

*Appendix No. 3*  
*to the decision of the sole shareholder*  
*of JSCB “ASIA ALLIANCE BANK”*

APPROVED  
by the decision of the sole shareholder  
of JSCB “ASIA ALLIANCE BANK”  
No. AC-1/2020 as of February 27, 2020

**REGULATION**  
**ON THE SUPERVISORY BOARD**  
**OF JOINT-STOCK COMMERCIAL BANK**  
**“ASIA ALLIANCE BANK”**

**new wording**

## I. GENERAL PROVISIONS

1. The present Regulation is developed in accordance with the Laws of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ Rights” and “On Banks and Banking Activities”, the Code of Corporate Governance and the Rules of Corporate Governance for companies with state participation, approved by the minutes of the meetings of the Commission on increase effectiveness of activity of joint-stock companies and improvement the corporate governance system as of December 31, 2015 No. 9 and as of April 20, 2018. No. 15 respectively, as well as other acts of legislation and the Charter of the Bank.

2. This Regulation determines the status and regulates activities of the Supervisory Board of joint-stock commercial bank “ASIA ALLIANCE BANK” (hereinafter referred to as “the Bank”), election of its members and their rights and obligations.

3. The Supervisory Board of the Bank is a collegial body of the Bank, which carries out general management of the Bank’s activities, except for resolving issues referred by law and the Charter of the Bank to the competence of the General Meeting of Shareholders, implements supervisory and control function in the process of taking managerial decisions and is responsible for activities and financial sustainability of the Bank in general.

4. When carrying out its activities the Supervisory Board is guided by the following principles:

- decision-making based on reliable information on activities of the Bank;
- elimination of restrictions on the rights of shareholders to participate in management of Bank’s affairs, receive dividends and information about the Bank;
- achieving the balance of interests of various groups of shareholders and taking the most objective decisions by the Supervisory Board in the interests of all shareholders of the Bank;

5. Primary objectives of the Supervisory Board of the Bank are:

- ensuring effective control over the financial and economic activities of the Bank;
- ensuring the efficient activity of the executive bodies of the Bank, including through control over their activities;
- promoting rational corporate governance of the Bank;
- observance of the legitimate interests of the Bank, its depositors and shareholders;
- ensuring equal treatment of all shareholders, regardless of their shares, income level, gender, race, religion, nationality, language, social origin, personal and social status;
- ensuring effective cooperation between the Bank and the Central bank.

6. Distribution of functions among the members of the Supervisory Board of the Bank is carried out by its Chairman specifically for each member of the Supervisory Board.

7. When carrying out its activities the Supervisory Board of the Bank is accountable to the General Meeting of Shareholders of the Bank, acts in the interests of the Bank and its shareholders and also ensures compliance of interests and legitimate requirements of all interested parties.

## **II. COMPETENCE OF THE SUPERVISORY BOARD OF THE BANK**

8. Competence of the Supervisory Board of the Bank includes the following:

1) determination of priority areas of the Bank's activities with regular hearings of reports of the Management Board of the Bank on measures taken to achieve development strategy of the Bank;

2) control over the execution of the adopted business plan of the Bank, as well as quarterly hearing of the report of the Management Board of the Bank on the results of the Bank's activities;

3) convocation of annual and extraordinary general meetings of shareholders, except for cases provided for by part eleven of Article 65 of the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Stockholders' Rights";

4) preparation of agenda of general meeting of shareholders;

5) determination of date, time and place of holding general meeting of shareholders;

6) determination of date of formation of the register of the Bank's shareholders for notification on holding general shareholders meeting;

7) submission for the decision of the General Meeting of Shareholders the issues provided for by the second paragraph of the first part of Article 59 of the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Stockholders' Rights";

8) organization of establishing the market value of property;

9) early termination of powers of the Chairman and members of the Management Board of the Bank, in cases prescribes by law, the Charter and this Regulation;

10) approval of annual business plan of the Bank, annual financial statements and ensuring the integrity of the accounting and financial reporting systems;

11) control over the Management Board of the Bank;

12) establishing internal audit service and appointment of its employees, organization of its work, as well as conduction of assessment of compliance of strategies and policies of the Bank by the Management Board of the Bank based on quarterly reports of internal audit service of the Bank;

