

"APPROVED"  
General meeting of shareholders  
"Oqtosh don" JSC  
From "29" June 2016.  
Protocol №21

NON-OFFICIAL TRANSLATION OF THE ENGLISH VERSION

**POSITION  
ABOUT THE EXECUTIVE BODY  
Joint Stock Company "Oqtosh don"**

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### **1. GENERAL PROVISIONS**

1.1. This Regulation determines the status and regulates the work of the executive body of the joint-stock company "Oqtosh don" (hereinafter - the company).

1.2. Management of the current activities of the company is carried out by the sole executive body - the director whose competence is determined by the company's charter and these Regulations.

1.3. By decision of the general meeting of shareholders, the powers of the executive body of the company may be transferred under a contract of a commercial organization (trust manager). The terms of the concluded contract are approved by the supervisory board of the company, unless otherwise provided by the charter of the company.

1.4. This provision has been developed in accordance with the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholder Rights", other legislative acts, the charter of the joint stock company " Oqtosh don " (hereinafter - the Company), the Codex of Corporate Governance of the Republic of Uzbekistan.

### **2. ORDER (ELECTION) AND TERMINATION OF THE AUTHORITY OF THE DIRECTOR**

2.1. The director of the company is elected (appointed) by the general meeting of shareholders for a period of one year.

2.2. In accordance with the company's charter or by a decision of the general meeting of shareholders or the supervisory board of a company, the appointment of a director or members of the company's management board is, as a rule, based on competitive selection, in which foreign managers can take part.

2.3. A candidate for the position of a director is obliged to inform the company about the facts of bringing him to criminal liability.

2.4. Presenting one or another candidacy for the post of director, the chairman of the supervisory board shall inform about the terms of the contract, the amount of wages, remuneration and compensation for management activities, and the consent of the candidate for the conclusion of the contract, confirmed by the candidate's personal application.

2.5. The decision of the general meeting of shareholders on the election (appointment) of the director of the company shall be adopted by a majority of votes of the shareholders owning the voting shares of the company (by a simple majority) participating in the meeting.

2.6. Candidates for the post of director of the company may attend the general meeting of shareholders when considering their candidacies.

After the election (appointment) of a candidate for the post of director, the supervisory board concludes a contract with him for the performance of the duties of the director, for a period of one year, with an annual decision on the possibility of its extension or termination based on the results of the competitive selection. The contract on behalf of the company is signed by the chairman of the supervisory board or by a person authorized by the supervisory board of the company. In the concluded contract with the director, his obligations to increase the efficiency of the company's activities and the frequency of its reports to the general meeting of shareholders and the supervisory board of the company on the implementation of the company's annual business plan should be provided for.

2.7. The salaries and remuneration of the director are directly dependent on the efficiency of the company's activities and are determined by the contract.

2.8. The General Meeting of Shareholders or the Supervisory Board of the company, if in accordance with the company's charter, such a right is granted to him, has the right to terminate (terminate) the contract with the director of the company if he violates the terms of the contract.

2.9. The general meeting of shareholders or the supervisory board has the right to early termination (termination) of the contract with the director of the company when they commit gross violations of the charter of the company or causing losses to the company by its actions (inaction).

2.10. The resolution of the general meeting of shareholders on termination (termination), including early termination (termination), contract with the director is adopted by a majority of votes of shareholders - owners of voting shares of the company (by a simple majority) participating in the meeting.

2.11. The decision of the supervisory board on early termination (termination), contract with the director is adopted by a majority vote of the members of the supervisory board participating in the meeting.

2.12. If the general meeting of shareholders or the supervisory board of the company decides to terminate the powers of the director of the company, the issue of transferring the powers of the director of the company to another person may be resolved at the same meeting or left for consideration at the next general meeting of shareholders with the appointment of the acting director of the company.

### **3. RIGHTS AND DUTIES OF THE DIRECTOR OF THE COMPANY**

3.1. The competence of the director of the company includes all matters of management of the current activities of the company, with the exception of issues attributed to the exclusive competence of the general meeting of shareholders or the supervisory board.

3.2. The director acts within the competence determined by the legislation, the company's charter, this provision, the terms of the labor contract concluded with them, decisions of the general meeting of shareholders and the supervisory board of the company.

