

Registered
with the Central Bank of the
Republic of Uzbekistan
December 5, 2014
Registration No. 64
First Deputy Chairman
of the Central Bank
of the Republic of Uzbekistan

_____ U. M. Mustafoev

CHARTER

**OF THE JOINT STOCK COMMERCIAL BANK WITH FOREIGN
CAPITAL “HAMKORBANK”
(JOINT STOCK COMMERCIAL COMPANY)**

“Approved”
according to the resolution of the
extraordinary general meeting of the
Bank’s shareholders
October 11, 2014

Chairman of the meeting
_____ I.I.Ibragimov

I. GENERAL ARTICLES

- 1.1. This Charter has been elaborated in accordance with the Constitution of the Republic of Uzbekistan, Civil Code, laws of the Republic of Uzbekistan “On the Central Bank”, “On Banks and Banking Activity”, “On Joint Stock Companies and Protection of Shareholders Rights”, “On Bank Secrecy”, “On Currency Regulation”, “On Securities Market” and other legislative acts, subordinate regulations (hereinafter referred to as “Legislative documents of the Republic of Uzbekistan”) and regulates the establishment and the procedures of the Joint Stock Commercial Foreign Capital Bank “Hamkorbank” (hereinafter referred to as “Bank”).
- 1.2. The Bank commenced its operations being named as the OJSCB Andijonbank on September 1, 1991. The Bank was renamed as the Open Joint-Stock Commercial Bank “Hamkorbank” in accordance with the resolution adopted on May 13, 2000 at the general meeting of the shareholders and it started its operations to continue for unlimited period of time in the form of open joint-stock company and registered with the Central Bank of the Republic of Uzbekistan under No: 64 (hereinafter referred to as “Central Bank”) on 24th of July, 2000.
- 1.3. The Bank undertakes its activities in accordance with the legislation of the Republic of Uzbekistan and with this Charter; in order to ensure the execution of these documents the Bank has the right to adopt internal regulatory documents related to the organization of its activities.
- 1.4. Considered as a legal entity, the Bank owns the properties taken on the independent balance sheet and undertakes its activities in accordance with its Charter, with principles of self-financing as well as on the basis of the funds raised in accordance with the legislation. The Bank bears responsibilities for its obligations by pledging its property and it has personal proprietary rights and other personal non-proprietary rights in accordance with the procedures determined by law, it exercise them, it has obligations and fulfills them and it can be a plaintiff and a defendant in the courts of law.
- 1.5. The Bank undertakes the following activities, which are referred to as banking activities, under the license issued by the Central Bank:
 - Receiving deposits from legal entities and individuals;
 - Providing loans at its own risk from the received funds or using them for investing;
 - Making payments.
- 1.6. The Bank undertakes its activities under the license of the Central Bank. The period of the Bank’s activities is unlimited.
- 1.7. The purpose of establishing the Bank is to undertake banking activities and to provide banking services in the territory and outside the Republic of Uzbekistan and to establish and to strengthen market relations in the Republic of Uzbekistan and to create a stable financial credit system in order to promote the implementation of the social and the economic development programs.
- 1.8. Full name of the Bank:
 - in Uzbek (Cyrillic script): Чет эл капитали иштирокидаги «Hamkorbank» акциядорлик тижорат банки; ;
 - in Uzbek (Latin script): Chet el kapitali ishtirokidagi «Hamkorbank» aksiyadorlik tijorat banki;;
 - in Russian: Акционерно коммерческий банк «Hamkorbank» с участием иностранного капитала;;

- in English: Joint-Stock Commercial Bank with Foreign Capital “Hamkorbank”;

Abbreviated name of the Bank:

- in Uzbek (Cyrillic script): “Хамкорбанк” АТБ;
- in Uzbek (Latin script): “Hamkorbank” ATB;
- in Russian: АКБ «Хамкорбанк»;
- in English: JSCB “Hamkorbank”.

- 1.9. The location of the head office (postal address): #85 Bobur Avenue, 170119, Andijan, Uzbekistan. E-mail address: muloqot@hamkorbank.uz.
- 1.10. The Bank has absolute right to use its name. The Bank has round seal containing its address, full name written in the state language, the stamp and the letterheads, own logo and the other means of visual identity.
- 1.11. The Bank is responsible for its obligations by pledging its property.
The shareholders are not responsible for the Bank’s obligations and take the risks to cover losses related to the Bank’s activity within the cost of their shares. Those shareholders, who paid for their shares in part, are jointly liable for the Bank’s obligations within the unpaid value of their shares. The Bank is not responsible for the shareholders’ obligations. The State and its agencies are not responsible for the Bank’s obligations and the Bank is not responsible for the state’s and its agencies’ obligations.
- 1.12. The Bank is entitled to establish its representative offices and branches according to the procedures provided for by law. A branch of the Bank is a separate division of the Bank located beyond the Bank’s basic location and fulfilling its all or some of the tasks, including the tasks of a representative office.
A branch of the Bank or a representative office is not a legal entity. They operate on the basis of the Regulation approved by the Supervisory Board of the Bank and which must be registered with the Central Bank. The property provided for a branch of the Bank and for a representative office is taken on the Bank’s balance sheet.
The Bank’s branches and representative officers are opened outside the territory of the Republic of Uzbekistan on the basis of the permission of the Central Bank of the Republic of Uzbekistan and in accordance with the legislation of the country where those branches and representative officers are located, unless the other rule is provided by the international agreements of the Republic of Uzbekistan.
- 1.13. In accordance with legal regulations the Bank may own subsidiary and affiliated companies established in the form of joint-stock companies or in the form of liability limited companies.
- 1.14. International Finance Corporation (hereinafter referred to as IFC) has been included in the list of the shareholders of the Bank in accordance with the established procedures. IFC is a shareholder of the Bank.
- 1.15. Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (hereinafter referred to as FMO), has been included in the list of the shareholders of the Bank in accordance with the established procedures. FMO is a shareholder of the Bank.

II. OPERATIONS OF THE BANK

2.1. By undertaking its activities, the Bank carries out the following operations:

- opening and maintaining current accounts of legal entities and those of individuals, including maintenance of accounts of correspondent banks and to perform settlements against current accounts;
- attracting deposits;
- extending the loans in its own name from its own and attracted funds on the conditions of repayment, payment and limited tenor;
- managing monetary funds on contractual basis with the owners or disponents of the funds;
- ensuring collection of funds, bills, payment and settlement documents;
- being entitled to demand the fulfillment of obligations on behalf of the third parties;
- being entitled to demand the third parties to fulfill their obligations;
- issuing, purchasing and selling, discounting and keeping securities; managing of them in accordance with the agreement concluded with a client; to carry out other operations related to securities;
- rendering consulting and informative services on Bank's activity;
- renting out of special premises or safety iron boxes located in premises to keep the documents and other valuables of legal entities and individuals;
- providing financial leasing services;
- issuing guarantees implying the fulfillment of obligations on behalf of third parties.

In case the license for foreign currency operations of the Central Bank is available:

- to carry out, within the open currency position limits and along with authorized banks and with its customers, operations related to foreign currency exchange, financial derivatives in the territory of the Republic of Uzbekistan and in international currency markets;
- to hold correspondent and other accounts with the banks of the Republic of Uzbekistan and with other foreign banks.
- to open exchange offices (outlets) in order to carry out operations related to purchase and sale to individuals foreign currency in the form of cash and foreign currency payment documents;

The Bank is entitled to carry out other operations determined in the license in accordance with banking legislation and international banking practice.

2.2. The Bank has no right to directly undertake production, trade and insurance activities, except for special cases provided for by law.

2.3. In order to perform banking operations and to save its monetary funds the Bank opens correspondent accounts with the Central Bank and with other correspondent banks.

