

**APPROVED**  
**on August 14, 2020**  
**by sole shareholder of**  
**“UZAUTO MOTORS POWERTRAIN”**  
**Joint Stock Company**  
**Resolution No. 32-2020 / 8**

**CHARTER OF JOINT STOCK COMPANY**

**«UZAUTO MOTORS POWERTRAIN»**

**(new edition)**

## **PREAMBLE**

**UzAuto Motors Powertrain JSC** (hereinafter -Company) a company established between Uzavtosanoat JSC (a legal entity established and operating in accordance with the legislation of the Republic of Uzbekistan) and General Motors Corporation (then its shares are owned by General Motors Holdings LLC, a legal entity established and operating in accordance with the legislation of Delaware, USA) based Joint Venture Agreement, signed on October 28, 2008, minutes of shareholder meeting on establishing of JSC “General Motors Powertrain – Uzbekistan” dated December 18, 2008 and the Presidential Resolution 1020 dated 16 December, 2008. In accordance with the decision of the shareholder of “UzAuto Motors Powertrain” JSC dated October 29, 2019, the Company name “General Motors Powertrain-Uzbekistan” JSC was changed to UzAuto Motors Powertrain JSC.

The company was registered by the Ministry of Justice of the Republic of Uzbekistan on January 21, 2009, under №978, as “General Motors Powertrain-Uzbekistan” Closed Joint Stock Company and Company is the legal successor to all contracts and obligations executed by “General Motors Powertrain-Uzbekistan” JSC.

The company operates in accordance with the Civil Code of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights" as amended by Law No.370 of May 6, 2014, as well as other current laws and regulations of the Republic of Uzbekistan, as well as in accordance with international agreements to which Republic of Uzbekistan is a party.

As of July 10, 2020, in connection with transfer of “Uzavtosanoat” JSC’s 100% shares to “UzAuto Passenger Vehicles Management” LLC, “UzAuto Passenger Vehicles Management” LLC is the sole shareholder of the Company.

## **ARTICLE 1 DEFINITIONS**

1.1. Whenever used in this Charter, the following words and phrases have the following meanings:

"Affiliate" means a definition provided in the Legislation and the Regulations on Affiliates, which can be approved by the GMOS;

"Annual dividend" means the definition set out in paragraph 8.2;

"Branch" means a separate structural subdivision located outside the address of a legal entity and performing all or part of its functions, including the functions of a representative office;

"Central Bank" means the Central Bank of the Republic of Uzbekistan;

"Charter" means the Charter of the Company;

"Charter fund" means the definition defined in paragraph 5.4;

“Company” means UzAuto Motors Powertrain JSC, as defined in the Preamble above;

"General Director" means the sole executive body of the Company, which manages the day-to-day activities of the Company, the General Director;

"State authority" means the Government of the Republic of Uzbekistan or any state structure with executive, legislative, judicial, tax, regulatory, possessing the administrative rights and powers at the local, regional or republican level, as well as its office, bureau, commission, department or similar denoting a similar body;

“Intellectual Property” means (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications and patent disclosures, together with all re-issuances, continuations, continuations in part, revisions, extensions and reexaminations thereof, (b) all trademarks, service marks, domain names, trade dress, logos, trade names and corporate names, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith and all applications, registrations and renewals in connection therewith, (c) all copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith, (d) all trade secrets, technical information, and confidential business

information (including research and development, know how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing methods, plans, and proposals), (e) all computer software (including models, algorithms, data and related documentation), (f) all pricing models and related data and documentation and (g) all copies and tangible embodiments of any thereof (in whatever form or medium);

"Internal Audit Service" means the concept set out in paragraph 18.1;

"JSC Law" means the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights" as amended on May 6, 2014 and subsequently amended;

"Legislation" means laws, resolutions of the President of the Republic of Uzbekistan and the Government of the Republic of Uzbekistan, resolutions of other Governmental Authorities referred to as normative and legal acts by the Laws of the Republic of Uzbekistan, as well as decisions of the courts of the Republic of Uzbekistan;

"MoS" or "General Meeting of Shareholders" means general meeting of shareholders, a supreme management body of the Company;

"Reserve Fund" means the concept set out in paragraph 9.2;

"Revision Committee" means the concept set out in paragraph 16.1;

"Shares" means ordinary registered shares in non-documentary form issued by the Company with the nominal value equal to 1 UZS (one) per share;

"Shareholder" means the "UzAuto Passenger Vehicles Management" LLC;

"Subsidiary" means a joint-stock company or a limited liability company that has the ability to designate the Company due to its priority participation in the Charter Fund of the Company or in accordance with the agreement concluded between them or otherwise through its decisions;

"Supervisory Board" means the supervisory board, the responsible governing body of the Company, which oversees the management;

"US\$" means US Dollars, the national currency of the United States of America;

"UZNSBU" means national standards of accounting of the Republic of Uzbekistan;

"IFRS" means International Financial Reporting Standards;

"UZS" or "Soums" means Uzbekistan Soum, the national currency of the Republic of Uzbekistan;

## 1.2 Interpretation

In this Charter, unless the context otherwise requires:

- (a) unless the context specifies otherwise, words importing the singular number shall include the plural and *vice versa*, words importing the masculine include the feminine and neuter gender and *vice versa*;
- (b) references to "day" or "days" are to calendar days at Tashkent time;
- (c) references to Sections, Articles, Paragraphs and the Preamble are references to sections, articles, paragraphs and the preamble of this Charter unless otherwise specified;
- (d) references to "including" or "includes" means including or includes, without limitation.

