

**“APPROVED”**

by the decision of the general meeting  
of shareholders  
JSCMB “Ipoteka-Bank”

(Minutes №24 dated «23» June, 2017)

**REGULATION**  
**ON REVISION COMMISSION**  
**JSCMB “IPOTEKA-BANK”**

Tashkent-2017

## **1. GENERAL REGULATION**

1. This Regulation is based on the Laws of the Republic of Uzbekistan "On banks and banking activities", "On joint stock companies and protection of shareholders' rights", the Decree of the President of the Republic of Uzbekistan dated October 2, 1998 DP-2084 "On measures to improve the activities of joint-stock commercial banks", the Regulation of the Central Bank of the Republic of Uzbekistan "On corporate governance in commercial banks" (registration number No. 943, 07/05/2000), the Regulation on internal control, approved by the minutes of the general meeting of shareholders of JSCMB "Ipoteka-Bank" dated 05.12.2016, № 23, as well as in accordance with the Statute of JSCMB "Ipoteka-Bank".

2. This Regulation determines the legal status, composition, functions, credentials and procedure for the work of the Revision Commission (hereinafter - the Revision Commission)

JSCMB "Ipoteka-Bank" (hereinafter referred to as the Bank).

## **2. LEGAL STATUS OF THE REVISION COMMISSION**

2.1. The Revision Commission is an elected body of the Bank that realizes control over the financial and economic activities of the Bank, its structural subdivisions, branches and representative offices.

2.2. In its activities, the Revision Commission applies to the laws of the Republic of Uzbekistan, the legislation of government, the Statute of the bank, and also complies with other documents of the Bank related to the activities of the Revision Commission and its members.

2.3. The Revision Commission is independent from the Management Board and officials of the Bank and is accountable to the General Meeting of Shareholders.

2.4. By decision of the general meeting of shareholders, for members of the Revision Commission may be paid bonuses and (or) compensation for the performance of their duties as members of the Commission. The quantity of bonuses and compensations is determined by the decision of the general meeting of shareholders.

## **3. COMPOSITION OF THE REVISION COMMISSION**

3.1. Candidates for members of the Revision Commission are nominated in accordance with the requirements of the Law of the Republic of Uzbekistan "On Joint Stock Companies and Protection of Shareholders' Rights".

3.2. Members of the Revision Commission are elected by the General Meeting of Shareholders. Voting is carried out separately for each candidate for membership in the Revision Commission. The decision on the election of members of the Revision Commission and early termination of their powers is taken at the general meeting of shareholders by a simple majority of votes of shareholders.

3.3. The number of members of the Revision Commission is determined by the Bank's Statute. The number of members of the Revision Commission must be odd. The Revision Commission is elected for a period of one year, the term of the membership of the commission may be extended by decision of the general meeting of shareholders. One and the same person cannot be elected to the revision commission more than three times in a row.

3.4. The empowerment of the members of the Revision Commission may be terminated early by the decision of the general meeting of shareholders.

3.5. Members of the Revision Commission cannot simultaneously be members of the Supervisory Board and the Management Board of the Bank, as well as work in the Bank under an employment contract.

3.6. At the first meeting of the Revision Commission, one of its members is elected as the chairman of the commission. Members of the Revision Commission take part in the voting. The person who receives the majority of votes is considered the Chairman of the Revision Commission.

3.7. The Chairman of the Revision Commission coordinates the work of the Commission, holds meetings of the Revision Commission, participates in the General Meeting of Shareholders and other governing bodies of the Bank on behalf of the Revision Commission.

3.8. Members of the Revision Commission must have higher education and sufficient work experience to organize their activities and perform their functions. At least two members of the Revision Commission must be experts in the sphere of economics.

#### **4. FUNCTIONS OF THE REVISION COMMISSION**

4.1. The inspection of the Company's financial and economic activities is carried out according to the results of the year or another period at the initiative of the Revision Commission (Revisor), the General Meeting of Shareholders, the Supervisory Board of the Company or at the request of the shareholder (shareholders), which is the owner of at least five percent of the Company's voting shares by Prior notice of the Supervisory Board of the Company. According to the written request of the Revision Commission (Revisor) of the Society, which occupy posts in the executive body of the Company are obliged to submit to her (Him) documents on the financial and economic activities of the Company.