III. RIGHTS AND RESPONSIBILITIES OF THE BANK

3.1. The Bank is independent in making decisions related to the banking transactions.

3.2. The Bank has the following rights:

- to independently fix and get interest rates, agency fees for the transactions of the Bank and commissions for the services, except for the cases provided for by law;
- to open correspondent accounts and to make settlements through the Clearing Center of the Central Bank and through other authorized resident banks;
- to make reserves and allowances out of the net profit upon payment of all taxes and compulsory fees;

- to obtain and to place funds in the forms of deposits and loans under the contracts with other banks;
- to require its clients to perform their obligations in accordance with law and with contracts;
- to receive from companies and other organizations, which are provided with loans, financial statements and balance sheets and the other documents confirming their repayment capacity as well as the documents confirming that the loans that were previously granted and being currently granted are collateralized;
- to bring an action before the court of law to adjudge the companies and organizations that do not meet their liabilities to be bankrupt in accordance with law;
- to establish branches and representative officers in the territory of the Republic of Uzbekistan in accordance with the legislation and also to establish the subsidiaries, the branches and the representative offices abroad upon the permission of the Central Bank;
- to become the member of unions, associations and other alliances in order to coordinate the activities of the Bank and to protect its rights and to implement joint programs;
- to independently fix the amounts of salaries, the forms, the system and the procedures for the remuneration of the Bank's staff;
- to perform other transactions and to take other actions provided for by the license and by the Charter in order to undertake its financial and operational activities.

3.3. The Bank assumes the following responsibilities:

- to comply with the requirements and with the prudential regulations of the Central Bank for making reserves of funds;
- to make provisions for possible losses of the Bank's assets in the amount and according to the procedures determined by the Central Bank;
- perform upon instruction of the Central Bank the operations on cash performance of the state budget of the Republic of Uzbekistan
- to determine internal regulatory procedures for the adequacy of the collateral for the granted loans (including collateral in the form of property), issued guarantees, warranties and liabilities;
- to disclose the information related to the Bank's activity in compliance with the local legislation and according to procedures determined by the Central Bank;
- to ensure the existence of Internal Audit at the Bank;
- to ensure, in compliance with law, the confidentiality of its customer's deposits and the deposits of its correspondent banks and that of the transactions related to their accounts ;
- other responsibilities provided for by the current law.

IV. THE AUTHORIZED CAPITAL AND THE EQUITY OF THE BANK

4.1. The authorized capital of the Bank is funded by the par value of the shares taken up by the shareholders and it is expressed in the national currency of the Republic of Uzbekistan.

4.2. The authorized capital of the Bank determines the minimal amount of the Bank's property guarantying the interests of the creditors of the Bank.

4.3. The amount of the Bank's Authorized Capital is represented by 440 000 000 (Four hundred and forty million) allotted shares, the par value of each share being 138 (one hundred thirty eight) soums, and equal to the amount of UZS 60 720 000 000 (Sixty billion and seven hundred and twenty million).

4.4. In placing and in purchasing the shares of the Bank the payment for the shares of the Bank is received only in the form of money. In establishing its authorized capital, the Bank is not allowed to use funds obtained on credit and the loans as well as other raised funds.

4.5. The Bank is not allowed to invest in authorized capitals of other banks, except for the cases related to the establishment of banks and their branches with foreign capital and other cases provided for by law.

4.6. The Bank's authorized capital may be raised by increasing the par-value of the Bank's shares or by offering the additional shares.

4.7. The decision on increasing the authorized capital of the Bank by increasing the par-value of the Bank's shares and on making the appropriate amendments to the Charter is taken by the Supervisory Board of the Bank.

4.8. The placement of Bank's additionally issued shares is made within the number of the shares declared in the Charter of the Bank.

4.9. The resolutions on raising the authorized capital of the Bank by placing additional shares and on making the appropriate amendments to the Charter are taken at the General Meeting of the Shareholders or by the Supervisory Board of the Bank if the Supervisory Board is authorized to take such resolutions in accordance with the resolutions of the General Meeting of the Shareholders.

4.10. The resolution regarding the increase of the Bank's authorized capital through offering additional shares must include the number of the ordinary and the preferred shares, the offering period and the terms and conditions of the offering.

4.11. The increase of the Authorized Capital of the Bank by offering the additional shares is to be registered within the par-value of the offered additional shares. Hereby, the number of announced certain type of shares indicated in the Bank's Charter shall be reduced by number of additionally placed shares of the same type.

4.12. The resolution passed by the relevant management body of the Bank on increasing the par-value of the Bank's shares or on issuing the additional shares is considered to be the resolution on increasing the authorized capital of the Bank.

4.13. The increase of the authorized capital of the Bank made by increasing the par-value of the Bank's shares is financed only from the Bank's own capital funds in accordance with the procedures provided for by law.

4.14. The increase of the authorized capital made by offering of the additional shares is financed from attracted investment funds, from the Bank's own capital funds and from the calculated dividends in accordance with the procedures provided for by law.

4.15. When the authorized capital is raised by offering the additional shares financed from the Bank's own capital these shares are distributed among all of the shareholders. Hereby, the shares are offered in proportion to the number and in accordance with the type of the shares that belong to each shareholder. If as a result of the increase in the authorized capital of the Bank the amount of the increase does not correspond to the par-value of a single share, then the increase in the Bank's authorized capital is not allowed.

4.16. The Authorized Capital of the Bank may be decreased by decreasing the par value or the total number of the shares or by Bank's repurchasing some number of the shares and then canceling them.

4.17. The Bank is not allowed to decrease its authorized capital if as a result of such decrease its amount becomes less than minimal value, which is identified on the date of state registration of the relevant amendments to the Charter and less than the minimal value determined by law .

4.18. The decision on the decrease of its authorized capital and on making relevant amendments to the Charter is taken at the general meeting of the shareholders.

In taking the decision on the decrease of the Bank's authorized capital, the reasons for such decrease and the procedures for such decrease should be given and determined at the general meeting of the shareholders.

4.19. From the date on which the decision on the decrease of the Bank's authorized capital is taken, the Bank shall notify its creditors about that decision in writing not later than thirty days. The creditors are entitled, from the date of the notification on the decrease of the Bank's Authorized Capital and not later than thirty days, to require the Bank to meet its liabilities prior

to the established terms and to compensate the losses incurred due to the decrease of the Authorized Capital.

4.20. The Bank's capital consists of the authorized capital, the reserves made out of the profit in accordance with the decision of the general meeting of the shareholders, retained earnings and the other funds.

4.21. The Bank creates reserve fund made out of the net profit in the form of mandatory deductions at the rate of not less than 15 % of the authorized capital. The annual deductions, before reaching 15 % rate mentioned above, must be no less than 5 % of the net profit. In case of absence of other funds, the Bank's reserve fund is intended to cover its losses, to retire the Bank's corporate bonds, to pay dividends on preferred shares and to purchase shares under agreement to resell. The Bank's reserve fund must not be used for other purposes.

4.22. The Bank has the right to establish other funds and to make deductions to those funds from the net profit by the decision of general shareholders' meeting and in accordance with the applicable laws of the Republic of Uzbekistan.

4.23. The utilization of the funds is made in accordance with the resolution of the Supervisory Board of the Bank. The resolution of the of Supervisory Board of the Bank regarding the utilization of the funds includes the period for the utilization of the funds, the amount of the funds and also other terms and conditions related to the utilization of the funds.

4.24. The utilization of the funds is made by the Executive Board of the Bank in accordance with the amounts and with the certain purposes determined by the Bank's Supervisory Board.

V. THE SHARES OF THE BANK

5.1. All of the Bank's shares are considered to be registered equity securities. The Bank must offer ordinary shares, and has the right to offer the preferred shares. The par-value of the offered preferred shares should not exceed 20% of the Bank's Authorized Capital.

