude;</p> <p>approval of decision on issue of securities and prospectus of issue; determination of placement price (exposure on exchange and organized off-exchange securities market) of shares according to article 34 of Law of the Republic Uzbekistan "On joint stock companies and protection of shareholders rights"; establishment of sizes paid to executive body of society remunerations and compensations.</p> <p>Definition of an order, conditions and amount of rendering (receiving) of charitable (sponsor's) or free aid within sizes, established by general shareholder meeting and legislation;</p> <p>according to decision of general shareholders meeting carrying out an annual analysis of compliance of business processes and projects to</p>	<p>According to amendments made to Law RUZ "On Joint Stock Companies and Protection of Shareholders Rights " on April 25, 2016</p> <p>Recommendation of cl. 15, paragraph 3 of Code of corporate management</p> <p>Recommendation of cl. 15, paragraph 4 of Code of corporate management</p>
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		<p>purposes of development of JSC UZRCSE with involvement of independent professional organizations – consultants;</p> <p>ensuring consideration with general meeting of shareholders of a question by definition of transactions connected with the current economic activity of JSC UZRCSE for independent commission by executive body of transactions with affiliates and large deals;</p> <p>entitling a service of internal audit of JSC UZRCSE with powers on implementation of internal control, including of operations performed with legal entities over 50% of authorized capital belonging to JSC UZRCSE;</p> <p>Development and statement of order of interaction of bodies of internal control of JSC UZRCSE (audit commission and service of internal audit) with supervisory board, general shareholder meeting and shareholders;</p> <p>Development and approval of general shareholder meeting long-term development strategy of JSC UZRCSE for more than 5 years;</p> <p>Development and introduction on statement (approval) of general shareholder meeting or</p>	<p>Recommendation of cl. 15, paragraph 6 of Code of corporate management</p> <p>Recommendation of cl. 15, paragraph 7 of Code of corporate management</p> <p>Recommendation of cl. 15, paragraph 11 of Code of corporate management</p> <p>Recommendation of cl. 22, paragraph 3 of Code of corporate management</p> <p>Recommendation of cl. 22, paragraph 5 of Code of corporate management</p>
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		<p>supervisory board short-term (annual) and medium-term (for the period of 5 years) business plans on the basis of long-term strategy approved by a general shareholders meeting;</p> <p>introduction of necessary quantitative and qualitative criteria allowing to carry out achievement monitoring the purposes designated in each of development plans admitted to JSC UZRCSE;</p> <p>evaluating the corporate management system in JSC UZRCSE which implementation is recommended to attract an independent organization;</p> <p>In case of necessity to create working groups on appropriate questions, including for resolution of conflict situations, from among members of supervisory board, Board, employees of JSC UZRCSE and involved experts;</p> <p>regulate cases and order of holding meetings of the supervisory board by poll, and also in video conferencing mode;</p> <p>reference to powers of chairman of general meeting of shareholders of questions of authorization of audio-video of record and</p>	<p>Recommendation of cl. 22, paragraph 6 of Code of corporate management</p> <p>Recommendation of Section X of Code of corporate management</p> <p>Recommendation of cl. 25, paragraph 5 of Code of corporate management</p> <p>Recommendation of cl. 25, paragraph 6 of Code of corporate management</p> <p>Recommendation of cl. 25, paragraph 7 of Code of corporate management</p>
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		broadcast of general shareholder meeting on the Internet.	
4		<p>To add with cl. 3.12</p> <p>Resolution of a question on early termination of powers of acting members of supervisory board of JSC UZRCSE is made by general shareholder meeting.</p> <p>At the same time before convocation of regular meeting of shareholders a member of supervisory board declaring about impossibility of continuation of fulfillment of his/her duties as a member of supervisory board does not participate in meetings.</p> <p>Legitimacy of decision-making is defined according to acting legislation.</p>	Recommendation of cl. 20, paragraph 16 of Code of corporate management
5	5.1 Meeting of Supervisory board of society is convened by Chairman of Supervisory board on his/her own initiative, on demand of a member of Supervisory board, audit commission, Board, and also other persons determined by Articles of society.	5.1 Meeting of Supervisory board of society is convened by Chairman of Supervisory board on its own initiative, on demand of member of Supervisory board, audit commission, Board, the shareholder, owning not less than 1% of common shares of JSC UZRCSE, and also by other persons determined by Articles of society.	Recommendation of cl. 20, paragraph 8 of Code of corporate management

6	<p>6.1 A member of Supervisory board has a right:</p> <ul style="list-style-type: none"> - to participate personally in a meeting of Supervisory board, to bring on consideration of council questions to act on questions discussed at a meeting and to vote at decision-making; - according to decision of Supervisory board to receive all full and reliable production and financial information on activity of society for certain period of time, about plans of its development; - to earn remuneration and/or compensation of expenses connected with execution of functions of a member of Supervisory board. 	<p>6.1 A member of Supervisory board has a right:</p> <ul style="list-style-type: none"> - to participate personally in a meeting of the Supervisory board, to bring on consideration of council questions to act on questions discussed at a meeting and to vote at decision-making; - according to decision of Supervisory board to receive all full and reliable production and financial information on activity of society for certain period of time, about plans of its development; - to earn remuneration and/or compensation of the expenses connected with execution functions of the member of the Supervisory board. <p>At the same time amount of remuneration to members of supervisory board defines general shareholder meeting. Amount of remuneration is connected with results of independent assessment of corporate management system and financial results of activity of JSC UZRCSE.</p> <p>- other rights and duties established by local acts, approved (approved) by Supervisory board of JSC UZRCSE or general shareholder meeting.</p>	<p>Recommendation of cl. 25, paragraph 12 of Code of corporate management</p> <p>In local acts adopted by Supervisory board or General shareholder meeting there also reflected rights and obligations of Supervisory board.</p>
7		<p>To add with cl. 6.7</p> <p>Supervisory board provides coordination of works</p>	<p>Recommendation of cl. 30 of Code of</p>

		on development, introduction and regular assessment of compliance of organizational structure of JSC UZRCSE to requirements of legislation.	corporate management
8		To add with cl. 6.8 According to decision of supervisory board of JSC UZRCSE independent assessment of a corporate management system is carried out to JSC UZRCSE at least once a year. A choice of independent organization for evaluating a corporate management system is carried out on the basis of a competition by decision of supervisory board.	Recommendation of Section X of Code of corporate management. Including subcl. 32, 36.

Temporarily acting Chairman of Board

A.Nagaev

Working group for preparation of Corporate management Code into implementation:

Chairman of Working group:

Financial Director _____ Prokudina K.A.

Members of working group:

Control and HR Director

_____ Azamkhujayev U.Sh.

Head of legal department

_____ Nam G.S.

Head of internal audit service

_____ Bakhadirov A.K.

Corporate Advisor

_____ Yuldashev U.M.