

APPROVED
by the Decision of the Shareholders' General
Meeting of « UZBEK COMMODITY
EXCHANGE» JSC

REGULATION ON
DIVIDEND POLICY OF
«UZBEK COMMODITY EXCHANGE» JSC

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I. GENERAL PROVISIONS

1. This Regulation on Dividend Policy of «QURILISH BIRLASHMASI» JSC (hereinafter "Regulation") is developed in accordance with the current legislation of the Republic of Uzbekistan, the Articles of Association of «QURILISH BIRLASHMASI» JSC (hereinafter "Company"), the Code of Corporate Management approved by the Minutes of the Committee for Improvement of the Efficiency of Joint-Stock Companies Activity and Enhancement of Corporate Management System №9 dd. December 31, 2015 and other internal documents of the Company.

General questions reflecting and revealing the dividend policy of «QURILISH BIRLASHMASI» JSC are provided herein.

2. Company`s Dividend Policy is focused on improvement of Shareholders` prosperity and on increase in the company's capitalization growth. The main purpose of this Regulation is to inform Shareholders and other concerned parties about Company`s Dividend Policy.

This Regulation defines the approach of Company`s Supervisory Board to making recommendations on the amount of shares dividends and timing of dividend payment.

If any questions related to the payment of dividends to Company`s shareholders are not regulated by the Law on Joint-Stock Companies and Protection of Shareholders' Rights , other normative legal acts of the Republic of Uzbekistan, Company`s Article of Association and this Regulation, they shall be dealt so to act in the interests of shareholders` rights.

3. This Dividend Policy is prepared for the period of 2016-2018.

During this period at least 50% of net profit shall be appropriated to the Company for dividends payment. The remaining funds will be directed to the formation of production development funds, reserve capital and material incentives.

4. The Company considers capitalization growth as the main way to serve the legitimate property interests of Shareholders in deriving the income from Company's shares. The Dividend Policy involves the optimization of proportions between expendable and compounded portions of profits received by the Company, in order to increase market value of shares.

5. Company`s Dividend Policy is based on the following main principles:

- the principle of transparency implies identification and disclosure of information on duties and responsibilities of the parties involved in implementation of the Dividend Policy, including the procedure and conditions of decision making on dividends payment and their amount;
- the principle of timeliness involves the establishment of time limits for dividends payment;
- the principle of reasonableness implies that the decision on dividends payment and their amount may be made only in the case of achieving positive financial results by the Company, taking into account development plans and investment programs based on the Company`s actual financial situation;
- the principle of justice means ensuring equal rights of Shareholders to the information concerning decisions on dividends payment, their amount and terms and conditions of dividends payment;
- the principle of consistency implies strict execution of Dividend Policy procedures and principles;
- the principle of development implies continuous improvement of the Dividend Policy for further improvement of corporate management procedures and revision of its provisions due to changes of Company's strategic goals;
- the principle of sustainability involves the Company's commitment to providing stable level of dividend payments.

6. The Company is entitled to make decisions (announcements) on payment of outstanding shares dividends. Shareholders` General Meeting is entitled to decide whether to pay shares dividends or not.

7. The Company is obliged to pay declared dividends.

Expenses related to payment of dividends (including costs for tax calculation and withholding, transfer of dividends, postage expenses) cannot be charged from the Shareholder receiving dividends by the decision of Management Board. The Company shall be responsible before Shareholders for non-fulfillment of such obligation in accordance with the current legislation of the Republic of Uzbekistan.

8. Dividends shall not be accrued and paid on the following shares:

- not outstanding shares;

- shares purchased and / or repurchased by the Company;
 - in other cases stipulated by the legislation of the Republic of Uzbekistan.
9. In the cases specified in the first part of Article 54 of the Law on Joint Stock Companies and Protection of Shareholders' Rights the Company is not entitled to pay dividends and make any decisions on their payment.