5.2. The number of the offered shares is 440 000 000 (four hundred and forty million) consisting of:

- 423 575 000 (four hundred and twenty three million five hundred and seventy five thousand) registered, non-cash common shares.
- 16 425 000 (sixteen million four hundred and twenty five thousand) registered, non-cash preferred shares

5.3. The par value of each share is UZS 138 (One hundred and thirty eight).

5.4. The total number of the non-documentary registered shares issued in order to increase the Bank's Authorized Capital is 75 000 000 (seventy five million).

5.5 The Bank is entitled to implement an open subscription for the shares issued by it by making public offering of them in accordance with Law.

The open subscription for the shares is made only at the securities market and at the joint over-the-counter securities market.

The Bank is entitled to organize a closed subscription for its shares by private offering.

5.6 The offering period of the additional shares issued by the Bank and that of the other issued securities should not be longer than one year from the date on which their issue is registered with the government agencies.

5.7 During the process of the share placement on and the placement of the other securities of the Bank the payments for them are made in the form of monetary and other instruments of payment, in the form of property and in the form of the rights that have pecuniary valuation (including property rights).

The payment for the additional shares and for the other securities should be made within the offering period defined in the decision related to their issuance.

5.8 In taking the decision on the allotment of the shares, including the allotment of the shares among the shareholders, the value of the allotted shares (offered at the securities market and at organized over-the-counter market) is established by the Supervisory Board of the Bank in accordance with the state of the values existing at the trading spots of the organizers of the securities market. During the allotment process the payments for values of the additional shares and for the other securities of the Bank are made at the price not lower than the price defined by the decision on the issuance thereof. In case the values of the additional shares of the Bank are paid (authorized capital) from its own capital when the authorized capital is increased and which is related to the dividends about which a decision is taken to pay them in the form of the additional shares, then the allotment of those shares is made at par value of the Bank's shares.

5.9 When the Bank allots the shares and the other issued securities, which are converted into the shares, whose values are paid in the form of monetary funds, the shareholders of the voting shares have the preemptive rights to purchase them. A shareholder, who either voted against or was absent from the general meeting of the shareholders, has the preemptive right to purchase the shares and issued securities, which are converted into the shares (hereinafter referred to as preemptive right) in such a number that is pro rata to the number of the same type of the shares that belong to such shareholder. The resolution not to exercise the preemptive right and about the validity period of that resolution may be passed at the general meeting of the shareholders by the majority votes of the shareholders that have the voting shares and who participate in the general meeting of the shareholders. The validity period of the resolution may not be longer than one year from the date on which it is taken. The list of the shareholders that have preemptive rights is made on the basis of the data in the shareholders' register on the date on which the resolution about the issuance of the securities is adopted.

In case the preemptive rights are exercised the shareholders may purchase the whole number of the shares and the issued securities, converted into shares.

It is not allowed to assign the preemptive rights to any other party.

6. THE RIGHTS OF THE SHAREHOLDERS

6.1. Each shareholder of the Bank has the following rights:

- a) to be included into the registry of the Bank's shareholders;
- b) to obtain statements of the depository account issued by a respective depository;
- c) to receive a part of Bank's profit in the form of dividends;
- d) to receive a respective portion of the property in accordance with the limits of their shareholding in case of liquidation of the Bank;
- e) to participate in managing of the Bank by voting at the general meeting of the shareholders;
- f) to receive, in established order, comprehensive and accurate information about the results of the financial and the economic activities of the Bank;
- g) to freely use the dividends received;
- h) to protect his/her rights at an authorized state body that regulates the securities market and before the court of law;
- i) to require compensation, in accordance with the established procedures, for the losses caused to him/her;
- j) to join associations and other non-governmental and non-profit organizations in order to express and protect his/her interests

k) to insure a risk associated with the probability of loss, including lost profits, acquisition of securities

In addition, the shareholders have other rights in accordance with the Charter of the Bank and with respective laws

6.2. The Shareholders holding the common shares have the right to participate at the general meetings of the shareholders by voting in relation to the matters that are within the scope of the authority these meetings, as well as to receive the dividends and to receive a respective portion of the property in accordance with the limits of their shareholding in case of liquidation of the Bank.

6.3. The shareholders that hold the preferred shares, unless the other rule is established by current laws or by this Charter, are not entitled to vote at the general meeting of the shareholders. The shareholders, the owners of preferred shares, participate at the general meetings of the shareholders and have the right to vote on the matters related to the reorganization and the liquidation of the Bank. The shareholders, owners of preferred shares, participate at the general meetings of the shareholders and have the right to vote on matters related to the changes and the amendments to the Bank's Charter about restricting the rights of the shareholders owning the preferred shares, including determining or increasing the amount of dividends to be paid on previous ordinary and preferential shares, and/or determining or increasing the cost of liquidation, as well as on providing shareholders possessing preferential shares with privileges regarding payments of their dividends and/or costs of cancellation of these shares.

6.4. The right to own the shares is given a purchaser from the date on which the relevant entries are made in his/her depository account and certified, in accordance with law, by a statement of the depository account issued by a respective depository. The rights certified by the shares are given to an acquirer from the date on which the rights related to the shares become valid.

7. DISTRIBUTION OF THE PROFIT AND THE DIVIDENDS

7.1. The Bank has the independent economic rights to establish the reserve fund and to distribute the net profit, except for the specific cases provided for by law. The balance sheet profit and net profit of the Bank are determined in accordance with the applicable laws of the Republic of Uzbekistan.

7.2. After all taxes and other compulsory payments are paid, the net profit remains with the Bank and, in accordance with applicable legislation of the Republic of Uzbekistan and by the decision of the general shareholders' meeting, it is utilized for the Bank's reserves and for the funds and also distributed as the dividends among Bank's shareholders and may be used for other purposes.

7.3. A dividend is a part of the net profit of the Bank which is distributed among shareholders. The dividend can be paid in cash or in the form of other legal payment instruments or in the form of the Bank's securities. The dividends paid on the Bank's preferred shares must not be paid in the form of the securities. The dividends are distributed among the shareholders pro rata to the number and to the types of the shares which are at their disposal.

7.4. The Bank has the right to make a decision on distribution of dividends on the offered shares depending on results throughout the financial year quarterly, semi-annually, or by nine months, and/or the results of the whole financial year.

Decision (notice) on quarterly, semi-annually and nine-monthly dividends disbursement may be made within three months after the end and in accordance with the results of respective period.

7.5. The decision on the payment of the dividends, the amount of the dividends, the methods and procedures for the payment of the dividends is taken at the general meeting of the shareholders based on the proposal of the Supervisory Board and the availability of the auditors' opinions about the reliability of the financial statements. The amount of the dividends must not be greater than the amount proposed by the Bank's Supervisory Board.

7.6. The dividends are paid from the net profit of the Bank and/or from the retained earnings of the previous years. In case the Bank does not make enough profit or incurs losses, the dividends paid on preferred shares can be paid by the Bank from the reserve fund which was made just for this purpose and within the limits of that fund. The periods and procedures for the payment of the dividends are determined in accordance with the resolution of the shareholders' general meeting. The period for the payment of the dividends should be no later than 60 days after such resolution is passed. The dividend which is not claimed within three years by its owner or owner's legal heir or successor shall remain with the Bank in accordance with the decision of the general meeting of the shareholders.

7.7. The amount of the dividends paid for each preferred share shall be 40% of its par-value.

7.8. The Bank shall convert the dividend funds of a shareholder who is a non-resident of the Republic of Uzbekistan, at his/her written request, into freely convertible currency, and transfer the funds to the bank account indicated by the non-resident shareholder.

