

*Appendix No. 5  
to the decision of the sole shareholder  
of JSCB “ASIA ALLIANCE BANK”*

APPROVED  
by the decision of the sole shareholder  
of JSCB “ASIA ALLIANCE BANK”  
No. AC-1/2020 as of February 27, 2020

**REGULATION  
ON THE REVISION COMMISSION  
OF JOINT-STOCK COMMERCIAL BANK  
“ASIA ALLIANCE BANK”**

**new wording**

## **I. GENERAL PROVISIONS**

1. The present Regulation determines the status and regulates work of the Revision Commission of the Joint-Stock Commercial Bank “ASIA ALLIANCE BANK” (hereinafter referred to as “the Bank”), the procedure of election and the functional duties and powers.

2. The Regulation is developed in accordance with the laws of the Republic of Uzbekistan “On Joint-Stock Companies and Protection of Stockholders’ Rights” and “On Banks and Banking Activities”, Code of Corporate Governance as well as other regulatory legal acts and the Charter of the Bank.

3. The Revision Commission is the main instrument available to shareholders to control financial activities of the Bank. The Revision Commission is the internal control body of the Bank, performing the functions of internal financial, economic and legal control over activities of the Bank and its structural divisions.

4. In its activity, the Revision Commission is guided by law of the Republic of Uzbekistan, by-laws of government bodies, the Charter of the Bank, this Regulation and other documents of the Bank.

## **II. FUNCTIONS AND OBLIGATIONS OF THE REVISION COMMISSION**

5. Inspection (revision) of the financial and economic activities of the Bank is carried out based on the results of activities for a year or another period at the initiative of the Revision Commission, the General Meeting of Shareholders, the Supervisory Board of the Bank or at the request of a shareholder (shareholders) holding in aggregate at least 5% of voting shares of the Bank by prior notification of the Supervisory Board.

6. During implementation of its functions, the Revision Commission carries out the following types of work:

- conducts revision of financial and economic activities of the Bank based on the results of the reporting period determined by the Charter of the Bank, as well as in other cases prescribed by law;

- uses the results of an independent annual audit and materials of the internal audit service. If necessary, the Revision Commission may refer to the primary accounting documents;

- verification of legality of contracts concluded on behalf of the Bank, transactions performed, settlements with counterparties;

- analysis of compliance of accounting and statistical accounting with current regulatory documents;

- analysis of financial position of the Bank, its solvency, liquidity of assets, the ratio of equity and borrowed funds, identification of reserves for improving the economic condition of the Bank and development of recommendations for management bodies the Bank on their financial and economic activities;

- verification of correctness of drawing up the Bank's balance sheets, annual report, profit and loss account, profit distribution, reporting documentation for the tax inspectorate, statistical bodies, government bodies;

- verification of compliance of the Bank with the requirements of normative acts on securities and joint-stock companies;

- other types of work referred by Charter of the Bank to the competence of the Revision Commission, including by order of the General Meeting of Shareholders and the Supervisory Board, or at the request of a shareholder (shareholders) holding in aggregate at least 5% of voting shares of the Bank by prior notification of the Supervisory Board.

7. The Revision Commission is obliged to:

- timely inform the General Meeting of Shareholders, the Supervisory Board, the Management Board of the Bank of the results of revisions and inspections carried out in the form of conclusion, written reports, memoranda, messages at meetings of the management bodies of the Bank;

- assess the reliability of the data included in the annual report of the Bank and contained in the annual financial statements of the Bank;

- assess the Bank's vulnerability to risks or other circumstances that may affect its financial position;

- carry out revision of financial and economic activities of the Bank based on the results of its activities for the year, as well as at any time at the initiative of persons in accordance with law, the Charter of the Bank and this Regulation;

- observe commercial and banking secrets, not to disclose confidential information to which members of the Revision Commission have access when performing their functions;

- timely consider complaints from shareholders about actions of the management bodies and officials of the Bank and take appropriate decisions on them;

- demand convocation of meetings of the Supervisory Board, the convocation of an extraordinary general meeting in cases where revealed violations in financial, legal activities or emergence of a real threat to the interests of the Bank require their decision by the management bodies of the Bank.