## ARTICLE 2

### FIRM NAME, LOCATION AND LEGAL STATUS OF THE COMPANY

2.1. Full firm name of the Company is:

In Uzbek: "UzAuto Motors Powertrain" Aksiyadorlik Jamiyati;

In English: "UzAuto Motors Powertrain" Joint Stock Company;

In Russian: АКЦИОНЕРНОЕ ОБЩЕСТВО "УЗАВТО МОТОРС ПАУЭРТРЕЙН".

The abbreviated name of the Company is:

- In Uzbek: “ UzAuto Motors Powertrain” AJ;  
In English: “UzAuto Motors Powertrain” JSC;  
In Russian: АО “ УзАвто Моторс Пауэртрейн”
- 2.2. Location and legal/post address of the Company is: 1, Istiklol str. 111800, Khonobod village, Kumarik makhalla, Tashkent region, Republic of Uzbekistan.
  - 2.3. E-mail address of the company: info@umpt.uz
  - 2.4. Official website of the society: www.umpt.uz.
  - 2.5. The Company shall be a legal entity with its separate balance with the rights of use, possession and disposal of its own property pursuant to subject and purposes of its activity and assignment of property, and is authorized to acquire on its behalf corporeal and personal non-corporeal rights and bears liabilities, and may act as plaintiff and defendant in courts.
  - 2.6. The Company has independent balance sheet, bank accounts, including bank accounts in foreign currency in authorized banks of the Republic of Uzbekistan, as well as banking account abroad.
  - 2.7. Company shall have its corporate seal, corner stamps, other stamps and letterhead papers, as well as duly registered trademark and other means of visual identification.
  - 2.8. The Company shall be liable for its obligations to the extent of all owned assets. No Shareholder shall be liable for the obligations of the Company, and each Shareholder shall bear a risk of loss, related to the Company’s activities, only within the limits of the value of its shares.  
Shareholders, which have not fully paid for the shares, bear joint and several liability for Company’s activities within the limits of unpaid portion of the value of their shares.  
Company does not bear liability for the obligations of its Shareholders.
  - 2.9. The state and its agencies and organizations, shall not be liable for the obligations of the Company and the Company shall not be liable for the obligations of the state and its bodies
  - 2.10. The Company has been established for unlimited term.
  - 2.11. Provisions of this Charter shall remain in force throughout the whole period of the Company’s operation, or until a new Charter is approved by the MoS and registered. In case of events not stipulated by the Charter, the Company shall operate pursuant to a resolution of the MoS.
  - 2.12. The Company shall conduct its business activities on the basis of the Legislation this Charter and the JV Agreement.
  - 2.13. The Company may establish branches and representative offices, subsidiaries and related companies in the Republic of Uzbekistan in compliance with the Legislation and abroad in compliance with the legislation of a respective foreign jurisdiction.
  - 2.14. Branches and representative offices shall not be regarded as legal entities, and shall operate on the basis of the regulations approved by the Company. The Company shall allocate property and assets for its branches and representative offices.
  - 2.15. Branches and representative offices shall have their own balance sheet or budget, which is an integral part of the Company’s balance sheet.
  - 2.16. The management of branches or representative offices shall be appointed by the Company and (they) shall act on the basis of the power of attorney issued by the Company.
  - 2.17. Subsidiaries and dependant companies shall be regarded as legal entities and they shall not be liable for the obligations of the Company. The Company shall not be liable for the obligations of its Subsidiaries, except in the cases stipulated by the Legislation.
  - 2.18. Decision on establishment or liquidation of Subsidiaries or dependant companies shall be adopted by the MoS.

### **ARTICLE 3**

#### **LIST OF SHAREHOLDERS**

- 3.1. The sole shareholder of the company is UzAuto Passenger Vehicles Management Limited Liability Company and its legal address: 100000, Republic of Uzbekistan, Tashkent,

Mirabad district, 13 Amir Temur Shokh str., registered by Mirabad district Center for Public Services. During its activity, the company carries out the implementation of orders, directives and other documents adopted by Uzavtosanoat and UzAuto Passenger Vehicles Management LLC.

**ARTICLE 4**  
**BUSINESS PURPOSE, SUBJECT MATTER AND**  
**OPERATIONAL TERM OF THE COMPANY**

- 4.1. The purpose of the Company activities is to engage in production, assembly and sale of powertrains for profit.
- 4.2. Subject matter of the Company's operation is:
  - manufacturing, assembling, sale of powertrains;
  - manufacturing, sale of spare parts and parts for powertrains;
  - engaging in export and import operations and in mediatory activities;
  - engage in foreign economic activities in the established procedure;
  - marketing;
  - rendering engineering services;
  - lending funds to and borrowing money from third parties, including Governmental Authorities.
- 4.3. The Company has the right to perform any type of activities that are not prohibited by the Legislation. Types of activities which require special permit (licensing) shall be carried out on the basis of relevant a permit (license) issued by Governmental Authorities.
- 4.4. Daily economic activity – it is any activity or transaction (contract) related to the production, assembly and sale of engines (power units) or its components (parts), including debt(loan) in the amount of up to 15% of the Company's net assets carried out during daily economic activity, except for transactions involving the placement of shares and other securities.

