

«APPROVED»
by the General Meeting of Shareholders
of JSC «Bekabadcement»
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Seal

REGULATIONS
ON THE EXECUTIVE BODY
of «Bekabadcement» Joint Stock Company

city of Bekabad – 2016.

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1. GENERAL PROVISIONS

1.1. These Regulations define the status and regulate the work of the executive body of joint stock company "Bekabacement" (hereinafter - the company).

1.2. Management of the company's current activities shall be carried out by the sole executive body - General Director, whose competence shall be determined by the company's Charter and the present Regulations.

1.3. By decision of the general meeting of shareholders the powers of the executive body of the company may be transferred under the contract to a commercial organization (a trustee). The terms of the contract to be concluded shall be approved by the supervisory board of the company, unless otherwise stipulated by the company's charter.

1.4. These Regulations have been developed in accordance with the Law of the Republic of Uzbekistan "On joint-stock companies and protection of shareholders' rights", other legislative acts, the charter of joint stock company "Bekabacement" (hereinafter - the Company), the Corporate Governance Code of the Republic of Uzbekistan.

2. PROCEDURE FOR (ELECTION) AND TERMINATION OF POWERS OF GENERAL DIRECTOR

4.1. The General Director of the Company shall be elected (appointed) by the Supervisory Board for a term of one year.

4.2. In accordance with the company's charter or by decision of the Supervisory Board the appointment of the director or members of the company's management board shall be carried out, as a rule, on a competitive basis, which can involve foreign managers.

4.3. A candidate for the post of Director shall be obliged to inform the company about the facts of bringing it to justice.

4.4. Representing one or another candidate for the post of Director, the Chairman of the Supervisory Board shall inform about the conditions of conclusion of the contract, wages, remuneration and compensation for management activities, and the consent of the candidate to sign the contract, confirmed by a personal statement of the candidate.

4.5. The decision of the Supervisory Board on the election (appointment) of General Director of the Company shall be made by a majority of votes, participating in the meeting.

4.6. Candidates for the post of Director of the Company may attend the general meeting of shareholders when considering their candidatures.

After the election (appointment) of a candidate for the post of General Director the Supervisory Board shall conclude a contract with him for the performance of the duties of director, for a period of one year with the annual decision on the possibility of its extension or termination on the basis of competitive election held. The contract on behalf of the Company shall be signed by the Chairman of the Supervisory Board or a person authorized by the Company's Supervisory Board. The contract to be concluded with the Director shall provide for its obligations to improve the efficiency of the company's activities and the frequency of its reports to the General Meeting of Shareholders and the Supervisory Board on the implementation of the annual business plan of the Company.

4.7. Amount of the remuneration of the director shall be directly dependent on the efficiency of the company's activities and be determined by the contract.

4.8. The amount of remuneration (on the basis of calculation for the 1st quarter) shall be determined in the following order:

if found to be unsatisfactory – the remuneration shall not be charged and not paid;
if found to be low - the remuneration shall be charged and paid at a rate of 0.5% of salary;
if found to be satisfactory - the remuneration shall be charged and paid at a rate of up to 1.5-fold salary;

if found to be high - the remuneration shall be and paid at a rate of up to 3-fold salary.

4.9. The General Meeting of Shareholders or the Supervisory Board of the company shall be entitled to terminate (cancel) the contract with the director of the company in violation of the contract terms by him.

4.10. The General Meeting of Shareholders or the Supervisory Board shall be entitled to early terminate (cancel) the contract with the director of the company when he has committed gross violations of the charter, or caused damages to the Company with his actions (inaction).

4.11. The General Meeting's decision on the termination (cancel), including early termination (cancel) of the contract with the director shall be made by a majority vote of shareholders - owners of voting shares of the Company (a simple majority), participating in the meeting.

4.12. The decision of the Supervisory Board on premature termination (cancel) of the contract with the director shall be made by a majority vote of members of the Supervisory Board participating in the meeting.

4.13. In case the general meeting of shareholders or the Supervisory Board makes a decision to terminate the powers of the Director of the company, the question of the transfer of powers of the Director of the Company to another person can be resolved at the same meeting or left for consideration at the next General Shareholders' Meeting with the appointment of an Acting Director of the Company.

3. RIGHTS AND OBLIGATIONS OF COMPANY'S DIRECTOR

3.1. The competence of the Director of the Company shall include all issues of the current activities of the company, except for the issues referred to the exclusive competence of the general meeting of shareholders or the Supervisory Board.

3.2. The Director shall act within the competence defined by the legislation, the Charter, these Regulations, the terms of the employment contract with him, resolutions of the General Meeting of Shareholders and the Supervisory Board of the company.