3.3. The director has the right:

- act without authority on behalf of society, represent the interests of the public in state institutions, in all organizations and enterprises, regardless of the form of ownership;
- to open settlement, currency and other accounts in banks with the right of the first signature on the banking and other financial documents of the company;
- conclude deals and sign contracts (contracts) with clients of the company, as well as with other organizations and enterprises;
- sign documents on behalf of the company;
- within the limits of his powers, to dispose of the property and funds of the company;
- to determine and approve the staff list of employees;
- accept employees for work, conclude and terminate labor contracts with them, apply disciplinary sanctions to them, ensure compliance with labor and performance discipline;
- in accordance with the labor legislation of the Republic of Uzbekistan and normative documents, to establish the payment of labor (of all types of premiums, allowances, surcharges and coefficients of labor participation) to the employees of the company;
- approve regulations on structural divisions of the company and job descriptions of employees of the company;
- issue power of attorney on behalf of the company;
- determine the position in the voting on behalf of the JSC of its representatives in the management bodies of enterprises that are members of the JSC;
- to carry out insurance of business risks of joint-stock companies and responsibility of the executive body;
- issue orders, orders and give instructions binding for all employees of the company;
- approve internal regulatory documents of the company, with the exception of internal regulatory documents, the approval of which is attributed to the competence of the general meeting of shareholders or the supervisory board;
- other rights, in accordance with the law, the charter of the company and the employment contract.

3.4. Duties of the Director:

- management of the current activities of the company, with the exception of matters referred to the competence of the general meeting of shareholders and the supervisory board, ensuring its effective and sustainable work;
- protection of the interests of the public in state institutions, in all organizations and enterprises, regardless of the form of ownership;
- organization of execution of decisions of the general meeting of shareholders and the supervisory board of the company;

- ensuring effective interaction between the company's structural divisions;
- ensuring the fulfillment of the contractual obligations of the company;
- ensuring the receipt of profits in the amounts necessary for the development of production and social sphere;
- management of the development of programs and business plans for the development of society, organization and monitoring of their implementation;
- ensuring compliance with the requirements of legislation in the activities of the company;
- ensuring the organization, proper state and reliability of accounting and reporting in the company, timely submission of an annual report and other financial statements to the relevant authorities, as well as information on the company's activities sent to shareholders, creditors and other information recipients;
- Quarterly reports to the supervisory board on the implementation of the annual business plan;
- unhindered provision of documents on the financial and economic activities of the company at the request of the supervisory board, the audit commission or the company's auditor;
- ensuring the completeness and timeliness of the provision of state statistical reporting to the relevant authorities;
- the preservation of information constituting a commercial secret of the company, unless it is within the scope of its responsibilities to transfer such information to third parties. The list of information constituting the commercial secret of the company is determined by the supervisory board;
- ensuring the preservation of information constituting official or commercial secrets by employees of the company;
- taking measures to provide the society with qualified personnel, for the best use of knowledge, qualifications, experience and abilities of the company's employees;
- maintenance of labor discipline;
- Ensuring compliance with social guarantees and labor protection of employees of the company;
- ensuring the improvement of their qualifications, as well as the officials of the AO through participation in training courses, seminars and other events;
- participation in collective bargaining, acting as an employer in the conclusion of collective agreements and agreements, fulfillment of obligations under a collective agreement;
- provision in due time to the general meeting of shareholders and the supervisory board of the company of reports on the state of affairs relevant to its competence;
- observance of all rights of shareholders to receive information provided by the current legislation, participation in general meetings of shareholders, accrual and payment of dividends;
- notification of the supervisory board of the company, if it is affiliated with a transaction by the company
- compliance with the requirements of the current legislation, the company's charter and other internal documents of the company.

3.5. The specific rights and duties of the company are stipulated in the contract with it.

3.6. The combination of the director of a company with a position in the management bodies of other organizations is allowed only with the consent of the supervisory board of the company.

#### **4. RESPONSIBILITY OF THE DIRECTOR OF THE COMPANY**

4.1. The director of the company in the exercise of his rights and the performance of his duties must act in the public interest and be responsible in the prescribed manner.

4.2. The director of the company during his work as such does not have the right to establish or participate in the establishment of enterprises whose activities create difficulties in the sale of products or in the provision of services to society. The director is obliged to suspend his participation in similar enterprises when appointing to a position in the company and to inform the supervisory board of the company about this suspension.

4.3. The director of the company is liable to the company for damage caused to it as a result of non-fulfillment or improper performance of its functions, in full for compensation of damage caused to the company, in accordance with the current legislation of the Republic of Uzbekistan and the company's charter.

4.4. The Company or a shareholder (shareholders) owning at least one percent of the company's outstanding shares has the right to apply to the court with a claim against the director of the company for compensation of losses caused to the company.