**ARTICLE 5**  
**CHARTER FUND OF THE COMPANY**

- 5.1. Charter Fund of the Company is comprised of the nominal value of Company's Shares purchased by its Shareholders. Nominal value of all Shares, issued by the Company shall be equal and issued Shares shall be expressed in Soums with indication of equivalent in UZS.
- 5.2. Charter Fund of the Company determines the minimum amount of the Company's property that guaranteeing the interests of its creditors.
- 5.3. Each of the Company's Shareholders after the subscription for the Company's Shares in the order provided by Legislation shall acquire the rights and bear liabilities stipulated in the current Charter and Legislation.
- 5.4. Property of the Company is comprised of the contributions paid for the shares (Charter Fund), from the product manufactured by the Company as a result of its business activity, gained profit, as well as other property, acquired on the other grounds, as provided by the Legislation.
- 5.5. The amount of the Company's authorized capital is 139,837,000,000.00 (one hundred thirty-nine billion eight hundred thirty-seven million) soums, which is equivalent to 100,000,000.00 (one hundred million) US dollars at the exchange rate of the Central Bank of the Republic of Uzbekistan on the date of state registration of the Company, and divided into 139,837,000,000.00 (one hundred and thirty-nine billion eight hundred and thirty-seven million) ordinary registered Shares with par value of each 1 (one) sum.
- 5.6. Shares in the Charter Fund shall be distributed among Shareholders in the following order:
  - (i) Shareholding of the "UzAuto Passenger Vehicles Management" LLC is 100% of the Charter Fund which makes 139,837,000,000.00 (one hundred thirty-nine billion eight hundred thirty-seven million) Soums (equivalent to US\$ 100,000,000 at the rate of the

- Central Bank of the Republic of Uzbekistan as of the date of the state registration), divided into 139,837,000,000.00 (four hundred and eighty thousand) ordinary registered shares;
- 5.7. Monetary funds transferred as payment for Shares issued by the Company shall be transferred to the Company's bank account.
  - 5.8. Payment for the shares of the Company can be made in the form of assets and property which has monetary value.
  - 5.9. Shares may be transferred by means legal succession of legal entities.

## **ARTICLE 6**

### **INCREASE AND DECREASE OF THE CHARTER FUND**

- 6.1 Charter Fund may be increased by placement of additional Shares.
- 6.2 The total number of Shares of the Company may not exceed the number of authorized Shares specified in the Charter of the Company.
- 6.3 Resolution on increase of the Charter Fund by placement of additional shares and introduction of the relevant amendments into the Charter shall be adopted by the MoS.
- 6.4 The number of additional ordinary shares and preferential Shares placed by the decision to increase the authorized capital of the Company by issuing additional shares, the terms and conditions of their placement must be determined.
- 6.5 The Company Charter Fund may be reduced by means of decreasing the nominal value of Shares or reduction of their number, as well as by means of purchasing of the part of Shares by the Company with their subsequent redemption.
- 6.6 Decision on decrease of the Charter Fund and on introducing relevant amendments to the Company Charter shall be adopted by the MoS. Resolution on the decrease of the Charter Fund shall contain the reasons of such Charter Fund decrease and establish the order of its reduction.

## **ARTICLE 7**

### **TYPES OF ISSUED SHARES, THEIR NOMINAL VALUE**

- 7.1. In accordance with the legislation, the Company has the right to place ordinary and preferred shares, which are considered to be equity securities, in the manner, conditions and terms established by the decision to issue shares and this Charter.
- 7.2. All placed Shares of the Company are considered to be issued in ordinary, registered, undocumented form.
- 7.3. The total number of Shares placed by the Company is 139,837,000,000 (one hundred and thirty-nine billion eight hundred and thirty-seven million) undocumented, registered, ordinary Shares with a par value of 1 (one) soum each.
- 7.4. The Company places Shares among the Company's Shareholders by closed subscription, except for the cases when the possibility of conducting a closed subscription is limited by the Legislation.
- 7.5. The Company has the right to issue shares and other securities in the manner prescribed by Legislation and this Charter.
- 7.6. Shareholders can make payments for Shares in the form of:
  - monetary funds;
  - various types of property;
  - rights, including property rights, in-kind contributions, Intellectual property objects, tangible and intangible assets having monetary value.
- 7.7. In order to increase the authorized capital of the Company, the number of authorized shares with a nominal value of 1 (one) soum in addition to the placed shares is 209,755,500,000 (two hundred nine billion seven hundred fifty five million five hundred thousand) undocumented, with the name of the owner, consists of ordinary shares.