13) access to any documents related to activities of the Management Board of the Bank, and receiving them from the Management Board of the Bank for performance of duties assigned to the Supervisory Board of the Bank. The received documents may be used by the Supervisory Board of the Bank and its members exclusively for official purposes;

14) investigation, discussion and challenge of information, proposals and clarifications provided by members of the Management Board of the Bank;

15) taking decision on conducting an audit (except for a mandatory annual audit), on determining an audit organization, the maximum amount of payment for its services and concluding (terminating) an agreement with it;

16) giving recommendations on the amount of remuneration and compensation paid to the members of the Revision Commission of the Bank;

17) giving recommendations on the amount of the dividend, the form and procedure for its payment;

18) control over the formation of reserves against possible losses on assets created on the basis of asset classification, as well as ensuring that the capital and general reserves of the Bank are maintained at a sufficient level;

19) use of reserve and other funds of the Bank;

20) establishing branches and opening representative offices of the Bank;

21) establishing subsidiaries and dependent companies;

22) decision-making on transactions in the cases provided for by chapters 8 and 9 of the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ rights”;

23) conclusion of transactions related to the Bank's participation in commercial and non-commercial organizations, in the manner prescribed by law;

24) decision-making on the redemption of corporate bonds of the Bank;

25) resolving issues on increasing the registered share capital of the Bank, as well as issues on introducing amendments and additions to the Charter of the Bank related to increasing the registered share capital and reducing the number of announced shares of the Bank

26) approval of the decision on the issue of securities (shares, bonds) and prospectus;

27) introduction of amendments and (or) additions to the decision on the issue of securities (shares, bonds) and prospectus and approval of their text;

28) determination of the placement price (placing on the exchange and organized over-the-counter securities market) of shares in accordance with Article 34 of the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ Rights”;

29) making a decision on the issue of corporate bonds by the Bank, including those convertible into shares;

30) making a decision on the issue of derivative securities;

31) determination of the amount of remuneration and (or) compensations paid to the Management Board of the Bank;

32) appointment of a corporate consultant and approval of the regulations governing the procedure for his activities;

33) determination of the procedure, conditions for providing (receiving) and making a decision on charitable (sponsorship) or gratuitous assistance only within the limits established by the General Meeting of Shareholders and law, with the disclosure of information about this for all shareholders;

34) establishing committees (working groups) under the Supervisory Board of the Bank on relevant issues;

35) approval and control over the implementation of strategic goals, corporate governance policy, and other internal policies of the Bank, including identifying, managing, monitoring and reporting risks, maintaining the Bank's capital adequacy;

36) approval of the procedure for the prevention and settlement of conflicts of interest;

37) approval of plans to restore the financial position of the Bank;

38) monitoring and periodically evaluating the effectiveness of the business management system, including the principles of bank management, and taking appropriate measures to eliminate the identified deficiencies;

39) submitting at least once a year to the General Meeting of Shareholders a report on the supervisory and control activities carried out;

40) ensuring compliance with prudential requirements, taking into account the long-term financial interests of the Bank and the capital requirements established by the Central Bank.

9. Competence of the Supervisory Board of the Bank may include decision of other issues in accordance with the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ Rights” and the Charter of the Bank.

10. Issues referred to the competence of the Supervisory Board of the Bank may not be submitted for decision of the Management Board of the Bank.

### **III. ELECTION AND TERMINATION OF POWERS OF MEMBERS OF THE SUPERVISORY BOARD OF THE BANK**

11. The procedure for submitting proposals on nomination of candidates to the Supervisory Board of the Bank, consideration and decision-making by the Supervisory Board on submitted proposals are carried out in accordance with Articles 63 and 65 of the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ Rights” and the Charter of the Bank.

12. Proposal on nomination of candidates to the Supervisory Board of the Bank is submitted in written form by sending a registered letter to the Bank or submitting it to office of the Bank. The date of the proposal is determined by the date of receipt by the Bank. Proposal is signed by shareholder or his authorized representative, and in case if proposal is signed by authorized representative then a power of attorney is attached. If the initiative comes from a shareholder – a legal entity, the signature of the representative of the legal entity acting in accordance with its charter without a power of attorney is certified by a seal of such legal entity. If proposal is signed by a representative of legal entity acting on its behalf by power of attorney the power of attorney is attached to the proposal.