7.9. The persons registered in the Bank's shareholders' registry, which was maintained to conduct the shareholders' general meeting and to decide the payment of the dividends to the shareholders, have the right to receive the dividends.

7.10. The Bank announces the dividends without taking into account the taxes paid on them. The Bank places the information about the amount of the dividends to be paid on the web-site of the authorized state body responsible for the regulation of the securities market and on the bank's own official web-site, within the time period provided for by law.

7.11. The taxes are imposed on the dividends in accordance with the tax law and certain tax concessions can be determined thereby.

8. CORPORATIVE BONDS AND OTHER SECURITIES OF THE BANK

8.1. The Bank has the right to issue and to offer corporate bonds and other securities in compliance with the law and with the Charter of the Bank.

8.2. The Bank has the right to take a decision to issue corporate bonds secured by its property within the limits of the capital available as of the date on which the decision is taken.

8.3. The issuance of the corporate bonds, including other securities exchangeable for the shares, is made according to the decision of the Bank's Supervisory Board.

8.4. When the corporate exchangeable bonds are to be issued by the Bank, in compliance with the decision of the Bank's Supervisory Board that decision has to be taken unanimously by all members of the Bank's Supervisory Board.

9. CREDIT RESOURCES OF THE BANK

9.1. The credit resources of the Bank are generated by the following sources:

- Bank's own funds (excluding value of fixed assets financed at expense of Bank's equity investments in authorized capital of other legal entities and other immobilized funds);
- current account funds of the legal entities available for the Bank;
- attracted term and demand deposits of the individuals;
- loans and deposits obtained from other banks including international financial institutions;
- funds obtained from sale of the securities issued by the Bank (deposit and savings certificates, corporate bonds etc.);
- special credit funds originated from the retained profit;
- retained profits obtained during the Bank's fiscal year may also be considered as Bank's credit resource.
- other attracted funds in compliance with applicable legislation.

10. PROTECTION OF THE CUSTOMERS

10.1. The Bank ensures security of the monetary funds and other valuables entrusted to it by customers and by the correspondent banks. The security of the aforesaid items is guaranteed with the Bank's property, the reserve funds generated in accordance with applicable legislation of the Republic of Uzbekistan and also with the measures aimed to maintain stability and liquidity of the Bank, which are stipulated by the procedures developed by the Central Bank.

10.2. The Bank ensures its readiness to fully and to timely fulfill the obligations, undertaken by it, by adjusting its balance sheet structure in accordance with the prudential regulations, determined by the Central Bank.

10.3. In accordance with the procedures and regulations of the Central Bank the Bank deposits some portion of the raised funds to the mandatory reserve fund and also makes provisions and reserves according to regulations of the Central Bank.

10.4. All of the Bank's employees must maintain the confidentiality of the information about the bank deposits, settlement transactions, clients and representatives.

10.5. The information related to transactions and current accounts of the legal entities and individuals is submitted directly to those companies in accordance with the established procedures determined by law or to investigative agency, prosecutor's office and to courts of law in case the legal proceedings are instituted. The information related to the current accounts and the deposits of the individuals is submitted in appropriate manner determined by law to these clients and their legal representatives; in cases the funds of individuals kept in the current and deposit accounts and their other valuables are distrained or the attachment could be imposed or the property may be confiscated the information is provided to the relevant courts of law or to investigative agencies that plead the cases in appropriate manner determined by law.

10.6. The relations of the Banks with the clients and with other contractors are maintained on a contract basis in compliance with the requirements of laws applicable in the Republic of Uzbekistan.

10.7. In accordance with established rules, the Bank assumes the responsibility for submitting information to its clients related to their current accounts and the credit operations, including accrued interest, commissions and fees.

11. MANAGEMENT OF THE BANK

11.1. The Bank's managerial bodies are as follows:

- The general meeting of the Bank's shareholders;
- The Supervisory Board (Council of the Bank);
- The Executive Board

The general meeting of the shareholders

11.2. The general meeting of the shareholders is considered as the Bank's supreme body.

11.3. The functions, the authorities of the general meeting of the shareholders and the procedures for conducting it are determined in accordance with the applicable legislation and with this Charter and with the Policy for Conducting the General Meeting of the Shareholders.

11.4. The following issues are within the scope of the authority of the general meetings of the shareholders:

- a) To make amendments and additions to the Charter or to approve the new revision of the Charter;
- b) To reorganize the Bank;
- c) To liquidate the Bank, to appoint (liquidating committee) a Liquidator and to approve interim and final liquidation balance-sheets;

- d) To determine the quantitative composition of the Supervisory Board and that of the Committee of the Minority Shareholders (if this committee is set up at the Bank),, to elect the members of them and to prematurely terminate their powers ;
- e) To elect/appoint the chairperson of the Executive Board and to prematurely terminate the powers the chairperson of the Executive Board of the Bank
- f) To determine the maximum number of the declared shares;
- g) To decrease the Bank's authorized capital;
- h) To repurchase own shares;
- i) To approve the Bank's organizational structure;
- j) To elect the members (the reviewer) of the Bank's Review Committee and to prematurely terminate their authorities and to approve the Policy of the Review Committee;
- k) To approve the Bank's annual reports;
- l) To distribute the profit and to cover the losses of the Bank;
- m) To consider the reports of the Bank's Supervisory Board and Review Committee (the reviewer) on issues included in their scope of authorities, as well as the reports of the Bank's Supervisory Board and Review Committee on compliance with the requirements of the laws related to the management of the Bank;
- n) To take the decision not to exercise preemptive rights related to the purchase of the securities during the process of placing the shares and the securities exchangeable for the shares in cases provided for by the current law;
- o) To approve the rules of the general meeting of the shareholders;
- p) To take the decision regarding the splitting or the consolidation of the shares;
- q) To take decisions on entering into large-scale agreements that are within the scope of the authorities of the general meetings of the shareholders and on the Bank's making agreements with the affiliated parties, in cases provided for by law;
- r) To approve internal documents that are required to be approved at the general meetings of the shareholders in accordance with current applicable legislation and with this Charter;
- s) To resolve the other matters in accordance with Law.
- t) To take the decision about the issue of the additional shares in order to increase the authorized capital of the Bank.

The Supervisory Board of the Bank may be authorized to take the decision on increasing the Authorized Capital of the Bank by issuing the additional shares in accordance with the resolutions of the General Meeting of the Shareholders.

The issues that are within the scope of the authorities of the general meetings of the shareholders may not be assigned to the Supervisory Board and to the Executive Board to take decisions.

11.5. The following persons have rights to vote on issues raised at the general meeting of the shareholders:

- shareholders holding the common shares of the Bank;
- shareholders holding preferred shares in cases provided for by applicable legislation.

The decision on the issues raised at the general meeting of the shareholders are taken by way of voting of the majority of the shareholders who participate at the meetings and who hold the voting shares of the Bank (simple majority) r.

11.6. It is not allowed to take the decision at the general meeting of the shareholders on the issues not included in the agenda or to make changes to the agenda. It is not allowed to include the vague expressions that do not refer to the consideration of definite issues (such as "various issues", "other issues", "different issues" and so on) in the agenda of the general meeting of the shareholders

11.7. The decisions taken at the general meetings of the shareholders, as well as the results of voting are provided for the attention of the shareholders not later than thirty days after the date on which these decisions are taken and in accordance with the procedures provided for by law.

11.8. The shareholders registered in the Bank's shareholders' registry, which is made three days prior to the shareholders' general meeting, have the right to take part in that shareholders' general meeting.

11.9. The notice about the holding the general meeting of the shareholders is provided for the bank shareholders through the Bank's official web-site, via mass-media and by sending e-mails to the shareholders not less than 7 days and not more than 30 days before the meeting. Without prejudice to the foregoing, not less than (30) days' prior written notice (with an agenda and accompanying materials) shall be given to IFC and FMO at their respective addresses notified by them to the Bank in writing.