II. PROCEDURE FOR THE ASSESSMENT OF THE AMOUNT OF DIVIDENDS AND THEIR DISTRIBUTION

10. At the end of the first quarter, six months, nine months of the fiscal year and (or) financial year the Company is entitled to take decisions (announce) on payment of shares dividends, except shares referred to in paragraph 8 hereof.

The decision on payment (announcement) of dividends at the end of the first quarter, six months and nine months of fiscal year can be taken within three months after the end of relevant period.

Dividends are paid out from Company`s net profit that remains at the Company`s disposal, and (or) from undistributed profit of previous years. Preferred shares dividends may be paid out from special funds of the Company. The Company establishes the reserve fund collected from Company`s profit for uncollectable receivables in order to ensure timely payment of dividends and prevention of deterioration of Company`s financial condition due to withdrawal of funds for dividends payment.

11. Shareholders` General Meeting shall decide on payment (announcement) of each category share dividends. The Company`s Supervisory Board shall provide recommendations to Shareholders` General Meeting on the amount of shares dividends and terms and conditions of their payment. The amount of dividends may not exceed the amount recommended by the Supervisory Board.

12. The decision of Shareholders` General Meeting on payment (announcement) of dividends shall specify:

- category (type) of shares on which dividends are to be paid out (announced);
- the amount of dividend per a certain category share;
- term, procedure and frequency of dividends payment.

At the same time, the Company shall not be entitled decide on distribution

(payment) of dividends in cases established by the legislation, as well as on impossibility of full payment of ordinary shares dividends in the terms established by the legislation.

13. The Supervisory Board shall assess the amount of shares dividends recommended to Shareholders Meeting basing on the following factors:

- amount of net profit according to the financial statements, the accuracy of which ones is confirmed by the auditor's report;
- Company`s financial and economic plans for subsequent periods;
- structures of Company`s circulating assets at the end of the relevant period;
- Company`s debt load at the end of the relevant period.

14. While assessing the amount of recommended dividends, the Supervisory Board should take into account the Company's financial and economic plans for the subsequent periods, current and future condition of circulating assets and liabilities of the Company. Payment of dividends recommended by the Supervisory Board to the Company`s Shareholders General Meeting should not cause the attraction of additional debt financing by the Company or other costs not included to the approved financial and economic plan for subsequent periods.

III. PROCEDURE AND TERMS OF DIVIDENDS PAYMENT

15. The Company shall pay dividends in cash or by other legal payment means or in forms of Company`s securities. Declared dividends shall be paid out in the national currency of the Republic of Uzbekistan or at the written request of Shareholder, who is non-resident of the Republic of Uzbekistan, the Company shall make conversion of dividends accrued to freely convertible currency, and to transfer funds to the bank account specified by non-resident shareholder.

16. The term of dividends payment shall be settled by the decision of the Company`s Shareholders General Meeting, but it may not exceed 60 days from the date of decision on dividends payment taken by the Shareholders' General Meeting.

17. If holders of Company`s securities could not receive accrued dividends within the terms settled by the Shareholders' General Meeting, the Company shall continue paying such dividends (unclaimed dividends). The period of payment of unclaimed dividends may not exceed three years from the date of expiration of the Company`s obligation on

payment of declared dividends.

18. In case of non-payment (non-receipt) of dividends due to a fault of the Company within the terms settled by the Shareholders' General Meeting, the penalty shall be charged for unpaid (uncollected) dividends considering refinancing rate of the Central Bank of the Republic of Uzbekistan. Penalty accrued for the unpaid (uncollected) dividends shall not exceed 50 percent of the amount of unpaid (unclaimed) dividends.

19. Structural Division of the Company having among all its duties the duty to arrange and manage the work with shareholders, together with the Company's Accounting Department, shall develop, coordinate and implement all measures for organization of payment of dividends prescribed by the Company under this Regulation.

20. Any Shareholder may ask the Company to submit the information on shares dividends payment procedure, the procedure of accruals and taxation of dividends amount, and payment conditions.