13. The Central Bank agrees on the candidacies of persons nominated for members of the Supervisory Board prior to their assumption of office.

14. The requirements to persons elected to the Supervisory Board of the Bank may be established by the Charter of the Bank or by decision of General Meeting of Shareholders. The qualification requirements to members of the Supervisory Board of the Bank include the following:

- availability of higher education;

- knowledge of the works of the President of the Republic of Uzbekistan;
- knowledge of the Constitution of the Republic of Uzbekistan and the laws of the Republic of Uzbekistan in the sphere of banking, resolutions of the Chambers of the Oliy Majlis of the Republic of Uzbekistan, decrees of the President of the Republic of Uzbekistan, resolutions of the Cabinet of Ministers, regulatory documents of the Central Bank and other normative legal documents;
- impeccable business reputation, have the experience, knowledge and skills necessary to ensure effective risk management of the Bank, make informed decisions within their powers.
- other qualification requirements established by the legislation for members of the Supervisory Board of the Bank.

15. The terms of assessment, documents required for assessment, criteria for compliance with qualification requirements, as well as the procedure for approval of members of the Supervisory Board of the Bank are determined by the Central Bank.

The Bank is obliged to ensure that the members of the Supervisory Board and the Management Board, as well as key personnel of the Bank, always comply with the requirements of the law on banks and banking activities.

16. The number of members of the Supervisory Board of the Bank consists of 5 (five) people.

17. Members of the Supervisory Board of the Bank are be elected by the General Meeting of Shareholders for a term of one year in accordance with the procedure prescribed by law and the Charter of the Bank. When electing members of the Supervisory Board of the Bank, shareholders are guided by the recommendations of law and the Code of Corporate Governance on the inclusion of an independent member(s) in the Supervisory Board.

18. Election of members of the Supervisory Board of the Bank is carried out by cumulative voting

19. In case of cumulative voting, the number of votes belonging to each shareholder is multiplied by the number of persons to be elected to the Supervisory Board of the Bank, and the shareholder has the right to give the votes thus obtained in full for one candidate or distribute them between two or more candidates.

20. Candidates who receive the largest number of votes are considered elected to the Supervisory Board of the Bank.

21. Persons elected to the Supervisory Board of the Bank can be re-elected indefinitely.

22. Members of the Supervisory Board of the Bank shall not be persons who work under an employment agreement (contract) in the Bank, including Chairman and the members of the Management Board of the Bank.

23. A person shall not be elected to the Supervisory Board of the Bank, or the elected person is deprived of the right to membership in the Supervisory Board if:

a person is or intends to become a member of the supervisory board of two or more banks, except for the cases when these banks belong to one banking group;

the powers of the person were early terminated at the request of the Central Bank.

24. Early termination of powers of elected member of the Supervisory Board is carried out by a decision of the General Meeting of Shareholders, adopted by a majority of votes of shareholders - owners of voting shares of the Bank who participated in the meeting, if member violates law, the Charter of the Bank or causes losses to the Bank by his/her actions (inaction).

25. A member of the Supervisory Board of the Bank is entitled to, on his own initiative, withdraw from the membership at any time by written notice to the Chairman of the Supervisory Board of the Bank given one month prior to his withdrawal from the Supervisory Board. In this case the General Meeting of Shareholders elects a new member of the Supervisory Board of the Bank at the following meeting.

26. Powers of member of the Supervisory Board of the Bank may be terminated by court decision with a ban on taking a managerial position in business companies for a period of at least one year, if court finds him guilty of causing property damage to the Bank.

#### **IV. THE CHAIRMAN OF THE SUPERVISORY BOARD OF THE BANK**

27. The Chairman of the Supervisory Board of the Bank is elected by the members of the Supervisory Board from among its members by a majority vote of the total number of members of the Supervisory Board.

28. The Supervisory Board of the Bank is entitled to re-elect the Chairman of the Supervisory Board by a majority vote of the total number of members of the Supervisory Board of the Bank.