**ARTICLE 8**  
**DISTRIBUTION OF PROFITS (NET PROFITS)**

- 8.1 Any profits received by the Company as a result of its business activity after the Company pays all taxes shall remain at the disposition of the Company and and (i) for the formation of the Company's funds in accordance with the legislation, IFRS and UZNSBU, and (ii) for the payment of dividends in accordance with the legislation and this Charter.
- 8.2 Once a year, the Company has the right to decide on the payment of dividends ("annual" or "annual dividends") on ordinary shares placed at the end of the financial year. The decision on the payment of annual dividends on shares (including the amount of dividends and the form and procedure for their payment) is made by the MoS on the recommendation of the Supervisory Board, based on the financial statements approved by the auditor.
- 8.3 The size of the dividends shall not be bigger than the recommended by the Supervisory Board of the Company.  
The decision on the payment of dividends shall contain the dates of commencing and concluding the payment of dividends.  
Payment of annual dividends to the Company Shareholders shall be carried out not later than 60 (sixty) days after adoption of the resolution by the MoS. Dividends shall be calculated only for acquired and paid Shares.
- 8.4 Dividends which have not been claimed within 3 (three) years shall turn into the Company's ownership, unless other limitation periods are stipulated by the Legislation.
- 8.5 Subject to Section 8.3, procedure and date for payment of annual dividends for each category (type) of shares shall be determined by the resolution of the MoS.
- 8.6 Dividends shall be distributed among Shareholders in proportion to the amount and type of Shares that each Shareholder owns.
- 8.7 Any use of the established funds which are formed from profits gained by the Company shall be carried out pursuant to regulations approved by the Supervisory Board.  
Pursuant to the decision of the MoS dividends can be paid by cash or other legal payment methods.
- 8.8 The Company shall have no right to make decision on dividend payments (announcement) for shares:  
-until full payment of the entire Charter Fund of the Company;  
-if as of the time of payment of dividends the Company has signs of insolvency (bankruptcy) or such signs might arise as a result of payment of dividends;  
-if the value of net assets of the Company is lower than the amounts of its charter or reserve funds.

**ARTICLE 9**  
**ESTABLISHMENT OF RESERVE AND OTHER FUNDS**

- 9.1. Company shall establish the following funds out of the its net profit:
- Reserve Fund;
  - Other funds as may be necessary for the Company's operation as determined by the MoS.
- 9.2. Reserve Fund is aimed to cover the losses of the Company, payment of dividends for preference shares and purchase of shares upon Shareholders' request which are entitled to make such a request pursuant to the Legislation. The Reserve Fund may not be used for other purposes.
- 9.3. Reserve Fund shall be established in the amount equal to at least 15% (fifteen percent) of the amount of the Charter Fund.
- 9.4. The Company shall make annual contributions to the Reserve Fund in the amount of 5% (five percent) out of the net profit until amount of the Reserve Fund reaches the amount stipulated in the Section 9.3 of the Charter.

- 9.5. In addition to the reserve fund, the funds formed from the net profit of the Company are formed and used by the decision of the Supervisory Board.

**ARTICLE 10.  
SHAREHOLDERS' RIGHTS AND DUTIES**

- 10.1. Shareholders shall be entitled to:
- be included in the Shareholders' register of the Company;
  - receive an extract from the security account in depository concerning its own entry;
  - receive part of the profits of the Company as dividends;
  - receive part of the property of the Company in the event of the Company's liquidation in accordance with the their respective shareholding;
  - participate in the management of the Company through voting at held MoS;
  - receive full and reliable information on results of financial-economic activity of the Company in accordance with the Legislation and Charter;
  - freely dispose of the received dividend;
  - audit the books and records of the Company in accordance with the provisions of the Legislation;
  - defend its rights at an authorized state agency responsible for coordination and control over the securities market and at courts;
  - receive compensation for losses caused by incompetent or unfair actions of investment institutions and issuers;
  - join into associations and other public organization with the aim to represent and defend their interests;
  - insure risks connected with possible losses and/or losses of part of the profit when acquiring Shares.
- The Shareholders also have other rights, envisaged by the Legislation and the Charter.
- 10.2. Shareholders as owners of the paid Shares shall participate at the MoS with the right to vote on all issues within its competence. Voting during MoS is held under the principle “one voting share” – “one vote”, except for events of cumulative voting.
- 10.3. Shareholders shall be obliged to:
- make payments for Shares in order, amount and methods stipulated in the Charter;
  - to comply with the Legislation and the Charter of the Company;
  - not to disclose confidential information on the Company’s activities to third parties.
- The Shareholders also have other obligations.

**ARTICLE 11  
ORGANIZATIONAL STRUCTURE OF THE COMPANY**

- 11.1. The governing bodies of the company are:
- General Meeting of Shareholders;
  - Supervisory Board of the Society;
  - The executive body on the basis of individual leadership - the General Director of the Company.

**ARTICLE 12  
GENERAL MEETING OF SHAREHOLDERS**

- 12.1. The General Meeting of Shareholders shall be the supreme management body of the Company
- 12.2. The competence of MoS is consists of the following:
- (i) reorganization of the Company;
  - (ii) liquidation of the Company, appointment of a liquidator, and approval of the interim and final liquidation balance sheets;
  - (iii) conclusion of large transactions connected with the Company 's acquisition and disposal of assets exceeding 50% (fifty percent) of the Company 's Assets Net