8. When carrying out inspections, members of the Revision Commission are obliged to carefully examine all documents and materials related to the subject of inspection. For incorrect conclusions, members of the Revision

Commission are liable, the measure of which is determined by the General Meeting of Shareholders and the current law of the Republic of Uzbekistan.

### **III. RIGHTS AND AUTHORITIES OF THE REVISION COMMISSION**

9. The Revision Commission, for the purposes of proper performance of its functions, is entitled to:

- check any financial documents of the Bank, including documents of inventory commission of the Bank, compare these documents with the data of primary accounting;

- demand and receive from the management bodies of the Bank, its divisions and services, official documents necessary for the implementation of their activities. These documents and materials are presented to the Revision Commission within two working days after its request;

- demand convocation (by unanimous decision) of the General Meeting of Shareholders in cases where violations in financial and legal activities are revealed or there is another threat to the interests of the Bank;

- demand convocation of a meeting of the Supervisory Board. The Chairman of the Supervisory Board has no right to refuse the Revision Commission to convene a meeting of the Supervisory Board at its request;

- attend meetings of the Supervisory Board at the invitation of any of its members;

- put before the management bodies of the Bank, its divisions and services issue of responsibility of employees of the Bank, including officials, in the event of their violation of the regulations, rules and instructions adopted by the Bank;

- other rights in accordance with law and the Charter of the Bank.

10. Member of the Revision Commission is entitled to:

- demand convocation of an emergency meeting of the commission in case of revelation of violations that require urgent decision of the Revision Commission;

- express in written form his disagreement with conclusions of the Revision Commission and bring it to the attention of the General Meeting of Shareholders of the Bank;

- attend the General Meeting of Shareholders and answer questions from the participants of the meeting within the competence.

#### **IV. PROCEDURE OF INSPECTIONS (REVISIONS) AND PAYMENT OF REMUNERATIONS (COMPENSATIONS) TO MEMBERS OF THE REVISION COMMISSION**

11. Inspection (revision) of financial and economic activities of the Bank is carried out on the basis of the results of the Bank operation for a year.

12. The Revision Commission presents to the Supervisory Board a report with its finding based on the results of the inspection (revision) of the financial and economic activities of the Bank for the year and conclusion confirming or refuting accuracy of the data included in the annual report of the Bank and contained in the annual balance sheet, no later than 3 days before the date of the meeting of the Supervisory Board, at which the report on the preliminary approval of annual report of the Bank is considered.

13. Unscheduled inspection (revision) of financial and economic activities of the Bank is carried out upon:

- decision of the General Meeting of Shareholders;
- decision of the Supervisory Board;
- request of a shareholder (shareholders) of the Bank owning (owning in aggregate) at least 5 percent of voting shares of the Bank;
- initiative of the Revision Commission itself.

14. Decision on unscheduled inspection (revision) is made at the general meeting of shareholders by a simple majority of votes of shareholders - owners of voting shares of the Bank participating in the meeting. The Revision Commission starts inspection (revision) after receiving the relevant minutes of the General Meeting of Shareholders.

15. Decision on unscheduled inspection (revision) is made by the Supervisory Board by a majority of votes of its members present at the meeting, in case of absentee voting (by poll) by all members of the Supervisory Board unanimously. This decision is sent to the Chairman of the Revision Commission and signed by all members of the Supervisory Board who voted for its adoption.

16. A member of the Revision Commission, upon detection of violations, sends to the Chairman of the Revision Commission a written description of the revealed violations requiring a decision by the Revision Commission.

Within 3 working days after receiving the request, the Chairman of the Revision Commission is obliged to convene a meeting of the Revision Commission.

When the Revision Commission makes decision to conduct inspection (revision), the Chairman of the Revision Commission is obliged to organize inspection (revision) and proceed with its implementation.

17. Submitting requirements for unscheduled inspection (revision) by shareholder (shareholders) of the Bank, owning (owning in aggregate) at least 5 percent of voting shares of the Bank:

1) Shareholder (s) - initiators of inspection (revision) send a written request to the Revision Commission, which must contain:

- names of shareholders;
- information on shares held by them (quantity, category, type);
- motivated reasoning for such demand.

A request is signed by the shareholder or his authorized representative. If the request is signed by authorized representative, then a power of attorney is attached.