The following information should be included in the notice about the upcoming general meeting of the shareholders:

- name, location (postal address) and email of the Bank;
- date, time and place of the general meeting;
- date on which the registry of the shareholders is made;
- issues included in the agenda of the general meeting;
- procedures for providing the information (materials) for the shareholders and for an government official that is to be delivered in making preparations for the general meeting.

No business shall be transacted at any general meeting of shareholders duly convened and held other than that specified in the notice without prior written consent of IFC and FMO. The Supervisory Board shall provide the Bank's previous Financial Year's audited financial statements to all Shareholders at least thirty (30) days before the general meeting which is held to approve and adopt such audited financial statements.

11.10. The shareholders (a shareholder) holding not less than one percent of the voting shares are entitled to include the issues in the agenda of the general meeting of the shareholders and nominate the candidates, not as many as the established number of the members of those bodies, to the Supervisory Board and to the Review Committee (reviewing member) no later than thirty days after the end of financial year.

11.11. The extraordinary general meeting of the shareholders is arranged in accordance with the decision of the Supervisory Board based on its own initiative, at the written request of the Reviewing Committee (reviewer) and at the request of the shareholder(s) holding not less than five percent of the voting shares, on the date on which such requests are made.

11.12. In case the extraordinary general meeting of the shareholders convened at the written request of the Reviewing Committee or at the written request of the shareholder(s) holding not less than five percent of the voting shares, the Bank's Supervisory Board holds the extraordinary general meeting of the shareholders not later than thirty days from the date of such request.

The decision of the Bank's Supervisory Board about the extraordinary general meeting of the shareholders or the reasoned decision about canceling that meeting shall be delivered to the persons requesting the meeting no later than three business days from the day on which such decision is taken.

In case the Bank's Supervisory Board doesn't take the decision on convening the extraordinary general meeting of the shareholders in time provided for by law or it takes a decision on canceling such meeting, the extraordinary general meeting of the shareholders can be summoned by persons who required to convene it.

11.13. General meeting of shareholders shall be deemed to be effective (have quorum) if, at the end of registration, the shareholders (their representatives), who have registered to participate in the meeting, in aggregate have more than fifty percent (50%) of votes of the total outstanding voting shares of the Bank.

11.4. The voting at the general meeting of the shareholders is made on «one share-one vote» basis except for the cumulative voting to be made to elect the members of the Supervisory Board.

11.15. The voting at the general meeting of the shareholders is made by means of the voting papers. The formats and the texts of the voting papers are approved by the Bank's Supervisory Board except for the case that the extraordinary general meeting of the shareholders is not convened by the Bank's Supervisory Board. The voting paper is given to a shareholder (or his/her representative) registered to participate at the general meeting.

11.16. The Bank's Vote Counting Committee prepares a report about the results of the voting, the report, in particular, contains the information about the quorum and signed by the members of the Vote Counting Committee. After the report on the results of the voting is made and the minutes of the general meeting of the shareholders is signed, the voting papers are sealed by the members of the Vote Counting Committee and put in the archive of the Bank.

11.17. The minutes of shareholders' general meeting is recorded in two copies not later than ten days after the general meeting of the shareholders is closed. Each copy is signed by the chairperson and the secretary of the general meeting.

The minutes of the meeting of shareholders includes:

- the date, time and place of the general meeting of the shareholders;
- the total number of the votes that the shareholders, the owners of the Bank's voting shares, hold ;
- the number of votes held by the shareholders participated at the general meeting;
- the chairperson and the secretary and the agenda of the general meeting.

The minutes of the general meeting of the shareholders shall include the main points of the reports, the issues put to the vote as well as the results of the voting on them and the decision taken at the meeting.

The Council of the Bank (SUPERVISORY BOARD OF THE BANK)

11.18. The Supervisory Board manages the Bank's general affairs and makes decisions except for the issues related to the scope of the authority of the general meeting of the shareholders in accordance with the legislation and with this Charter.

The Supervisory Board of the Bank undertakes its activities in accordance with the legislation, with this Charter and with the Policy "On Supervisory Board" approved by the general meeting of the shareholders.

11.19. The scope of the authority of the Supervisory Board is as follows:

- specify priority areas of the Bank's activities;
- call an annual and an extraordinary general meetings of the shareholders except for cases provided for by the section 11.2.11, part three of this Charter;
- To prepare an agenda for general meetings of the shareholders;
- To fix a date, time and place of the general meetings of the shareholders;
- To fix a deadline for making the registry of the Bank's shareholders in order to inform about the holding of the general meeting of shareholders;
- To convene the shareholders' general meeting to decide on issues provided in the subsection "a" of the section 11.2.3. of this Charter;
- To arrange the assessment of the market value of the property;
- To appoint the corporate advisor and to approve a policy for determining his/her activities;
- To approve the annual business plan of the Bank;
- To organize the internal audit and to appoint its employees, to consider its quarterly reports;
- To freely use any documents pertaining to the activities of the Executive Board and to receive from the Executive Board the documents needed to fulfill the tasks of the

Supervisory Board. The Bank's Supervisory Board and its members may use the received documents only for work-related purposes.

- To make the decisions about implementation, organization of the audit and about the maximum amount of the salaries and the remuneration to be paid for the services of the auditors
- To make the recommendations regarding the amount of the salaries and remunerations to be paid to the members (a reviewer) of the Bank's Review Committee
- To make the recommendations concerning the size and the forms of the dividends and procedures for payment of the dividends;
- To make the decisions on the use of the reserve and other funds of the Bank;
- To establish the branches, the representative officers of the Bank;
- To establish subsidiary companies and affiliated companies of the Bank
- To make decisions about making large-scale transactions that are within the scope of the authorities of the Supervisory Board of the Bank and the agreements with the affiliated parties on behalf of the Bank in cases provided for by law;
- To make, in accordance with the procedures provided for by law, contracts with commercial and non-commercial organizations;
- To make the decisions on repurchasing the corporate bonds;
- To increase the authorized capital of the Bank by increasing the par value of the shares and if the Supervisory Board is authorized by the general meeting of the shareholders to take the decisions on issuing the additional shares to take such decisions, and to make amendments to the Charter of the Bank related to the increase of the authorized capital of the Bank;
- To determine the cost of placement of the shares (placements of the securities in the stock markets and over-the-counter markets);
- To make the decisions on the issuance of the corporate bonds and the bonds exchangeable for shares;
- To make the decisions on issuing the derivative securities;
- To make the decisions on repurchasing the corporate bonds of the Bank
- To form the Executive Board, to elect/appoint its members (except for the chairperson) and to prematurely terminate the term of office of the members of the Bank's Executive Board;
- To determine the amount of the salaries and the remunerations to be paid to the members of the Executive Board;

In compliance with the current legislation and the Bank's Charter, the decision-making regarding other issues, can be included in the scope of the authorities of the Supervisory Board. The issues to be decided by the Supervisory Board may not be transferred for consideration to the Executive Board.

11.20. The members of the Supervisory Board are elected, in accordance with the procedures provided for by the current legislation and the Bank's Charter, for the period of one year during the general meeting of the shareholders. The persons elected to the Supervisory Board may be re-elected unlimited number of times.

The chairperson and the members of the Executive Board may not be elected to the Supervisory Board. The persons working at this Bank under labor contracts may not be members of the Supervisory Board.

The Bank's Supervisory Board consists of 9 (nine) members. The election of the members of the Bank's Supervisory Board is made through cumulative voting. As long as either IFC or FMO holds at least one percent (1%) of all shares in the Bank, IFC or FMO shall have the right to nominate at least one (1) observer or one (1) member of the Supervisory Board.