- Book Value in accordance with UZNSBU as of the date of the transaction (except in the ordinary course of business);
- (iv) execution of agreements with affiliates in the cases provided for in Article 16 of this Charter. In this case, the Affiliates do not have the right to vote in making decisions on such transactions by the MoS;
  - (v) introduction of amendments and changes into the Charter of the Company or approval of the new edition of the Charter;
  - (vi) hearing reports of the Supervisory Board and the Revision Commission of the Company on matters within their competence, including compliance with the requirements of the legislation governing the Company; determination of the size of the Supervisory Board, election of its members, and early termination of their authority;
  - (vii) determination of the size of the announced shares;
  - (viii) approval of the Company organizational structure;
  - (ix) approval of the Company annual Business-Plan;
  - (x) approval of the Company profit and losses;
  - (xi) approval of the regulation of the MoS;
  - (xii) determination of bonuses and / or compensations paid to the executive body of the Company, as well as their maximum amount;
  - (xiii) redemption of the Company's own Shares in cases stipulated by the Law on JSC;
  - (xiv) election of the Company General Director and termination of his/her authority;
  - (xv) election of members of the Revision Commission of the Company and early termination of powers of its members, as well as approval of the Regulations on the Revision Commission;
  - (xvi) approval of regulations on the activities of the MoS, the Supervisory Board and the Executive Body;
  - (xvii) determination of the composition of the Supervisory Board, election of its members and early termination of their powers;
  - (xviii) increase of the Company's Charter Fund;
  - (xix) reduction of the Company's authorized fund (authorized capital);
  - (xx) approval of Annual Reports;
  - (xxi) to appoint an audit firm to conduct a mandatory audit, to decide on the maximum amount to be paid for the services of that organization and to enter into a contract (termination of the contract) with it;
  - (xxii) approval of the decision on the issue of securities (new / additional) and the text of the brochure, as well as the decision to make changes and additions to the previously registered securities issues;
  - (xxiii) shredding and enlarging shares; and
  - (xxiv) to resolve other issues included in the powers of the MoS by this Charter and the Legislation.

- 12.3. If, in accordance with the register of shareholders of the Company, all ordinary shares of the Company belong to one shareholder, in accordance with the current legislation, the Company will not hold an MoS. Decisions on items within the competence of the General Meeting of Shareholders by this Charter and the Legislation shall be made by the Company's shareholder (representative of the shareholder) individually and in writing. In this case, the rules established by law, which determine the procedure and timing of the preparation, convening and holding of the general meeting of shareholders, shall not apply, except for the rules relating to the terms of the annual general meeting of shareholders. MoS summons is not required by the company's shareholder to make a written decision. The decision of the sole shareholder of the Company may be made by this shareholder (shareholder's representative) independently, on the basis of a written application of the Supervisory Board and (or) the General Director of the Company. If the decision to be made is to be approved by the Supervisory Board or the Supervisory Board

- in accordance with the legislation and this Charter, such decisions shall be made by the Company's shareholder (shareholder's representative) after receiving such recommendations or initial approval. The Shareholders may participate in the sessions of MoS in person or delegate their representatives, who shall act on the basis of power of attorney pursuant to JSC-Law.
- 12.4. The Annual General Meeting of Shareholders shall be held no later than 6 (six) months after the end of the financial year, which shall decide on the election of the Supervisory Board and the Audit Commission, the extension, renewal or termination of the contract with the General Director. annual report, reports of the Company's Management Board and Supervisory Board on measures taken to achieve the company's development strategy and other documents.
  - 12.5. Issues within the exclusive competence of the General Meeting of Shareholders may not be delegated to the Supervisory Board or the Executive Body
  - 12.6. If, in accordance with the register of shareholders, the company has more than one shareholder, the convening and holding of the general meeting of shareholders shall be carried out in the manner prescribed by law. The annual MoS is chaired by the Chairman of the Supervisory Board of the Company, and in case of his absence for valid reasons, by one of the members of the Supervisory Board of the Society. No later than 90 (ninety) days after the end of the financial year, shareholders (shareholders) owning at least one percent of the total voting shares of the Company shall submit proposals on issues and distribution of net profit to the annual MoS agenda and submit it to the Supervisory Board and Revision Commission. have the right to nominate candidates in such a way.
  - 12.7. Sending representatives to inspect the activities of the Company, including sending employees of JSC "Uzavtosanoat" or employees involved, as well as giving instructions on the submission of documents related to the activities of the Company.
  - 12.8. MoS carries out its activities in accordance with the Legislation, the Charter of the Company and the Regulations on MoS.

### **ARTICLE 13**

#### **SUPERVISORY BOARD OF THE COMPANY**

- 13.1. The Supervisory Board exercises overall oversight management of the Company's business with the exception of those matters referred by the Charter to the exclusive competence of the General Meeting of Shareholders.
- 13.2. The Supervisory Board of the Company consists of 5 (five) members.
- 13.3. All members of the Supervisory Board shall be elected for a one-year period. Members of Supervisory Board shall be voted by cumulative voting. In cumulative voting, the number of votes for each Shareholder is multiplied by the number of persons to be elected to the Supervisory Board of the Company, and the Shareholder has the right to give the votes in full to one candidate or to distribute them among two or more candidates. The candidate with the highest number of votes is recognized as elected to the Supervisory Board.
- 13.4. Members of Supervisory Board may be re-elected indefinite number of times. Members of the Executive Body, Revision Commission, as well as Persons working with the Company on basis of labor agreement (contract) cannot be elected to the Supervisory Board of the Company. Members of the Supervisory Board shall be eligible to (i) access to any documents relating to the business activities of the Company, (ii) receive such documents from the General Director for the performance of their duties, and (iii) hear quarterly reports of the General Director and Internal Audit.
- 13.5. The issues provided in articles 13.6. and 13.7. fall within the competence of the Supervisory Board.
- 13.6. The following requires the approval of no less than 80% (eighty percent) of the Supervisory Board present at the meeting:
  - a) determining Company's priority activities;
  - b) convening the annual and extraordinary General Meeting of Shareholders with the exception of cases when MoS was convened pursuant to Law on JSC;