4.2. When performing its functions, the Revision Commission performs the following activities:

- Analysis of the Bank's financial statements, compliance with existing regulatory regulations of the Bank;
- checking compliance with the legislation of important agreements concluded on behalf of the Bank, perfect transactions, calculations with counterparties;
- verification of compliance with the established regulatory indicators and rules in financial and economic activities;
- exploring the financial situation, payment and ability to pay, credit and investment portfolio;
- verification of the correctness of the decisions of the Supervisory Board and the Board, their compliance of the Bank's Charter, the provisions on the Supervisory Board and the Board, as well as decisions of the General Meeting of Shareholders;
- verification of the correctness of the preparation of bank balances, reporting documents for tax and statistical bodies, state bodies;
- Analysis of decisions of the General Meeting of Shareholders, making proposals for changing them in case of deviation from laws and other regulatory legal acts of the Republic of Uzbekistan.

#### **5. RIGHT AND POWERS OF THE REVISION COMMISSION**

5.1. When performing its functions, the Revision Commission has the following rights and powers:

- to receive from the management bodies of the bank, its structural divisions and branches all documents and information necessary for the work of the commission, in accordance with its functions and powers. These documents and information must be submitted to the revision commission within three days after its written request;
- demand from authorized persons to convene meetings of the Supervisory Board and the Management Board, a general meeting of shareholders in case of violations in the activities or threatening the interests of the Bank, to resolve issues related to the competence of the Bank's management;

- to convene a general meeting of shareholders of the Bank in case of violation of the law or other threats to the interests of the Bank (by unanimous decision);
- require the employees of the Bank, including officials, to give written and oral explanations on issues within the competence of the Revision Commission;
- attraction of freelance specialists of the bank for its work on a contractual basis;
- raise the issue of the responsibility of the Bank's employees, including officials, in case of violation of the provisions, rules and instructions of the Bank, adopted by the management bodies of the Bank, its structural divisions and branches.

## **6. OBLIGATIONS OF THE REVISION COMMISSION AND ITS MEMBERS**

6.1. When conducting revision, members of the Revision Commission are obliged to study carefully all documents and information related to the subject of the revision. Members of the Revision Commission are liable for incorrect conclusions in accordance with the criteria established by the general meeting of shareholders.

6.2. If a member of the Revision Commission ceases to perform his duties during his term of office, he must notify the Supervisory Board one month before the termination of his work in the Revision Commission. In this case, the General Meeting of Shareholders replaces the member of the Revision Commission at its next meeting.

6.3. Members of the Revision Commission are obliged to:

- participate in revision conducted by the Revision Commission;
- timely communication of the results of inspections and inspections to the attention of the General Meeting of Shareholders, the Supervisory Board, the Management Board in the form of written reports, oral reports and in the form of information;
- protection of bank secrets, non-disclosure of confidential information that can be used by members of the Revision Commission in the performance of their functions;
- to act in the exercise of their rights and obligations, protecting the interests of the bank;
- demand from the competent authorities to convene an extraordinary general meeting of shareholders in the event of a real threat to the interests of the bank or revealing abuse by officials.

6.4. The Revision Commission draws up a report (conclusion) on the results of inspections no later than 10 days after the completion of the inspection.

6.5. The Revision Commission submits a report (conclusion) to the Supervisory Board on the results of the revision of the Bank's annual financial statements in accordance with the rules and procedures for financial reporting and accounting no later than 10 days before the annual general meeting of shareholders.

6.6. The Revision Commission draws up a report (conclusion) based on the results of the audit of the financial and economic activities of the Bank, which includes:

- assessment of the reliability of the information presented in the bank reports and other financial documents;
- information on the facts of violation of the accounting procedure and the presentation of financial statements, as well as violations of the law in the conduct of financial and economic activities.

6.7. The Revision Commission submits to a quarterly meeting of the Bank's Supervisory Board a conclusion on the existence of transactions or major transactions with affiliated persons of the Bank, as well as on compliance with the legislation and internal documents of the Bank on the conclusion of such transactions.

## **7. FINAL PROVISIONS**

7.1. The Revision Commission resolves issues of its activities at its meetings. A meeting attended by a simple majority of the members of the Commission is considered lawful.

The report (conclusions) of the Revision Commission is kept by the Chairman of the Revision Commission and transferred for storage to the Bank's Internal Audit Service within 30 days after the annual general meeting of shareholders. Subsequent storage of documents related to the activities of the Revision Commission is carried out in accordance with the rules of archiving in the bank.