11.21.. Subject to the decision of the General Meeting, each IFC and FMO may request the removal of the nominee member appointed by either IFC or FMO, who has been appointed as a member, at any time and shall be entitled to nominate another Person as its nominee member in place of any nominee member so removed. In the event of the resignation, retirement or vacation of office of a nominee member, the Investor that appointed such nominee member shall be entitled to nominate another Person as its nominee member in place of such nominee member.

11.22. The Supervisory Board shall constitute the following committees whose members shall all be selected amongst the members of the Supervisory Board Directors: (i) the audit committee; (ii) the appointment and remuneration committee; and (iii) strategic planning, development and corporate governance committee

11.23. The Bank shall indemnify each of the members to the maximum extent permitted under the applicable law for any costs, expenses or liabilities incurred by each such member in the course of, or in any way related to, his or her activities or his or her position as a member. The reasonable costs incurred by the representatives of IFC and FMO in attending a meeting of the Supervisory Board or a committee or a General Meeting of the Shareholders are indemnified in accordance with the procedures provided for by law.

11.24. In order to reflect rights of the minority shareholders, at least three members of the Board should be independent members being non-shareholders of the Bank and having no economic relations with the Bank.

The independent members of the Board must meet the following requirements:

- not to be an affiliated persons of the Bank and not to be an affiliated persons of such affiliated persons;
- not to be a major counteragent of the Bank (A major counteragent is defined as an entity with whom the Bank's annual agreements' total value equals to or exceeds the 10 (ten) percent of the book value of the Bank's assets);
- not to be a party to the contracts related to the bank's obligations that enable him/her to gain property (monetary funds) equal to 10 (ten) percent or more of his/her own annual income excluding the income earned as a member Supervisory Board;
- not to be an employee of non-profit organizations substantially financed by the Bank and its branches;
- not to participate in the options related to the Bank stock or not to participate in the pension programs of the Bank and its branches;
- not to have an economic interest in the Bank and in its branches (or not to be a partner, stockholder, director, head or an official of such an interested entity);
- not to be a family member or head of such legal entities that don't meet the requirements mentioned above;
- not to be a government official;
- not to have any kind of economic relationship directly and indirectly with the bank, except for the relationship as a Board member;
- to be indicated as an independent board member in the annual report distributed to the shareholders of the Bank;
- have not been acting as the Executive Board member for more than ten years;
- over the last 5 (five) years the candidate has:
- not worked as an employee of the bank and its branches and he/she has not established partnership relations with the bank and its branches;
- not earned any income except for the income earned as a member of the Supervisory Board, and the income gained from the Bank should not constitute the most portion of his/her annual income.

11.25. The following are the responsibilities of the Supervisory Board:

- to exercise the authorities for the benefits of the shareholders;
- to ensure effectiveness in managing the Bank;
- to develop the strategy of the Bank;
- to control the implementation of the Bank's business plan;
- to establish the competent Internal Audit function of the Bank;
- to control, in order to protect the depositors and the shareholders, the accuracy of the Bank's operations including the credit and the investment funds;
- to ensure a stable growth of the Bank's capital;
- to develop the Bank's Policy;
- to ensure compliance with the legislation.

11.26. The Chairperson and Deputy Chairperson of the Supervisory Board, the members and chairpersons of the committees under the Supervisory Board are elected by the members of the Supervisory Board on the basis of a majority vote.

The Chairperson of the Supervisory Board organizes operations of the Supervisory Board, calls the meetings of the Supervisory Board, chairs them and arranges the minutes of the meetings and also presides at the general meeting of the shareholders.

In case the Chairperson of the Supervisory Board is absent his/her responsibilities are exercised by the Deputy Chairperson.

11.27. The meeting of the Supervisory Board is convened at least once every quarter of the Financial Year, subject to an annual schedule and confirmation of the date of the next Supervisory Board meeting at the previous Supervisory Board meeting. The extraordinary meeting of the Supervisory Board may be convened on the personal initiative of the Chairperson of the Supervisory Board, at the request of: the members of the Supervisory Board, Bank's Review Committee or the Internal Audit, Executive Board or the Central Bank. The procedures for convening and holding the meeting of the Supervisory Board are determined in the Policy of the Supervisory Board and the Charter. The Chairperson of the Executive Board his/her deputies and the members of the Executive Board may participate at the meeting of the Supervisory Board acting in an advisory capacity.

11.28. A member of the Supervisory Board has a right: to participate at the meeting of the Supervisory Board in person; to express an opinion on discussed issues of the Supervisory Board; to ensure the receipt of complete and correct information about the performance of the Bank; to receive development plans; and to receive remuneration for the performance on the Supervisory Board. The amount of the remuneration and the compensation to be paid to the members of the Supervisory Board members is defined during the general meetings of the shareholders. The chairperson of the Supervisory Board delegates his/her functions among the members of the Supervisory Board.

11.29. The meeting of the Supervisory Board is summoned by the Chairperson of the Supervisory Board on his/her own initiative, at the request of the Supervisory Board, Review Committee, (a reviewer) member of the Executive Board of the Bank as well as at the requests of other persons indicated in the Bank's Charter. The quorum for holding the meeting of the Supervisory Board is to be not less than 75 percent of the members of the Supervisory Board.

In case the number of the Bank's Supervisory Board members is less than seventy five percent of the number indicated in the present Charter the extraordinary general meeting of the shareholders must be summoned to elect new members of the Supervisory Board. The other members of the Bank's Supervisory Board have right to make a decision on summoning such extraordinary general meeting of shareholders and, in case the term of office of the Chairperson of the Supervisory Board is terminated prematurely, to appoint an acting Chairperson.

11.30. The decisions, at the Bank's Supervisory Board meeting, are taken by the majority of the participant's votes except for other rules are provided for by laws and in the Bank's Charter. During the decision making process at the meeting of the Bank's Supervisory Board, each

member of the Board has one vote. The decisions on the issues mentioned in sections 4.7., 4.9. of the this Charter are taken by unanimous voting of the Bank's Supervisory Board.

11.31 Without prejudice to the foregoing and to the extent permitted by the law, the members of the Supervisory Board and independent directors shall not take the following decisions or actions without the approval of at least supermajority (75%) of the members present at a quorate meeting of the Supervisory Board:

- enter into any agreement, arrangement or transaction with any affiliated party (A) for consideration exceeding two percent and one half of one percent (2.5%) of the Bank capital, or (B) other than non-material agreements having a term of less than one (1) year that are negotiated on an arm's-length basis in the ordinary course of business;
- approve or amend the business plan or budget of the Bank;
- engage in any investments, activities or transactions beyond standard banking activities in the Republic of Uzbekistan.

11.32. A member of the Supervisory Board has no right to assign his/her vote to another member.

The votes the members of the Supervisory Board have equal force but in the other cases the vote of the Chairperson of the Supervisory Board is considered as decisive.

11.33. During the meeting of the Bank's Supervisory Board the minutes of the meeting are kept. The minutes of meeting of the Board shall be prepared no later than ten days after the date of the meeting.

The minutes of the meeting shall contain the following:

- the date, time and place of meeting;
- names of the persons being present at the meeting;
- the agenda of the meeting;
- issues put on vote, the results of the voting;
- decisions taken

The minutes of the Supervisory Board meeting are signed by the members of the Supervisory Board being present at the meeting; they are responsible for the accuracy of the minutes of the meeting.

11.34. The decisions of the Bank's Supervisory can be taken by absentee voting (through interviews) unanimously by all members of the Bank's Supervisory Board. No resolution shall be deemed to have been duly passed by the Supervisory Board or a committee of the Supervisory Board by circulation or written consent, unless the resolution has been circulated in draft form, together with appropriate documents required to evidence passage of such resolution to all members or to all members on the relevant committee at their usual address.

