

Translated from Russian into English

APPROVED
By Annual General Meeting of Shareholders
Of JSC “KARBONAT”
Minutes No.2 on June 22, 2016

**REGULATION
ABOUT
AUDIT COMMISSION
OF JOINT STOCK COMPANY
“KARBONAT”
(new edition)**

Djizakh region - 2016

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1. General Provisions

1.1. These Regulations of the Joint Stock Company "KARBONAT" (hereinafter referred to as the Company) determine the competence, the procedure for the activities of the Audit Commission, the procedure for electing members of the Audit Commission, their rights and obligations, responsibility.

1.2. Regulation was developed in accordance with the Law of the Republic of Uzbekistan dated May 6, 2014 No. LRUz-370 "On Joint Stock Companies and Protection of Shareholders' Rights" (hereinafter referred to as the Law) and Articles of the Company.

1.3. In carrying out its activities, the Audit Commission is independent of the Management Board of the Company and its officials.

1.4. Audit Commission carries out its activities in accordance with the legislation, Articles of the Company and these Regulations.

2. Competence of the Audit Commission of the Company

2.1. The Audit Commission of the Company controls the financial and economic activities of the Company.

2.2. The competence of the Auditing Commission includes:

access, upon written request, to documents on the financial and economic activities of the Company and receiving them from persons holding positions in the executive body of the Company in order to fulfill the duties assigned to the Audit Commission of the Company. The received documents can be used by the Auditing Commission of the Company and its members exclusively for official purposes;

audit of the financial and economic activities of the Company and, based on the results of the audit, issuance of an opinion and presentation of it for hearing at the annual General Meeting of Shareholders;

drawing up an opinion on the existence of transactions with affiliated persons or major transactions in the company, as well as compliance with the requirements of the legislation and internal documents of the company for such transactions, and its submission to the meeting of the Supervisory Board of the Company;

requirement to convene an extraordinary General Meeting of Shareholders in accordance with the legislation and Articles;

requirement to convene the Supervisory Board in accordance with the legislation and Articles;

other issues that may be attributed to the competence of the Audit Commission in accordance with the legislation and Articles.

2.3. Audit Commission quarterly submits to the meeting of the Supervisory Board of the Company a conclusion on the existence of transactions with affiliated persons or major transactions in the Company, as well as compliance with the requirements of the legislation and internal documents of the Company for such transactions.

3. Election of members of the Audit Commission of the Company

3.1. Audit Commission is elected by the General Meeting of Shareholders annually in the number of three members.

3.2. Qualification requirements for members of the Company's Audit Commission are established by the decision of the General Meeting of Shareholders.

3.3. One and the same person cannot be elected to the Company's Audit Commission more than three times in a row.

3.4. Members of the Audit Commission cannot simultaneously be members of the Supervisory Board, as well as work in the Company under an employment contract.

4. Chairman of the Audit Commission of the Company

4.1. The Chairman of the Audit Commission of the Company is elected by members of the Audit Commission from among its members by a majority vote of the total number of members of the Audit Commission.

4.2. The Audit Commission of the Company has the right to re-elect its Chairman by a majority vote of the total number of members of the Audit Commission.

4.3. The Chairman of the Audit Commission of the Company organizes its work, convenes and presides over meetings of the Audit Commission, organizes the keeping of minutes at the meetings.

5. Meetings of the Audit Commission of the Company

5.1 The meetings of the Audit Commission of the Company shall be organized by the Chairman of the Audit Commission.

5.2. The Chairman of the Audit Commission, if necessary, convenes a meeting of the Audit Commission by notifying the other members of the Audit Commission.

5.3. If there is a quorum, the meeting of the Audit Commission of the Company is competent. The quorum must be at least sixty percent of the number of elected members of the Company's Audit Commission.

5.4. Decisions at a meeting of the Company's Audit Commission are made by a majority vote of those present.

5.5. When resolving issues at a meeting of the Company's Audit Commission, each member of the Audit Commission has one vote. Transfer of a vote by one member of the Audit Commission of the Company to another member of the Audit Commission is not allowed. In case of equality

of votes of the members of the Audit Commission. The Chairman of the Audit Commission of the Company has a casting vote.

5.6. Minutes are kept at the meeting of the Auditing Commission. The minutes of the meeting of the Audit Commission shall be drawn up no later than three days after its holding. The minutes of the meeting specify:

- date, time and place of its holding;
- persons attending the meeting;
- the agenda of the meeting;
- items put to vote, voting results on them;
- decisions taken.