29. The Chairman of the Supervisory Board:

- organizes the work of the Supervisory Board, ensures its effective activities;
- interacts and maintains contacts with the executive body and officials of the Bank in order to effectively solve the problems and perform the functions assigned to the Supervisory Board;

- takes all necessary measures to ensure that members of the Supervisory Board receive timely information necessary for making decisions on the agenda of the meeting of the Supervisory Board;

- forms work plans and agenda of meetings of the Supervisory Board;

- convenes meetings of the Supervisory Board of the Bank and chairs them;

- ensures compliance with the procedure for holding meetings of the Supervisory Board;

- organizes timely informing of the members of the Supervisory Board of the Bank about the date, time and place of the meeting, the agenda of the meetings, and also provides the members of the Supervisory Board with access to documents and information materials on the agenda of the meetings;

- organizes at meetings of the Supervisory Board the development of the most effective and coordinated decisions on agenda issues of the meetings, provides an opportunity for each member of the Supervisory Board to express their point of view on the issues discussed;

- ensures that the minutes of the meetings of the Supervisory Board are kept at meetings, signs them, is responsible for their correct and timely compilation;

- controls preparation for convocation and holding general meetings of shareholders;

- chairs at general meetings of shareholders;

- performs other functions related to the activities of the Supervisory Board.

30. In the absence of the Chairman of the Supervisory Board of the Bank, his functions are performed by one of the members of the Supervisory Board elected as such by the members of the Supervisory Board of the Bank present at the meeting.

## **V. MEETING OF THE SUPERVISORY BOARD OF THE BANK**

31. A meeting of the Supervisory Board of the Bank is convened by the Chairman of the Supervisory Board on his own initiative, at the request of a member of the Supervisory Board, the Revision Commission, the Management Board and the head of the internal audit service of the Bank, as well as a shareholder (shareholders) owning at least one percent of voting shares of the Bank (a standard form of the request for convening a meeting of the Supervisory Board is given in Appendix No. 1).

A meeting of the Supervisory Board of the Bank is held no later than ten days from the date of submission of written request by the member of the Supervisory Board, the Revision Commission, the Management Board and the head of the internal audit service of the Bank, as well as a shareholder (shareholders) owning at least one percent of voting shares of the Bank as of the date of submission of written request on holding a meeting of the Supervisory Board of the Bank, otherwise a motivated refusal to hold a meeting of the Supervisory Board of the Bank is sent to the person submitting the above request within the specified period.

Request to hold a meeting of the Supervisory Board of the Bank must contain the wording of issues to be included in agenda of the meeting with specification of reasons for their inclusion. If a meeting of the Supervisory Board of the Bank is convened in connection with the issue of early termination of powers of a member of the Management Board, the request to convene such meeting, in addition to the issue of early termination of powers of a member Management Board, must contain proposals for inclusion in agenda issues of electing new member of Management Board.

If request to convene a meeting of the Supervisory Board of the Bank comes from shareholder (shareholders), it must contain a name (corporate name) of shareholder (shareholders) requesting to convene such meeting with specification of number and type of shares held by him.

Request to convene a meeting of the Supervisory Board of the Bank is signed by a person (persons) requesting to convene a meeting of the Supervisory Board of the Bank.

Decision on refusal to convene a meeting of the Supervisory Board of the Bank upon the request of aforementioned persons may be taken in cases when:

- shareholder (shareholders), requesting to convene a meeting of the Supervisory Board of the Bank, does not hold 1% of voting shares of the Bank as of the date of submission of request;

- none of the issues proposed for inclusion in agenda are attributed to competence of the Supervisory Board of the Bank;

- issue proposed for inclusion in agenda does not satisfy the requirements of the Law “On Joint Stock Companies and Protection of Stockholders’ Rights”.

Decision of the Supervisory Board of the Bank on refusal to convene meeting of the Supervisory Board of the Bank may be appealed to the court.

Organization of holding the first meeting of the elected members of the Supervisory Board of the Bank is carried out by one of its members.

32. A meeting of the Supervisory Board of the Bank is convened by its Chairman at least once a quarter.

33. If circumstances arise that make it impossible or difficult to hold a meeting of the Supervisory Board at the place and (or) time of which the members of the Supervisory Board were notified, the meeting on the scheduled agenda may be held in a different place and (or) at a different time.

34. The Chairman of the Supervisory Board is entitled to invite managers of the Bank, heads of departments and specialists of the Bank to the meeting of the Supervisory Board taking into account the content of the issues to be resolved at the meeting.