On the day they are signed the minutes of the meeting of the Bank's Supervisory Board are provided for the Executive Board to execute the decisions. In case the Supervisory Board takes a decision to hold the general meeting of the shareholders, the information about this decision shall be presented to the Bank's Executive Board on the day on which the meeting of the Bank's Supervisory Board is held.

Executive Board of the Bank

11.35. The Executive Board is an executive body of the Bank. The Executive Board undertakes the day to day activities of the Bank in accordance with the rules defined by law, in this Charter, and in the Policy “On the Executive Board of the Bank” approved at the general meeting of the shareholders. The management of the current affairs of the Bank is carried out under the guidance of the Chairperson of the Executive Board.

11.36. All of the issues related to the current activities of the Bank other than the issues that are within the scope of the general meetings of the shareholders and within the sphere of competence of the Supervisory Board are within the sphere of competence of the Executive Board. The Executive Board ensures the exercising of the decisions made by the general meetings of the shareholders and by the Supervisory Board.

11.37 The Executive Board:

- provides the main areas of the development and the strategy of the Bank for the Supervisory Board to consider and to approve;
- organizes and makes the prompt management of the Bank’s activities, and also ensures the exercise of the decisions taken at the general meeting of the shareholders and by the Supervisory Board;
- acts on behalf of the Bank within its competencies and reports to general meeting of the shareholders and to the Supervisory Board of the Bank;
- makes a preliminary review, in accordance with the Charter of the Bank, the issues that need to be reviewed by the Supervisory Board and at the general meeting of the shareholders and prepares necessary materials, proposals and the draft decisions related to those issues;
- approves the policies for the structural units of the Bank;
- meets the challenges related to the management activities of the structural units of the Bank, its branches and representatives;
- controls if the Bank operates in compliance with the legislation of the Republic of Uzbekistan;
- defines general procedures and requirements for assuming the liabilities of the bank, signing of payment and settlement documentation and correspondence;
- defines the issues related to the accounting policy and organization of the accounting and the reporting of the Bank;
- arranges the development of the budgeting of the business plan of the Bank;
- makes analysis of prospective areas for the development of the transactions and operations performed by the Bank in the financial market;
- promptly fixes interest rates for assets and liabilities operations of the Bank;
- reviews the drafts of incumbency instructions;
- reviews and approves internal documentation related to the activity of the Bank, (conditions, orders, rules, regulations, guidelines, rates and others), except for the internal documents to be approved by the General Meeting of the Shareholders and by the Supervisory Board in accordance with the requirements of the laws of the Republic of Uzbekistan and this Charter;
- decides the issues regarding the operations of the Bank, internal control, conclusion of inter-banks agreements and other main issues relating to Bank’s activity;
- establishes differentiated interest rates for the loan agreements as well as on asset and liability operations of the Bank’s customers;
- decides issues regarding the selection, appointment and the use of human resources;
- develops the remuneration system for the staff of the Bank and the labour regulations to be confirmed by the Chairperson of the Executive Board

- identifies the list of the confidential commercial information of the Bank and ensures its security
- confirms procedures for using the confidential commercial information of the Bank and defines the responsibilities for incompliance with the procedures
- develops the policies for Bank's funds and provides them for the Supervisory Board to consider;
- regularly reviews the results of the activities of the Bank, considers the reports of the Chairperson of the Executive Board, the directors of the departments and the staff members of the Bank;
- reports to the Supervisory Board of the Bank about the current conditions and prospective development of the Bank;
- carries out periodical assessment of the performance of Internal Control function and reviews its materials;
- develops control system over the measures taken to correct errors and to rectify irregularities found by Internal Control;
- creates and dissolves collegiate bodies such as committees, commissions that make decisions on special issues and areas of the Bank's activities which are not included in the sphere of competency of the Supervisory Board;
- prepares the documents relevant to the measures for organizing the functions of Internal Control and increasing its efficiency and discusses those issues with the Supervisory Board;
- considers and takes decisions about the other issues relevant to the Bank's activities except for the issues related to the competency of the general meeting of the shareholders and that of the Supervisory Board.

11.38. The establishment and premature termination of the powers of the Executive Board (except that of the chairperson of the Executive Board) and are made in accordance with the decision of the Supervisory Board.

The rights and the responsibilities of the Chairperson and the members of the Executive Board are defined in accordance with the requirements of the law, with the Bank's Charter and with the agreements signed by each of them and the Bank for the period of one year; the prolongation or the termination of the term of the agreements are decided annually. The agreements are signed, on behalf of the Bank, by the Chairperson of the Bank's Supervisory Board or by the other person authorized by the Supervisory Board and in accordance with the legislation.

11.39. The Executive Board consists of five persons. A member of the Supervisory Board cannot be a member of the Executive Board and the Review Committee at the same time.

11.40 The Chairman of the Executive Board manages current affairs of the Bank without special power of attorney, represents its interests, signs agreements on behalf of the Bank, appoints managers of the Bank's branches or representative officers, approves staff members, issues orders and instructions obligatory to all employees of the Bank.

11.41. The minutes of meeting is taken during the meeting of the Executive Board. The minutes of the meeting of the Executive Board shall be provided for the Bank's Supervisory Board and Review Committee (reviewer) at the request of their members.

The meetings of the Bank's Executive Board are organized by the Chairperson of the Executive Board who, on behalf of the Bank, signs all of the documents including the minutes of meetings of the Executive Board and acts, without power of attorney, in accordance with decisions taken by the Bank's Executive Board within the sphere of its competence.

11.4.8. The meetings of the Executive Board are convened in cases of emergency, however, they must be held at least once a month. The meeting will be held by the Chairperson of the Executive Board or by one of his/her deputies depending on the issues discussed. . The decision of the Executive Board shall be executed in accordance with the order of the Chairperson of the Executive Board.

Responsibilities of the members of the Bank's Supervisory Board, the responsibilities of the Chairperson of the Executive Board and those of the members of the Bank's Executive Board

11.43. The members of the Bank's Supervisory Board, the Chairperson and the members of the Bank's Executive Board, while exercising their rights and responsibilities, should act for the benefits of the Bank and may be held responsible in accordance with established procedures. In case, according to these rules, several persons held responsible, their responsibilities to the Bank will be considered as the joint responsibility to the Bank.

11.44. The members of the Supervisory Board and the Executive Board who do not vote for the decision that causes loss to the Bank or vote against such a decision do not bear any responsibilities.

11.45. The shareholder (shareholders) holding at least one percent of the Bank's allotted shares have the right to take legal proceedings against a member of the Supervisory Board, the Chairperson or a member of the Executive Board claiming compensations for the losses caused to the Bank.

12. ACCOUNTING AND REPORTING

12.1. The accounting and the reporting of the Bank are maintained in compliance with the current legislation, with regulations of the Central Bank and with International Financial Reporting Standards. The financial statements are prepared in such a quantity and in such an order that are based on the recommendations of the Central Bank.

12.2. The performance of the Bank is represented in the monthly, quarterly and annual balance sheets and the profit and loss statements presented to the Central Bank. The annual profit and loss statements must be approved by the general meeting of the shareholders.

12.3. The accuracy of the information included in the Bank's financial report and in the financial statements presented at the general meeting of the shareholders, in the balance sheet, and in the profit and losses statement of the Bank is confirmed by the audit organization which has no property interests related to the Bank or its shareholders.

The annual report of the Bank is approved by the Bank's Supervisory Board beforehand no later than thirty days before the date of the annual meeting of the shareholders.

12.4. The Bank publishes information contained in its financial reports at a stated time and in the forms established by the Central Bank after the Review Committee and independent audit company confirm that it is accurate and reliable.