3.3. The Director shall be entitled to:

- without the power of attorney act on behalf of the company, represent interests of the company in state institutions, in all organizations and enterprises irrespective of forms of ownership;

- open with banks settlement, currency and other accounts with the right of first signature on banking and other financial documents of the company;

- conclude transactions and sign agreements (contracts) with customers the company, as well as with other organizations and enterprises;

- sign documents on behalf of the company;

- within his powers dispose of property and funds of the company;
- determine and approve the staff schedule;
- hire employees, conclude and terminate employment contracts with them, apply disciplinary sanctions thereto, enforce labor and executive discipline;
- in accordance with the labor legislation of the Republic of Uzbekistan and regulations, establish remuneration (all kinds of bonuses, allowances, additional payments and ratios of labor participation) to employees of the company;
- approve regulations on structural divisions of the company and job descriptions of employees of the Company;
- issue powers of attorney on behalf of the company;
- determine the position of representatives in the vote on behalf of the joint-stock company in the management bodies of the companies being parts of the joint-stock company;
- implement business risk insurance of the JSC and responsibilities of the executive body;
- issue orders, instructions and give instructions binding upon all employees of the company;
- approve internal regulatory documents of the Company, except for internal regulations, approval of which is within the competence of the general meeting of shareholders or the Supervisory Board;
- making a decision on charity (sponsor) or non-repayable aid the size of which amounts to not more than twenty per cent of the amount stated in the business plan for sponsorship or charitable assistance;
- other rights in accordance with the legislation, the Charter of the company and the employment contract.

3.4. Director's obligations:

- implementation of management of the Company's current activities, except for the matters related to the competence of the General Meeting of Shareholders and the Supervisory Board, ensuring its efficient and stable operation;
- protection of the company's interests in state institutions, in all organizations and enterprises irrespective of forms of ownership;
- organization of the execution of decisions of the general meeting of shareholders and the supervisory board of the company;
- ensuring effective interaction of structural divisions of the company;
- ensuring enforcement of the contractual obligations of the company;
- ensuring profit gaining to the extent required for the development of production and the social sphere;
- management of development of programs and company development business plans, organization and control of their execution;
- ensuring compliance with legal requirements in the activities of the Company;
- ensuring the organization, proper condition and reliability of accounting and reporting in the company, timely submission of the annual report and other financial statements to the relevant

authorities, as well as information about the company's activities to shareholders, creditors and other recipients of information;

- to provide 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 the Supervisory Board, the Audit Committee or the Company's auditor;

- ensuring completeness and timeliness of provision of state statistical reports to the relevant authorities;

- protection of information containing trade secret of the company, if the scope of his responsibilities does not include the transfer of such information to third parties. The list of information constituting a commercial secret of the company shall be determined by the Supervisory Board;

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

- taking steps to provide the company with qualified personnel, for the best use of knowledge, skills, experience and abilities of employees of the company;

- maintaining labor discipline;

- enforcing social guarantees and safety of labour of the company's employees;

- ensuring advanced training for himself, as well as for officials of the JSC through participation in training courses, seminars and other events;

- participation in collective agreements, performance as an employer in the conclusion of collective agreements, compliance with obligations under the collective agreement;

- providing in a timely manner to the General Meeting of Shareholders and the Supervisory Board any reports on the state of affairs within his competence;

- compliance with all the rights of shareholders on receipt by them of the information provided for in the current legislation, participation in general shareholders' meetings, and payment of dividends;

- notification of the supervisory board of the company in the event of his affiliation in the transaction committed by the company;

- compliance with the applicable legislation, the Company's Charter and other internal documents of the company.

3.5. Specific rights and obligations of the company shall be stipulated in the contract with him.

3.6. Combining functions of Director of the Company with the post in other executive bodies shall be permitted only with the consent of the Supervisory Board of the company.

4. RESPONSIBILITIES OF COMPANY'S DIRECTOR

4.1. The Company's Director, in exercising his rights and performing his duties, shall act in the interests of the company and bear responsibility in the prescribed manner.

4.2. The Company's Director, during the period of his work in this capacity, shall have no right to establish or participate in the establishment of enterprises, the activities of which create difficulties with selling products or providing services to the company. The director shall be obliged to suspend his participation in similar enterprises in the appointment to the position in the company and inform the Company's Supervisory Board on the suspension.

4.3. The Company's Director shall be liable to the company for the damage caused to it as a result of non-performance or improper performance of his functions, in full for compensation of damages caused to the Company, in accordance with the current legislation of the Republic of Uzbekistan and the company's charter.

4.4. The Company or shareholder(s) holding at least one percent of the outstanding shares of the Company may apply to the court against the Director of the Company for compensation of damages caused to the Company.