If the initiative comes from shareholders - legal entities, the signature of the representative of the legal entity, acting in accordance with its charter without a power of attorney, is certified by the seal of this legal entity. If the request is signed by a representative of the legal entity acting on its behalf by power of attorney, the power of attorney is attached to the request.

2) The request of initiators of inspection (revision) is sent by registered mail to the Bank addressed to the Chairman of the Revision Commission with delivery receipt or submitted to office of the Bank.

The date of submission of request is determined by the date of notification of its delivery or the date of submission to office of the Bank.

3) Within 10 working days from the date of submission of the request, the Revision Commission must decide to conduct unscheduled inspection (revision) of the financial and economic activities of the Bank or give reasoned refusal to conduct revision.

4) Refusal to inspect (revise) can be given by the Revision Commission in the following cases:

- shareholders presented request are not owners of the required number of voting shares as of the date of the request;

- initiators of presentation of request are persons not registered in the register of shareholders or not having representative - powers of the respective shareholders;

- request does not indicate the motive for the inspection (revision);

- on the facts that are motives for inspection (revision), inspection (revision) was carried out and the Revision Commission approved the conclusion;

- request contains incomplete information;

- request does not comply with law and normative-legal acts of the Republic of Uzbekistan or the Charter of the Bank.

18. When conducting inspections (revisions), members of the Revision Commission are obliged to examine all available and received documents and materials related to the subject of inspection.

19. Based on the results of the inspection of financial and economic activities of the Bank, the Revision Commission of the Bank draws up conclusion, which must contain:

- assessment of reliability of the data contained in the reports and other financial documents of the Bank;

- information on the facts of violation of the order of accounting and presentation of financial statements, as well as law in the implementation of financial and economic activities.

This conclusion is necessarily heard at the annual general meeting of shareholders, and in the event of unscheduled inspection, it is also brought to the attention of the initiator of inspection.

20. Initiators of inspection (revision) of financial and economic activities of the Bank have the right to withdraw their request at any time before the Revision Commission decides to conduct inspection (revision) by notifying the Revision Commission in written form.

21. The Revision Commission quarterly submits to meeting of the Supervisory Board of the Bank a conclusion on existence of transactions with affiliated entities or major transactions in the Bank, as well as on compliance with the requirements of law and internal documents of the Bank for such transactions.

22. Members of the Revision Commission for implementation of their activities are paid a monthly remuneration in the amount of 4 times the minimum wage. At the same time, in the event of a change in the composition of the Revision Commission within a month, the payment is made to each member of the Revision Commission in proportion to the period worked. For the purpose of accrual and payment of remuneration, the minimum wage is accepted, valid at the end of the month for which the remuneration is accrued.

23. By decision of the General Meeting of Shareholders, members of the Revision Commission may be reimbursed for expenses related to performance of functions of members of the Revision Commission in the manner prescribed by law.

## **V. ELECTION AND TERMINATION OF POWERS OF THE REVISION COMMISSION**

24. Procedure for submitting proposals on nominating candidates to the Revision Commission of the Bank, consideration and decision-making by the Supervisory Board on submitted proposals is carried out in accordance with



Articles 63 and 65 of the law of the Republic of Uzbekistan “On Joint Stock Companies and Protection of Stockholder’ Rights” and the Charter of the Bank.

25. Proposal to nominate candidates to the Revision Commission is made in written form, by sending registered letter to the Bank or submitted to office of the Bank. The date of the proposal is determined by the date of posting or by the date of its delivery to office of the Bank.

The proposal is signed by shareholder or his authorized representative, if the proposal is signed by the authorized representative, then a power of attorney is attached.

If the initiative comes from a shareholder – a legal entity, the signature of a representative of the legal entity acting in accordance with its charter without a power of attorney is certified by the seal of this legal entity. If the request is signed by a representative of the legal entity acting on its behalf by power of attorney, the power of attorney is attached to the request.

26. The Revision Commission is elected in the number of 3 persons by the General Meeting of Shareholders for a period of one year, by a majority of votes of shareholders – owners of voting shares of the Bank (simple majority) participating in the meeting. Members of the Revision Commission of the Bank cannot simultaneously be members of the Supervisory Board of the Bank, as well as work under employment agreement (contract) in the Bank. Elections of the Revision Commission are carried out by separate voting, for each candidate individually. The same person cannot be elected to the Revision Commission more than three times in a row.