12.5. The fiscal year starts on January 1 and ends on December 31.

12.6. The Bank provides information, which is necessary for the taxation purposes and to maintain national system for collecting and reprocessing economic information, for the government agencies.

13. REVIEWING AND CHECKING THE BANK'S ACTIVITY

13.1. The financial and economic activities of the Bank are reviewed by the Review Committee of the Bank, in accordance with the rules provided for by law, in this Charter, and in the policy "On Review Committee" approved at the general meeting of the shareholders and neither any member of the Supervisory and Executive Boards nor any employee working at the Bank on a contract basis is allowed being included in the Review Committee of the Bank.

13.2. The members of the Review Committee of the Bank are elected by the shareholders at the general meetings of the shareholders for the period of one year. The Review Committee of the Bank consists of five members.

13.3. The same person may not be elected to the same Review Committee (for making review) of the Bank more than three times in a row.

13.4. The authorities and the activities of the Bank's Review Committee (reviewer) are defined in the policy approved at the general meeting of the shareholders.

13.5. The review of the Bank's financial and economic activities is made by notifying the Bank's Supervisory Board in advance on the initiative of the Review Committee (a reviewer), that of the general meeting of the shareholders and on the initiative of the Supervisory Board of the Bank or at the request of Bank's shareholder(s) holding at least five percent of the voting shares of the Bank, and covers the annual performance or the performance within the other periods.

13.6. At the request of the Review Committee the officials of the management bodies of the Bank are obliged to provide the documents pertaining to the financial activities of the Bank.

13.7. In case any threat to the benefits of the Bank and to its depositors or in case any abuse of power committed by the officials of the Bank are identified based on the results of the review, the Review Committee shall call for an extraordinary general meeting of the shareholders.

13.8. The Review Committee (a reviewer) provides report with its opinion based on the results of the review; the report contains the information about:

- the assessment related to the reliability of the information given in the reports of the Bank and in the other financial statements;
- information about the facts of incompliance with the accounting procedures and with procedures for providing the financial statements as well as the fact of violation of law in undertaking the financial and economic activities.

13.9. The Review Committee provides the report about the review to the general meeting of the shareholders it also provides opinion whether or not the information given in the balance sheet and in the profit and loss statement reflects the actual situation in the Bank, and gives advice as to how to rectify identified irregularities.

13.10. The officially formalized report of the Review Committee is provided for the relevant management body of the Executive Board of the Bank to consider as well as for the executive body to take required measures.

13.11. The Supervisory Board establishes the functions of Internal Audit in compliance with the legislation of the Republic of Uzbekistan, regulations of the Central Bank and by the decision of the management bodies of the Bank. The Supervisory Board confirms the Policy of the Internal Audit.

13.12. The Internal Audit unit of the Bank exercises control and evaluates: the compliance of the Executive Board of the Bank and its branches and its representative officers with the legislation, with the Bank's Charter and with the other regulations; the accuracy and the reliability of the information given in the accounting records and in the financial statements; the compliance of the economic operations with prescribed rules and regulative principles, the safety of the assets; the compliance of the management of the Bank with requirements of the legislation; and controls, by monitoring, the compliance with the requirements for the management of the Bank provided for by law; and controls, by monitoring, the operations of the Executive Board of the Bank and its branches and its representative officers .

13.13. The Internal Audit reports to the Supervisory Board of the Bank.

13.14. In order to check and to confirm the accuracy of the annual financial statements of the Bank, every year the Bank attracts external professional audit company (external audit) which has no economic material interest in the Bank or with its shareholders.

13.15. The audit is implemented in compliance with the legislation of the Republic of Uzbekistan, in accordance with the contract signed with the audit company. The audit company, following the procedures provided for by law, audits the Bank's financial and economic activities and presents the audit report to the Bank.

13.16. The purpose of conducting the audit is to get an objective opinion on the following:

- accuracy of the financial statements of the Bank and their compliance with the national and international accounting standards;
- organization of internal control system and its compliance with regulations (procedures) of internal control;
- compliance of the Bank's operations with the legislation and with the prudential regulations of the Central Bank of the Republic of Uzbekistan;
- effectiveness of the operations carried out by the Bank and its compliance with financial policy and with the accounting and regulatory system.

13.17. The Auditor's report is provided for the Central Bank in accordance with established procedures.

14. REORGANIZATION AND LIQUIDATION OF THE BANK

14.1. The reorganization of the Bank is to be performed in accordance with the resolution of the general meeting of the shareholders and with the procedures provided for by law in the form of affiliation, merger, division, separation and conversion, as per the decision of the general meeting of the stockholders.

The Bank is deemed as being reorganized when the newly established legal entities are registered with the state agency; it does not apply to the reorganization in the form of affiliation.

14.2. After the decision on its reorganization is taken, the Bank shall inform its creditors about this decision in writing not later than 30 days. The creditor has the right to require the Bank, in writing, to cancel the obligations or to fulfil them ahead of time and to cover the losses in the following time periods:

- not later than 30 days from the date of the written notification given to a creditor by the Bank about reorganization in the form of affiliation, merger or conversion;
- not later than 60 days from the date of the written notification given to the a creditor by the Bank about reorganization in the form of division or separation.

14.3. After the registration agency cancels the state registration of the issuance of the securities resulted from the reorganization of the Bank and after it is crossed off the consolidated state registry of legal entities, the registration agency makes registration of the created new legal entities.

Liquidation of the Bank

14.4. Bank can be liquidated in the following cases:

- by the decision of the general meeting of the shareholders;
- in case of the license issued by Central Bank is revoked;
- in case of the bankruptcy of the Bank.

14.5. In case of voluntary liquidation, the Bank's Supervisory Board shall provide the issue of the liquidation and the establishment of the liquidation committee (hereinafter referred to as Liquidator) for consideration at the general meeting of the shareholders.

14.6. The liquidation of the Bank leads to the termination of its activity without assigning its rights and obligations to another individual as legal successor.

14.7. The general meeting of shareholders adopts the resolution on voluntary liquidation of the Bank and establishment of the Liquidation Committee.

14.8. In case of the liquidation of the Bank according to the decision of the court of law, the Liquidator will be appointed in accordance with the procedures provided for by the legislation of the Republic of Uzbekistan.

14.9. After the Liquidator is appointed he/she will be authorized to manage the affairs of the Bank. The Liquidator takes part in the session of the court on behalf of the liquidated Bank.

14.10. According to the procedures provided for by law the Liquidator makes announcement through mass media about the liquidation of the Bank and about the procedures and the periods for the creditors to make their claims. The period for the creditors to make claims is not to be less than two months after the date on which the liquidation of the Bank is announced.

14.11. In case the Bank has no liabilities to the creditors when the resolution about the liquidation is taken, the property of the Bank shall be distributed among shareholders.

14.12. After the settlements with the creditors of the liquidated Bank are made the remaining property will be distributed by Liquidator among shareholders in the following order:

- firstly, in the cases provided for by the current legislation, the payments for the shares bought under the agreement to resell are to be made ;
- secondly, dividends calculated but not paid on preferred shares and liquidation costs indicated in this Charter in relation to on the preferred shares are to be paid;
- thirdly, the property is to be distributed among the shareholders holding common shares of the liquidated Bank .

14.13. When the liquidation of the Bank is in progress the payments for preferred shares are made by the Liquidator in accordance with the liquidation cost. The liquidation cost of the preferred shares is determined in defined sum and this sum should not be less than the liquidation cost of the common shares.

14.14. The part of liquidation cost of the property that is to be transferred to the shareholders who are foreign investors shall be converted into the foreign currency by the Bank.

14.15. The liquidated bank will be taken off the unified state register by the Central Bank.

**Chairperson of the Executive Board
of the JSCB “Hamkorbank”**

O.Yu. Turajonova