- c) to include in the resolution of the general meeting of shareholders the issues provided for in paragraph 12.2 (c) of this Charter;
  - d) organization of determining the market value of the property;
  - e) appointment of the First Deputy General Director of the Company and approval of regulation determining its powers;
  - f) pre-approval of the Company's Annual Business-Plan, Key Performance Indicators (KPI). In this case, the Business Plan of the Company for the next year must be pre-approved at a meeting of the Supervisory Board of the Company no later than December 1 of the year;
  - g) organization of the internal audit service and appointment of its staff, as well as hearing its reports on a quarterly basis;
  - h) making recommendations on amounts to be paid as remuneration and compensation to members of the Company's Revision Commission;
  - i) making recommendations on amounts to be paid as dividends on shares and the procedure for the payment thereof;
  - j) making recommendations on establishment and use of the Reserve and other funds of the Company;
  - k) establishing branches and representative offices of the Company;
  - l) concluding agreements on the Company's participation in commercial and non-commercial organizations in the manner prescribed by law;
  - m) determining the price of placement of shares (issuance of securities on the stock exchange and organized over-the-counter market);
  - n) deciding on the issuance, repurchase and conversion of corporate (infrastructure) bonds placed by the Company;
  - o) deciding on the issuance and conversion of securities derivatives by the Company;
  - p) preparing the agenda of the MoS;
  - q) fixing the date for MoS;
  - r) fixing the date for the compilation of the register of Shareholders for the purposes of notifying them on holding the MoS;
  - s) use of any document related to the activities of the General Director and the Company and obtaining from the General Director to perform the duties assigned to the Supervisory Board of the Company. The received documents can be used by the Supervisory Board of the Company, its members and employees of JSC "Uzavtosanoat" only for official purposes;
  - t) deciding other issues which are entitled in the authority of Supervisory Board pursuant to Legislation or Company Charter.
- 13.7. Decisions of the Supervisory Board of the Company on the following issues are made unanimously by all members present at the meeting:
- 13.7.1. Approval of agreements with affiliates in cases provided in Article 16 of this Charter. In this case, the Affiliate of the Company shall not have the right to participate in the discussion and shall not have the right to vote on the decision on such agreement by the Supervisory Board of the Company;
  - 13.7.2. Approval of large transactions the subject of which is related with the Company's acquisition and disposal of assets from 15% (fifteen percent) to 50% (fifty percent) of the Company's Net Assets as of the date of the transaction (except transactions carried out in the ordinary course of the business);
  - 13.7.3. Decision on to issue the Company corporate bonds, including Bonds convertible into Shares. Matters within the competence of the Supervisory Board may not be referred to the Director General of the Company for resolution.
- 13.8. The Chairman of the Supervisory Board of the Company shall be 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. The Chairman of the Supervisory Board organizes its

work, convenes and chairs the meetings of the Supervisory Board, organizes the minutes of the meetings, chairs the General Meeting of Shareholders.

- 13.9. The members of the Supervisory Board shall meet every three months. Meetings of the Supervisory Board require the attendance of at least 4 (four) members of the Supervisory Board to establish a quorum of 80%. The chairman shall convene a meeting of the Supervisory Board at his/her own initiative or at the request of any other member of the Supervisory Board, the Revision Commission or the General Director. The chairman of the Supervisory Board shall arrange for a notice of such meeting to be sent, indicating the date, time, place and agenda of the meeting to the members of the Supervisory Board at least 3 (three) days prior to such meeting.
- 13.10. If the number of members of Supervisory Board is less than 75% (seventy five percent), the Company shall convene an extraordinary meeting of shareholders for electing new members of the Supervisory Board. The remaining members of the Supervisory Board are eligible to adopt resolutions on convening such extraordinary MoS only, in case of early termination of General Director term, the Supervisory Board have the right to appoint a person performing the duties of General Director only until the next MoS. The participation in the meetings of the Supervisory Board shall be in person in any location agreed by the Shareholders. Each member of the Supervisory Board has one vote. Assignment of votes from one member of the Supervisory Board to another member is not permitted. At the meetings of the Company's Supervisory Board minutes shall be kept. The minutes of the Company's Supervisory Board meetings shall be drawn up not later than 10 (ten) days after the meeting. The minutes of the meeting shall include the following:
- the place and time of the meeting;
  - the persons attending the meeting;
  - the meeting's agenda;
  - the issues put on vote;
  - the results of voting;
  - the decisions taken by the meeting.

The minutes of a Supervisory Board meeting shall be signed by the chairman, who shall be responsible for the accuracy of the minutes, and all Supervisory Board members present in the meeting.