35. By decision of the Chairman of the Supervisory Board of the Bank decisions of the Supervisory Board of the Bank may be adopted by absentee voting (by poll). Absentee voting is carried out by means of voting ballots using EDS. In order to use electronic version of ballot by the Bank a member of the Supervisory Board must provide means for authentication of electronic digital signature in advance in accordance with the requirements prescribed by law.

In this case, information (materials) and voting ballots are sent to the members of the Supervisory Board in electronic form.

36. Voting ballot must contain the following information:

- full corporate name of the Bank;

- the deadline for accepting of voting ballots;

- the procedure for accepting voting ballots;

- agenda of the meeting;

- the wording of each issue put to the vote and options for voting thereon, expressed as “for”, “against”, “abstained”;

- an indication that a ballot must be signed by a member of the Supervisory Board.

When determining the results of voting, the votes on issues for which a voter left only one of the possible voting options are counted. Voting ballots filled out in violation of this requirement are declared invalid and votes on issues, contained therein, are not counted.

In case when a voting ballot contains several issues put to vote, a failure to comply with the above requirement with respect of one or more issues does not result in invalidation of voting ballot as a whole.

A voting ballot is deemed invalid if it is impossible to verify the authenticity of the electronic digital signature through the fault of the person who provided it.

A voting ballot is deemed duly submitted if it is received by the Bank before the deadline for accepting ballots and certified by an EDS.

37. Members of the Supervisory Board are considered to have taken part in the absentee voting, whose ballots were received no later than the deadline for accepting completed ballots.

38. The quorum for holding a meeting of the Supervisory Board of the Bank must be at least seventy-five percent of the number of elected members of the Supervisory Board of the Bank. The quorum is determined by the Chairman of the Supervisory Board prior to beginning of meeting. In the absence of quorum a meeting of the Supervisory Board is not held.

A member of the Supervisory Board of the Bank may, three working days prior to the meeting, apply to the Chairman of the Supervisory Board with an application for participation in a meeting of the Supervisory Board by means of videoconferencing. In this case, the voting of this member of the Supervisory Board on the agenda issues is carried out by means of ballot, in the manner prescribed for absentee voting.

39. In the event that the number of members of the Supervisory Board becomes less than seventy-five percent of the number provided for by the Charter and the Regulation, the Bank is obliged to convene an extraordinary General Meeting of Shareholders in order to elect a new Supervisory Board of the Bank. The remaining members of the Supervisory Board are entitled to take decision on convening such extraordinary General Meeting of Shareholders, and, in the event of early termination of powers of the Chairman of the Management Board, appoint an acting Chairman of the Management Board.

40. At meetings of the Supervisory Board of the Bank decision is made by a majority of votes of the members present (participants), except for cases provided for by the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ Rights” and the Charter of the Bank. When resolving issues at meetings of the Supervisory Board of the Bank each member of the Supervisory Board has one vote.

The Chairman of the Supervisory Board of the Bank has a casting vote if the votes of the members of the Supervisory Board are equal. Decisions on the issues of increasing the registered share capital of the Bank and on introduction of appropriate amendments to the Charter are taken by the Supervisory Board of the Bank unanimously. Decision of the Supervisory Board of the Bank made by absentee voting is considered valid if it is made unanimously by all members of the Supervisory Board of the Bank.

41. Decision of the Supervisory Board comes into force from the date of signing of the minutes of meeting of the Supervisory Board of the Bank.

42. Transfer of vote by one member of the Supervisory Board of the Bank to another member of the Supervisory Board or to a third party is not allowed.

43. Minutes are kept at the meeting of the Supervisory Board of the Bank. Minutes of meeting of the Supervisory Board drawn up no later than ten days after the meeting. The date of the meeting by absentee voting is the deadline for accepting voting ballots; the venue of this meeting is the place where the minutes of the Supervisory Board meeting are drawn up..

44. Minutes of the meeting indicates:

- date, time and place of the meeting;
- person attending the meeting (participating in absentee voting);
- agenda of the meeting;
- issues put to vote, results of voting thereon;
- decisions taken.

45. Minutes of meeting of the Supervisory Board of the Bank is signed by the members of the Supervisory Board of the Bank participating in the meeting, who are responsible for accuracy of such minutes.

Minutes of the meeting (absentee voting) is signed by the secretary and the Chairman of the Supervisory Board. Voting ballots signed by the members of the Supervisory Board of the Bank are an integral part of the minutes.