The minutes of the meeting of the Audit Commission of the Company shall be signed by the members of the Audit Commission of the Company participating in the meeting, who are responsible for the correct execution of the minutes. Extracts from the minutes are signed by the Chairman of the Audit Commission, who is responsible for its accuracy.

5.7. Conclusions and other materials prepared by the Auditing Commission are attached to the Minutes.

A member of the Audit Commission, in case of his disagreement with the decision of the Audit Commission, has the right to demand that his dissenting opinion be entered into the minutes of the meeting and brought to the notice of the Company's management bodies and (or) shareholders.

6. Procedure for conducting inspections

6.1. Audit of the financial and economic activities of the Company is carried out based on the results of activities for a year or another period at the initiative of the Audit Commission, the General Meeting of Shareholders, the Supervisory Board of the Company or at the request of the shareholder (shareholders) who owns at least five percent of the voting shares of the Company, by prior notification of the Supervisory Board. Council of the Society.

6.2. A request to conduct an audit is sent to the Company addressed to the Chairman of the Audit Commission.

6.3. When conducting inspections, the Audit Commission is obliged to examine all available documents and materials related to the subject of the inspection.

6.4. Initiators of the audit of the financial and economic activities of the Company have the right at any time before the Audit Commission makes a decision to conduct an audit to withdraw their request by notifying the Audit Commission in writing.

6.5. Based on the results of the audit of the financial and economic activities of the Company, the Audit Commission of the Company draws up a conclusion, which should contain:

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

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

6.6. Audit Commission submits to the Supervisory Board a report with its findings based on the results of the audit (audit) of the financial and economic activities of the company for the year and a conclusion confirming or refuting the reliability of the data included in the annual report of the company 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 issue of preliminary approval of the Company's annual report is considered.

7. Rights and obligations of members of the Audit Commission of the Company

7.1. A member of the Audit Commission has a right to:

- take part in the meeting of the Auditing Commission, speak on the issue discussed at the meeting within the time allotted by the regulations;

- receive information about the activities of the Company, including receiving written explanatory statements from officials of management bodies, heads and employees of structural divisions of the executive office of the Company on issues raised during checks;

- receive remuneration and (or) compensation for expenses related to the performance of his duties during the period of his duties (if such payments are stipulated by the decision of the General Meeting of Shareholders of the Company);

- other rights in accordance with the legislation, Articles of the Company and these Regulations.

7.2. Distribution of functions among the members of the Audit Commission is carried out by the Chairman of the Audit Commission specifically for each member of the Audit Commission. The amount of remuneration for each member of the Audit Commission is determined by the General Meeting of Shareholders.

7.3. A member of the Audit Commission is obliged to:

- take part personally in the meetings of the Audit Commission and during the audit of the financial and economic activities of the Company;

- ensure the safety of the confidential information received, as well as not disclose without permission the information disclosed during the verification;

- members of the Audit Commission are obliged to carry out their duties in good faith, as well as in the manner that they consider to be the best in the interests of the Company;

- when conducting inspections, a member of the Audit Commission is obliged to thoroughly examine all documents and materials related to the subject of the inspection. Members of the Audit Commission shall bear responsibility for incorrect conclusions, the measure of which is determined by the General Meeting of Shareholders and the legislation of the Republic of Uzbekistan;

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

- other obligations in accordance with the legislation, Articles of the Company and these Regulations.

7.4. Members of the Audit Commission are not entitled to directly or indirectly receive remuneration for influencing the adoption of certain decisions of the Audit Commission.

7.5. Members of the Audit Commission are not entitled to use the Company's capabilities (property or non-property rights, opportunities in the field of economic activity, information on the activities and plans of the Company) for the purpose of personal enrichment.

8. Remuneration to members of the Audit Commission of the Company

8.1. By decision of the General Meeting of Shareholders of the Company, members of the Audit Commission during the period of their duties may be paid remuneration and (or) reimbursed for expenses related to the performance of their duties.

8.2. The amount of remuneration and compensation to the members of the Audit Commission is established by the decision of the General Meeting of Shareholders of the Company.

9. Responsibility of members of the Company's Audit Commission

9.1. When exercising their rights and fulfilling their duties, members of the Company's Audit Commission must act in the interests of the Company and bear responsibility in the prescribed manner.