21. Shares dividends can be received by the persons listed in the Company's Shareholders Register book that is formed for holding Shareholders' General Meeting, where the decision to pay dividends to Shareholders was taken.

22. If shares are in shared ownership, dividends shall be distributed between Shareholders proportionally to their share in the prescribed manner.

23. Shareholder shall promptly inform the investment intermediaries and / or the Securities Central Depository, which provides services for registering rights to its shares, on any changes in details. If shareholder does not provide information about changes in details, the Company, the Central Depository and/or investment intermediary providing services for registering rights to its shares, shall not be liable for any loss caused to shareholder.

24. If shareholder failed to specify correctly his/her address or bank details for dividends transfer, or to inform the Company about these details, or to inform timely about them, the Company shall not be responsible for any loss caused to shareholder. After returning to the Company the amount of dividends transferred improperly due to the fault of shareholder because of the reasons specified above in this paragraph, these dividends are to be retransferred according to the details specified by Shareholder but with deduction of expenses for return and retransfer procedures.

25. When the shares income is paid out to shareholders, the Company shall be the tax

agent and shall pay out accrued dividends after deduction of taxes on yield established by applicable laws of the Republic of Uzbekistan. The shareholder, towards whom ordinary tax rates should not be applied, shall provide to the Company (Paying Agent) all supporting documents as specified by current legislation of the Republic of Uzbekistan.

IV. LIABILITY FOR PAYMENT OF DECLARED DIVIDENDS

26. The Company is obliged to pay out declared dividends on shares of each type.

27. While paying out dividends none of the shareholders has advantages in terms of payments.

Payment by the Company of accrued dividends on common shares shall be subject to the equal rights of Shareholders for receiving dividends. If dividends to minority Shareholders shall not be paid in a timely manner thereby the Company is not entitled to pay dividends to principal shareholder.

28. Company`s Executive Body is responsible for the full and timely payment of dividends to Company`s Shareholders. Control for the actions of the Executive Body is carried out by the Company`s Supervisory Board together with the Auditing Committee.

29. In order to ensure payment of accrued dividends the Supervisory Board deals with progress of dividend payment at their meetings, the progress of the payment of dividends. In the case of incomplete or late payment of dividends due to the fault of the Company`s Executive Body the Supervisory Board determines the measure of responsibility of perpetrators and imposes appropriate sanctions or initiates their imposition.

30. If the Company does not fulfill own obligations, the Shareholders are entitled to demand payment of declared dividends on the shares of each type by legal means.

31. The Company is liable in accordance with the legislation of the Republic of Uzbekistan for non-performance or improper performance of Company`s duties as the Tax Agent on withhold and transfer of dividends tax.

V. INFORMATION DISCLOSURE

32. The Company shall disclose this Regulation, as well as changes and supplements thereto, on its corporate Internet website within ten days after the signing of the Minutes of the Company's Governing Body Meeting, on which appropriate decision had been taken.

33. When accepting the decision on dividends payment taken at the Shareholders General Meeting, the Company shall disclose information in the form of statements of material facts in the terms established by law. The Company shall notify by e- mail about distribution of dividends to the Shareholders.

34. Against due performance by the Company of its obligations on payment of dividends the Company shall disclose relevant information on material facts in the form of messages in the terms established by law.

VI. FINAL PROVISIONS

35. This Regulation, as well as changes and supplements thereto are approved by the decision of the Shareholders General Meeting.

36. Changes and supplements to this Regulation shall be made on the proposal of the members of Company`s Supervisory Board, Company`s Audit Committee, Company's Internal Audit Service, the Head of the Company`s Executive Body.

37. If individual articles of this Regulation come into conflict with the current legislation of the Republic of Uzbekistan and/or the Company's Articles of Association, these articles become invalid and in issues regulated by these articles should be guided by the norms of the current legislation of the Republic of Uzbekistan and/or the Articles of Association of the Company until the appropriate amendments thereto.