27. The following qualification requirements are imposed on the members of the Revision Commission of the Bank:

- availability of higher professional education;
- at least two years of experience in economics, finance and law.

28. The Revision Commission elects chairman and secretary from among its members. The Chairman and secretary of the Revision Commission are elected at a meeting of the Revision Commission by a majority vote of the total number of elected members of the Commission.

The Revision Commission has the right to re-elect its chairman and secretary at any time by a majority vote of the total number of elected members of the Commission, except for the votes of the retired members of the Revision Commission.

29. A member of the Revision Commission has the right, on his own initiative, to withdraw from its membership at any time by notifying the Revision Commission and the Supervisory Board of the Bank about it one month before the termination of his work in the Revision Commission. In this case, the Supervisory Board of the Bank initiates convocation of general meeting of shareholders to elect a new member of the Revision Commission.



30. A member of the Revision Commission, as well as a person nominated for election to this body, cannot be a member of the liquidation commission, the Supervisory Board or the Management Board, or work under an employment agreement (contract) in the Bank.

31. The powers of a member of the Revision Commission may be early terminated by decision of the General Meeting of Shareholders, adopted by a majority of votes of shareholders - owners of voting shares of the Bank participating in the meeting, on the following grounds:

- failure to participate in the work of the Revision Commission more than 3 times for disrespectful reasons;

- inadequately examined all documents and materials related to the subject of inspection, which led to incorrect conclusions of the Revision Commission of the Bank;

- failure to comply with clause 7 of this Regulation;

- committing other actions (inaction) that resulted in adverse consequences for the Bank.

32. In the event that the number of members of the Revision Commission becomes less than half of the number provided for by the Charter of the Bank and this Regulation, the Supervisory Board is obliged to convene an extraordinary general meeting of shareholders to elect a new composition of the Revision Commission.

In case of early termination of powers of the Revision Commission, the powers of newly elected members of the Revision Commission are valid until the election of the Revision Commission by the next annual general meeting of shareholders.

33. If agenda of an extraordinary general meeting includes issue of early termination of powers of the entire composition as a whole or of its individual members, the agenda must also include issue of electing a new composition or individual members of the Revision Commission.

Shareholders who, in accordance with law and the Charter of the Bank, are entitled to nominate candidates to the management and control bodies of the Bank, may submit proposals on candidates to the Revision Commission.

## **VI. MEETINGS OF THE REVISION COMMISSION**

34. The Revision Commission decides all issues at its meetings. Meetings of the Revision Commission are held according to the approved plan, as well as before the start of inspection or revision and based on their results. A member of the Revision Commission may demand the convocation of an emergency meeting of the Commission in the event of violations that require an urgent decision of the Revision Commission.

35. A meeting of the Revision Commission is considered valid if attended by at least two thirds of its members. All meetings of the Revision Commission are held in person.

36. Each member of the Revision Commission has one vote. Acts and conclusions of the Revision Commission are approved by a simple majority of votes of those present at the meeting. In case of equality of votes, the vote of the Chairman of the Revision Commission is decisive.

Members of the Revision Commission, in case of their disagreement with the decision of the Commission, have the right to record their special opinion in the minutes of the meeting and bring it to the attention of the Supervisory Board and the General Meeting of Shareholders.

37. The Chairman of the Revision Commission:

- convenes and conducts meetings;
- organizes the current work of the Revision Commission;
- represents it at meetings of the Supervisory Board, the General Meeting of Shareholders;
- signs documents issued on its behalf.

38. In the absence of the Chairman, his functions are performed by a member of the Revision Commission who is not its secretary.

39. Secretary of the Revision Commission:

- organizes keeping of minutes of its meetings;
- communicates to the addressees the acts and conclusions of the Revision Commission.

## **VII. FINAL PROVISIONS**

40. The present Regulation comes into force from the date of registration of the Charter of the Bank in new wording in the Central Bank of the Republic of Uzbekistan.

41. Issues not regulated by this Regulation are governed by current law of the Republic of Uzbekistan.