- 13.11. Decisions of the Supervisory Board of the Company may be adopted by absentee voting by all members of the Supervisory Board unanimously (by polling).
- 13.12. The members of the Supervisory Board of the Company shall act in the interests of the Company in exercising their rights and performing their duties. Members of the Supervisory Board of the Company shall be liable before Company for any damage caused to the interests of the Company as a result of non-performance or improper performance of their duties in accordance with applicable law.

## **ARTICLE 14**

### **EXECUTIVE BODY OF THE COMPANY**

- 14.1. The sole executive body of the Company is the General Director. General Director is responsible for all issues of managing daily business of the Company, including management of the activities of all Directors of the Company, with the exception of issues falling within the exclusive competence of MoS or the competence of Supervisory Board. The General Director organizes the fulfillment of resolutions of MoS and Supervisory Board.
- 14.2. The General Director shall be elected by the General Meeting of Shareholders.
- 14.3. Upon approval by the General Meeting of Shareholders of the nominee for the position of General Director, the chairman of the Supervisory Board on behalf of the Company shall conclude an the employment agreement (contract) with General Director for a period of one

- (1) year with the possibility of its prolongation (renegotiation) or termination to be decided annually.
- 14.4. The contract with General Director shall envisage his responsibilities for improvement of the efficiency of the Company's activity and periodicity of his reports before MoS and Supervisory Board on the progress of execution of the Business-plan and Key Performance Indicators (KPI) of the Company.
- 14.5. Positions overlapping in management bodied in other organizations by General Director and First Deputy General Director shall be permitted only with the consent of the Supervisory Board.
- 14.6. MoS or Supervisory Board are eligible to terminate the contract with General Director in case of breach of terms of the contract, gross infringement of the Charter of the Company or causing losses to the Company due to any action (omission).
- 14.7. In case Supervisory Board decides to terminate the authorities of General Director, then Supervisory Board decides the transfer of General Director's authorities to another manager may be decided during the same meeting or left for review during the next MoS with the appointment of temporary acting General Director.
- 14.8. In case of Supervisory Board adopts a resolution to terminate the authorities of the executive body, then Supervisory Board adopts a resolution on appointment of temporary acting General Director and convenes the extraordinary MoS to decide on the appointment of executive body.
- 14.9. The General Director is entitled:
- to act on behalf of the Company without a power of attorney, as well as represent its interests in relations with third parties;
  - to dispose of the assets and money resources to the extent of concluded transactions or several interrelated transactions with respect to assets which value is up to 15% (fifteen percent) of the Company's Net Assets on the date of the decision to conclude such transaction;
  - to conclude on behalf of Company agreements, complying with the requirements of the Legislation and the Charter;
  - to issue powers of attorney on behalf of Company;
  - to open operating and other accounts at banks;
  - to issue orders, decrees, guidelines and instructions obligatory for all employees of the Company;
  - to approve the staff, to introduce amendments into the Company's management structure;
  - to approve the regulations on representative offices and branches of the Company;
  - to determine remuneration conditions for officials of the management bodies of the Company's representative offices and branches;
  - to approve regulations on rewards, establish the salaries amount and salary supplements as well as different additional and compensatory payments for the purposes of social protection and encouragement of employees.
- 14.10. The General Director at executing their rights and performing responsibilities shall act in the interests of the Company.

## **ARTICLE 15**

### **REVISION COMMISSION OF THE COMPANY**

- 15.1. For the purposes of control over the financial-economic activities of the Company, the General Meeting of Shareholders elect the Revision Commission composed of three members for the period of one year. Members of the Revision Commission may be elected for subsequent terms unlimited number of times.
- 15.2. Members of the Revision Commission may not contemporaneously be the members of the Supervisory Board and hold other positions in the management bodies of the Company. The order of the Revision Commission's activity shall be determined by the Regulation, the

Charter of the Company and the Order on the Revision Commission approved by the General Meeting of Shareholders.

- 15.3. The Company shall carry out an audit of its financial-economic activity at least once in one year.
- 15.4. An audit of the Company's financial-economic activity shall be carried out on the basis of the final annual results or for other period pursuant to the Revision Commission's initiative, resolution of the General Meeting of Shareholders or pursuant to the request of Shareholder(s) holding in aggregate 5% (five percent) of the Company's voting shares. The Revision Commission shall report on the results of the audit directly to the body that has initiated the audit. The Revision Commission shall provide a report to an organization which initiated the audit. The Revision Commission prepared a conclusion on annual reports and balance sheets.
- 15.5. The Revision Commission shall keep minutes of its sessions.
- 15.6. The Revision Commission shall demand extraordinary session of the General Meeting in case of a threat to the Company interests or identification of abuses in the actions of officials.
- 15.7. Following the results of the audit of the Company's financial-economic activities, the Revision Commission shall prepare an opinion, that shall include:
  - estimation of the reliability of the data contained in the reports or other financial documents of the Company;
  - information on the facts of violation of bookkeeping principles or submission of financial reports, as well as violation of Legislation during financial-economic activities.

The conclusion based on article 15.7 of this Charter shall be presented at annual MoS of the Company.