46. Minutes of meeting of the Supervisory Board of the Bank is forwarded for execution to the Chairman of the Management Board of the Bank on the day of its signing. If the Supervisory Board takes decision to convene general meeting of shareholders, information on this decision is forwarded to the Chairman of the Management Board of the Bank on the day of the meeting of the Supervisory Board.

## **VI. RIGHTS AND DUTIES OF THE MEMBERS OF THE SUPERVISORY BOARD OF THE BANK**

47. A member of the Supervisory Board is entitled to:

- speak on issue discussed at the meeting within the timeframe specified;
- demand and receive from officials and employees of the Bank any information (documents and materials) related to the Bank, as well as to its subsidiaries and dependent legal entities formation in the manner prescribed by law;
- demand entering his dissenting opinion on agenda issues and taken decisions to the minutes of meeting of the Supervisory Board;
- initiate the convocation of a meeting of the Supervisory Board on issues on which a decision is required by the Supervisory Board;
- propose issues for inclusion in agenda of the meeting of the Supervisory Board;
- familiarize with the minutes of meetings of the Supervisory Board and of the other collegial bodies of the Bank and receive their copies;
- resign by written notice to the Supervisory Board given one month prior to his resignation, in this case powers of such member of the Supervisory Board is deemed terminated from the moment of election of a new member to the Supervisory Board by the General Meeting of Shareholders;
- receive remuneration and (or) compensation for expenses for work in the Supervisory Board in accordance with the manner prescribed by law and internal documents of the Bank;
- other rights provided for by law and the Charter of the Bank.

48. A member of the Supervisory Board is obliged to:

- be loyal to the Bank, that is, keep from using its position in the Bank in the interests of third parties;

- act within his powers in accordance with the goals and objectives of the Supervisory Board;

- exercise his duties in good faith, as well as in the manner that he believes to be in the best interests of the Bank;

- act in the interests of the Bank in general, and not in the interests of individual shareholders, officials and other persons;

- not to disclose and not to use for personal interests or in the interests of third parties confidential information about the Bank's activities and insider information that has become known to him;;

- take an active part in the discussion of issues brought up to the meetings of the Supervisory Board, and if it is impossible to personally attend the meeting, present, if necessary, in written form his opinion on the issues under consideration;

- participate in decision-making of the Supervisory Board by voting on the agenda issues of its meetings;

- to thoroughly analyze, in order to perform its functions, information (materials) on activities, financial condition of the Bank and its position in the banking services market, as well as on the prevailing trends in the banking sector and possible changes in the current legislation concerning the activities of the Bank;

- timely hold meetings (working meetings) with members of the executive body, other managers and employees of the Bank, independent experts, an external auditor, take part in meetings of the Central Bank of the Republic of Uzbekistan and other supervisory bodies to perform their functions;

- assess risks and adverse consequences when making decisions;

- inform the Bank about its affiliation in the transaction by the Bank by sending a written notification with detailed indication of information about the proposed transaction, the substantial terms of the relevant agreement;

- timely inform the Supervisory Board of his personal details, and their changes, which the Bank is obliged to disclose in accordance with law of the Republic of Uzbekistan;

- participate in examination of projects and programs proposed by the Supervisory Board;

- prepare proposals on improving financial and economic activities of the Bank on behalf of the Supervisory Board;

- inform other members of the Supervisory Board of the facts of violation by the Bank's employees, including officials, of legal acts, the Charter and internal documents of the Bank, which have become known to him;

- prepare and submit issues for consideration to the Supervisory Board within his competence;

- inform the Supervisory Board of the Bank of information about the existence of a substantial interest (direct, indirect or on behalf of third parties) in the conclusion of any transaction or in any issue directly related to the Bank;

- other obligations provided for by law and the Charter of the Bank.

49. Members of the Supervisory Board are not entitled to use the Bank's capabilities (property or non-property rights, opportunities in the field of economic activity, information on the Bank's activities and plans) for personal enrichment.

50. A person responsible for keeping records and safe storage of decisions, minutes of meetings and other documents of the Supervisory Board is obliged to immediately, upon the request of a member of the Supervisory Board, provide him with certified copies of these documents.

