

Approved at the general meeting  
Shareholders of JSC «Xonqa paxta tozalash»  
from 28.06.2017



**POSITION**  
**On the executive body of JSC «Xonqa paxta tozalash»**

## POSITION

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### I. GENERAL PROVISIONS

1.1. Regulations have been developed in accordance with the Law of the Republic of Uzbekistan "On joint-stock companies and protection of shareholders' rights" and the Charter of Joint Stock Company «Xonqa paxta tozalash».

1.2. These Regulations define the status and regulates the work of the Executive Body of Joint Stock Company «Xonqa paxta tozalash», the procedure for election, as well as rights and obligations. Under the Executive Body understood collegial body - the Board.

### II. ORDER OF EDUCATION OF THE EXECUTIVE BODY

2.1. The quantitative composition of the Executive body of the company determines the Company's Supervisory Board, on the basis of and within budget administrative expenses adopted in accordance with the procedure established by the General Meeting of shareholders if the company's charter does not address these issues within the competence of the General Meeting of the company.

2.2. Executive bodies of the Company and early termination of their powers are carried out by a decision of the general meeting of shareholders if the company's charter does not address these issues within the competence of the Supervisory Board of the company. In accordance with the company's charter or by decision of the General Shareholders Meeting or the Supervisory Board of the appointment of Chairman of the Board or members of the board of the company it can be carried out on a competitive basis.

In accordance with the company's charter or by decision of the General Meeting of shareholders, respectively, or the Supervisory Board of the company chairman of the board may be appointed on a competitive basis.

2.3. In reviewing and approving nominations to the executive body of the decision taken by the General Meeting of Shareholders or the Supervisory Board by a simple majority.

2.4. Review and approval of candidates for the executive body of the company by the General Meeting of Shareholders or the Supervisory Board is made on a personal basis. A candidate for an executive body is obliged to inform the public about the facts of bringing him to justice.

Introducing a particular nominee of the Executive Body, the Chairman of the Supervisory Board informed about the conditions of the contract, remuneration for management activities and the consent of the candidate to conclude a contract, confirmed by a personal statement of the candidate.

2.5. Candidates for the Executive Body may be present at the general meeting of shareholders or a meeting of the Supervisory Board in the consideration of their candidatures.

2.6. After approval by the General Meeting of Shareholders or the Supervisory Board proposed to the executive body of the candidates is a contract for the performance of duties by the relevant positions. The contract with the Chairman of the Board is for one year with an annual decision on the possibility of its extension or termination. Agreement on behalf of the Company by the Chairman of the Supervisory Board or a person authorized by the Supervisory Board.

2.7. In the case of early termination of powers of the Chairman of the Board, appointed or elected by the general meeting of shareholders may be temporary performance of his duties by a person determined by the decision of the Supervisory Board of the company for the period until the next General Meeting of Shareholders or the Supervisory Board meeting, if the Charter is attributed to its competence.

2.8. Chairman of the Board for breach of the Charter of the society, as well as conditions of the contract can be recalled from his post while the termination of the contract. The decision to revoke the Chairman of the Board and the termination of the contract made by the General Meeting of Shareholders or the Supervisory Board by a majority vote.

The Supervisory Board has the right to early termination of the contract with the Chairman of the Board, assuming it gross violations or failure of implementation of the approved parameters of the annual business plan of the Company.

### III. COMPETENCE OF THE EXECUTIVE BODY

3.1. Chairman of the Board independently solves all issues of the company, except for those in the exclusive competence of the General Meeting or the Supervisory Board.

3.2. Chairman of the Board shall be entitled to:

without the power of attorney to act on behalf of the company, to represent its interests in relations with other organizations and bodies;

dispose of property and cash within the limits set by law and specified by the Charter or other document of JSC «Xonqa paxta tozalash»;

to conclude agreements and contracts, including labor;

issue powers of attorney;

opened in banks settlement and other accounts;

issue orders and instructions binding on all subordinate employees;

approve the staff, to carry out its staffing.

3.3. Duties of Chairman of the Board:

implementation within its competence, management of the Company, except for the issues referred to the exclusive competence of the General Meeting of Shareholders and the Supervisory Board, ensuring its efficient and stable operation;

supporting the enforcement of the General Meeting of Shareholders and the Supervisory Board of the Company;

ensuring effective interaction between production units, departments and other structural subdivisions of the Company;

enforcement of contractual obligations of the Company;

providing a profit to the extent required for the development of production and the social sphere;

leadership development programs and business plans of the Company's development, organization and control of their execution;

ensuring compliance with legal requirements in the Company's activities;

ensuring the organization, the proper condition and reliability of accounting and reporting in the Company, timely submission of annual report and other financial statements to the relevant authorities, as well as information about the company to shareholders, creditors and other recipients of information. Chairman of the Board quarterly reports to the Supervisory Board on the implementation of the annual business plan;

unimpeded provision of documents on financial and economic activities of the Company at the request of shareholders, the Supervisory Board, the Audit Committee of the Company or the Company's internal auditor;

ensuring completeness and timeliness of the state statistical reporting to the relevant authorities;

preservation of information constituting a commercial secret of the Company, if the scope of his responsibilities do not include the transfer of such information to third parties. The list of information constituting a commercial secret of the Company, determined by the Supervisory Board;

ensuring the preservation of information that constitutes a business or trade secrets, the Company's employees;

Take steps to ensure the Company's qualified personnel, the best use of knowledge, skills, experience and abilities of employees of the Company;

maintaining labor and technological discipline;

ensuring compliance with labor and social guarantees for the protection of the Company's employees;

ensuring the participation of the Executive Body in collective bargaining. Speech as an employer

in collective bargaining and agreements. Meeting of the obligations under the collective agreement;  
providing in a timely manner to the General Meeting of Shareholders and Supervisory Board of the Company's reports on the state of affairs within its competence;  
compliance with all the rights of shareholders by giving them the information provided by the current legislation, participate in general shareholders' meetings, and payment of dividends;  
compliance with the internal documents of the current legislation and regulations.  
3.4. Specific rights and duties of Chairman of the Board are stipulated in the contract with him.

#### IV. RESPONSIBILITY OF THE EXECUTIVE BODY

- 4.1. If the Chairman of the Board is the financial interest in the transaction, one side of which it is the company, it is obliged to indicate their interest to the date of the decision and in the discussion of this issue, and in the voting, he does not participate.
- 4.2. Chairman of the Board shall not use the rights granted to public office, for the purposes and interests of legal entities and individuals with whom they are in an employment relationship.
- 4.3. Chairman of the Board should not allow actions for personal gain from the disposal of the property of the company.
- 4.4 Chairman of the Board during the period of his work in this capacity, has the right to establish or participate in the establishment of enterprises, whose activity creates difficulties with the sale of products or provision of services in the community. Chairman of the Board is obliged to suspend its participation in similar enterprises in the appointment to the position in society and to inform the suspension of the Company's Supervisory Board.
- 4.5. Chairman of the Board shall be liable to the company for the damage caused to it as a result of non-performance or improper performance of its functions, in full for damages caused to the Company, in accordance with the current legislation of the Republic of Uzbekistan and the company's charter. Also, the Chairman of the Board shall be personally responsible for the safety of the company's property.
- 4.6. At the same time, the Executive Body is not responsible, does not participate in the voting or voted against the decision that caused losses to the company.
- 4.7. The Company or shareholder (s) holding in aggregate at least one percent of the outstanding ordinary shares of the Company shall have the right to go to court with a claim to the Executive Body for damages caused to the Company.