- 15.8. The Revision Commission shall submit to the meeting of the Supervisory Board of the Company a quarterly report on the existence of agreements with affiliates or large transactions in the Company, as well as compliance with the requirements of the legislation and internal documents of the Company.
- 15.9. The powers of the Audit Commission of the Company include:
  - Inspection of financial documents of the Company, preparation of the conclusion of the Revision Commission on the inventory of property, comparison of these documents with the information in the primary accounting documents;
  - Verification of the legality of contracts concluded on behalf of the Company, ongoing transactions, settlements with counterparties;
  - Analysis of compliance of accounting and statistical accounting of the Company with the current legislation;
  - The compliance with the norms, rules, etc. established in the financial and economic, production activities. verification of compliance;
  - Analysis of the financial condition of the Company, its solvency, liquidity of assets, the ratio of own and borrowed funds, identification of reserves to improve the economic condition of the enterprise and the development of recommendations for the Company's management;
  - Checking the timely and correct payment of payments to the budget by suppliers of goods and services, the calculation and payment of dividends, the termination of other obligations;
  - Checking the correctness of the Company's balance sheets, reporting documents for tax inspection, statistical bodies, public administration bodies;
  - Verification of the correctness of the decisions made by the General Director of the Company, their compliance with the Charter of the Company, the Regulations on the General Director and the decisions of the General Meeting of Shareholders;

- Analysis of the decisions of the General Meeting of Shareholders, making proposals to amend them in contrast to the legislation and other regulations of the Republic of Uzbekistan.

## **ARTICLE 16**

### **TRANSACTIONS WITH AFFILIATED PARTIES**

- 16.1. The decision to approve the agreement with the affiliated party is made unanimously by the members of the Supervisory Board of the Society present at the meeting.
- 16.2. If two or more members of the Supervisory Board of the Company are affiliates, the decision on the transaction is made by the general meeting of shareholders in the manner and within the time limits established by the Law on JSC and this Charter. In this case, the decision to approve the transaction with the Affiliate shall be made by a qualified majority vote of the shareholders present at the General Meeting of Shareholders.
- 16.3. The Affiliate of the Company has no right to participate in the discussion and to vote on the decision on this agreement by the Supervisory Board and the General Meeting of Shareholders.
- 16.4. If the transaction with the Affiliate is simultaneously a large transaction, then the procedure for its implementation is specified in the Law on JSC and Article 12.2 of this Charter. The rules for concluding a major transaction set out in subparagraph (iii) shall apply.

## **ARTICLE 17**

### **INTERNAL AUDIT SERVICE**

- 17.1. If the assets' book value of the Company exceeds one hundred thousand of basic calculation value there shall be the internal audit service in the Company.
- 17.2. The Internal Audit service shall carry out control and estimation of the activities of the Executive Body, representative offices and branches of the Company by means of inspections and monitoring of the compliance with the Legislation, foundation and other documents, provision of the completeness and reliability of the data in the books and financial reports, rules and procedures to carry out financial-economic activities, as well as observance of the requirements on management of the Company stipulated in the Legislation.
- 17.3. The Internal Audit Service shall carry out its activities pursuant to the Legislation and Regulations on the Division of Internal Audit, approved by the Supervisory Board.

## **ARTICLE 18**

### **BOOKKEEPING AND REPORTS OF THE COMPANY**

- 18.1. The Company shall maintain bookkeeping and submit financial report in order stipulated by the Legislation.
- 18.2. Pursuant to the Legislation, General Director shall bear responsibility for organization, condition and reliability of the bookkeeping in the Company, timely submission of annual report and other financial reports to the relevant agencies, as well as information on the Company's operation, presented to the Shareholders and creditors. Reliability of the data, contained in the annual report of the Company, presented to the General Meeting of Shareholders, accounting balance sheet, account of profit and losses, shall be approved by the Revision Commission of the Company.
- 18.3. The Company shall engage the independent audit company to carry out audit of financial and economic activity of the Company and provide with an audit report in the order established by the Legislation and according to the contract entered into with the Company. The audit firm approved by the MoS shall audit the books and records of account of the Company at least annually at the expense of the Company. The audit firm shall, as a result of its review, render its opinion in accordance with the Legislation. As a result of the review, the audit firm must express an opinion that the financial statements of the Company are

presented in a serious manner at all levels and that the UZNSBU and IFRS are complied with.

- 18.4. The annual report of the Company must be initially approved by the Supervisory Board of the Company at least 10 (ten) days before the date of the Annual General Meeting of Shareholders. The annual report of the Company shall be approved by the MoS no later than the deadline for holding the Annual General Meeting of Shareholders.

**ARTICLE 19**  
**REORGANISATION AND LIQUIDATION**

- 19.1. The Company may be reorganized in the form of a merger, accession, division, separation, and transformation carried out pursuant to the resolution of the MoS. The order of reorganization is provided by Legislation.
- 19.2. Liquidation of the Company shall be carried out pursuant to the Legislation.
- 19.3. The Company may be liquidated in the following cases:  
-pursuant to the resolution of the General Meeting of Shareholders;  
-pursuant to decision of a court of the Republic of Uzbekistan;  
-other grounds stipulated in the Legislation.
- Liquidation of the Company shall entail cessation of its activity without transfer of rights and obligation by means of legal succession to other Persons.

**ARTICLE 20**  
**FINAL PROVISIONS**

Issues not reflected in the current Charter shall be governed by the Legislation.

**General Director**

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(signature)

**Farkhod Turaev**