51. Officials of the Bank are obliged, at the request of a member of the Supervisory Board, to provide him within five calendar days with information they know about the activities of the Bank, necessary for him to perform his functions, with the exception of information about private life and information that violates personal secrets, family secrets, privacy of correspondence, telephone negotiations, postal, telegraphic and other messages of an individual as a private person. In case of impossibility to provide the information requested by the member of the Supervisory Board, an official of the Bank is obliged to immediately give a motivated refusal and submit it to the member of the Supervisory Board in written form within one working day.

52. Officials of the Bank are obliged at the request of a member of the Supervisory Board to provide him access to information and a means for copying documents and materials.

53. Members of the Supervisory Board of the Bank may be paid remuneration during the period of their duties by decision of the General Meeting of Shareholders. The decision to pay remuneration to the members of the Supervisory Board of the Bank may be taken if there is a satisfactory assessment of the corporate governance system, confirmed by an independent organization, and positive indicators of the financial results of the Bank.

54. The Bank is not entitled to distribute profits by paying remuneration to members of the Supervisory Board of the Bank in cases:

a) non-compliance of prudential standards with the requirements established by the Central Bank or their violation due to this distribution;

b) insolvency (bankruptcy) or the appearance of signs of insolvency (bankruptcy) due to this distribution;

c) non-fulfillment or inability to eliminate the deficiencies specified in the mandatory order of the Central Bank, including in terms of information disclosure;

d) the existence of a requirement of the Central Bank to the Bank on non-distribution of profits.

## **VII. LIABILITY OF THE MEMBERS OF THE SUPERVISORY BOARD OF THE BANK**

55. Members of the Supervisory Board of the Bank, when exercising their rights and fulfilling their obligations, must act in the interests of the Bank and are responsible to the Bank in accordance with law and the Charter of the Bank.

56. A member of the Supervisory Board of the Bank may be held liable for damage caused to the Bank as a result of providing misleading or knowingly false information, or a proposal to conclude and (or) make decisions on concluding a major transaction and (or) a transaction with affiliated persons with the purpose of obtaining by them or their affiliated persons profit (income).

If several persons are liable, their liability to the Bank is joint and several.

57. Members of the Supervisory Board who did not take part in the vote or who voted against the decision that caused the Bank's losses are not liable, except for the cases provided for in Article 90 of the Law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholders’ Rights”.

58. The Bank or a shareholder (shareholders) holding in aggregate at least one percent of placed shares of the Bank is entitled to apply to a court with a claim against a member of the Supervisory Board for compensation for losses caused to the Bank.

## **VIII. COMMITTEES (WORK GROUPS) OF THE SUPERVISORY BOARD OF THE BANK**

59. The Supervisory Board of the Bank establishes temporary and permanent committees (work groups) on relevant issues, including for identifying and

resolving conflict situations in order to ensure the adoption of informed and effective decision.

60. The main functions of the committees (working groups) are preliminary comprehensive examination of issues within the competence of the Supervisory Board of the Bank, in the areas of their activities and preparation of recommendations for the Supervisory Board of the Bank.

61. Committees of the Supervisory Board of the Bank are formed from among the members of the Supervisory Board of the Bank, the Management Board, employees of the Bank and involved experts (specialists of relevant profile, teaching staff of profile universities, etc.). The procedure for functioning and the powers of the committees are established by decisions of the Supervisory Board of the Bank on their establishment.

62. Work groups of the Supervisory Board of the Bank are formed for the purpose of examination of certain areas of activities and projects of the Bank.

63. Committees and work groups act in accordance with the requirements of law of the Republic of Uzbekistan, the Charter and internal regulations of the Bank, as well as decisions of the General Meeting of Shareholders and the Supervisory Board of the Bank.

## **IX. PROCEDURE FOR APPROVAL AND AMENDING**

64. Regulation on the Supervisory Board of the Bank, as well as amendments and additions thereto are approved by the General Meeting of Shareholders. Proposals for amendments and additions to the Regulation may be introduced by the shareholders of the Bank and the members of the Supervisory Board of the Bank.

65. If, as a result of any changes in law of the Republic of Uzbekistan, certain paragraphs of the Regulation come into conflict with such law or become invalid, then prior to making amendments to the Regulation the members of the Supervisory Board of the Bank are guided by the current regulatory acts of the Republic of Uzbekistan.

66. The present Regulation comes into force from the date of registration of the Charter of the Bank in new wording in the Central Bank of the Republic of Uzbekistan.