

# **Regulations<sup>1</sup> on the audit Commission of the joint-stock company "Uzavtosanoat"**

## **1. General provisions.**

1.1. The audit Committee of joint-stock company "Uzavtosanoat" (hereinafter referred to as Company), a monitoring body created by the decision of the Sole shareholder of the Company.

1.2. The audit Commission carries out internal control over financial and economic activities of the Company.

1.3. The audit Commission is guided by applicable laws of the Republic of Uzbekistan, decrees of the President of the Republic of Uzbekistan, Government decisions, the Company's Charter and these regulations.

1.4. Check (audit) financially-economic activities of the Company is a result of the activities of the Company for the year or other period at the initiative of the revision Commission, decision of the Sole shareholder and the Supervisory Board.

## **2. The audit Committee.**

2.1. The audit Commission consists of five members. The leadership of the audit Committee is chaired by the Chairman. The Chairman of the audit Committee and its members are elected by the Sole shareholder for a period of one year. The quantitative composition of the audit Committee may be changed by decision of the Sole shareholder.

2.2. The same person may be elected to the audit Committee of more than three times in a row.

2.3. The members of the auditing Commission may not simultaneously be members of the Supervisory Board, as well as work under the labour contract (contract) in the Company.

## **3. The duties of the audit Committee.**

3.1. The audit Commission audits financial and economic activity and the current records of the Company at least once a year.

3.2. Audit Committee on a quarterly basis submit to a meeting of the Supervisory Board the conclusion on the existence of its related party transactions or major transactions as well as compliance with the requirements of legislation and internal documents to these transactions.

3.3. In performing its functions, the audit Commission:  
checks the financial documentation of the Commission's findings on inventory of property, compare these documents with data of primary accounting;  
analyzes accounting and statistical accounting;  
analyzes the Company's financial position, its solvency, identify reserves to improve the economic condition of the Company and developing recommendations for management bodies of the Company;  
verifies the timeliness and correctness of payments to budget;  
checks the correctness of balances of the Company, reporting documentation for tax inspection, static bodies, bodies of public administration;

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<sup>1</sup> This Regulation was approved in Russian. Translation of the text into English is informative. If there are any ambiguities, should be referred to the text of the Regulation in Russian

checks the results of conclusion, prepares on their basis of memoranda, references to the Company's management with proposals on measures to eliminate detected violations and punishment of perpetrators.

#### **4. The rights and powers of the audit Commission.**

The rights and powers of the audit Commission:

4.1. To obtain control of the Company, its divisions and services, officials all requested documents necessary for work materials, the study of which corresponds to the functions and powers of the auditing Commission.

4.2. Put before the authorities the question of the responsibility of the Company's employees, including officials, in case of violations of established regulations, rules and instructions.

4.3. To make the verification of the relevant proposals on elimination of the revealed violations, compensation of material damage, attraction of guilty persons to account.

4.4. To involve in necessary cases, to professionals not occupying posts in the Company, in consultation with the Sole shareholder.

#### **5. Responsibilities of the audit Committee and its members**

5.1. The audit Commission is obliged to inform the Only shareholder information about the audit in the form of written reports, memos.

5.2. The audit Commission submits to the sole shareholder not later than ten days before the annual General meeting of shareholders a report on the results of the annual audit of financial and economic activities of the Company, which shall include:

evaluation of the reliability of the data contained in reports and other financial documents of the Company;

information on facts of violation of procedures of bookkeeping and financial reporting, as well as legislation in the implementation of financial and economic activities.

5.3. Member of the audit Commission, who intends to cease his functions prematurely shall notify the Sole shareholder in one month. In this case, the Sole shareholder takes the extraordinary decision to resupply the audit Commission.

#### **6. Meetings of the audit Committee.**

6.1. The audit Commission resolves all issues at its meetings. Meetings are held on the approved plan, as well as before the test and their results. Member of the audit Commission may demand emergency convocation of the auditing Commission, if the violations that require immediate proceedings.

6.2. Meetings of the auditing Commission are considered competent if on them are present not less than 50% of its members. The meeting minutes shall be kept, signed by all the members of the audit Committee.

6.3. Each member of the audit Commission shall have one vote. The conclusion shall be approved by a simple majority vote of those present. If they are equal the vote of the Chairman of the audit Committee.

Member of the audit Commission who disagrees with the majority decision have the right to record a dissenting opinion and bring it to the Sole shareholder.

6.4. The Chairman of the audit Committee:

- convene and conduct the meetings;
- organizes current work of the auditing Commission;
- is it in the decision of the Sole shareholder;

- sign the documents issued on its behalf.

## **7. The remuneration of the members of the audit Committee**

7.1. The members of the audit Committee are paid a quarterly remuneration in the first, second and third quarters for the positive results of financial and economic activities of the company for the quarter (hereinafter - remuneration), provided

- timely registration of the conclusion in affiliated and large transactions,
- the achievement of the company options business plan net income.

7.2. The remuneration of the members of the auditing Commission on the results of the 4th quarter is paid by the decision of the Sole shareholder for the results of financial-economic activities of the company for the accounting year subject to:

- timely preparation of the report of the revision Commission about results of financial and economic activities of the company and reports on affiliated and large transactions;

- the achievement of the company options business plan net income.

7.3. The remuneration paid to each member of the audit Committee of the company worked in the reporting quarter for at least 2 months, at the rate of 15 SMIC each for the corresponding quarter.

## **8. Responsibility of the audit Commission**

8.1. For a wrong conclusion, the members of the audit Committee are responsible, the measure of which is determined by the Sole shareholder.

8.2. The members of the audit Committee shall be responsible for the proper discharge of its obligations in accordance with applicable law.