



"APPROVED"
the general meeting of shareholders
of JSC «Xazorasp paxta tozalash»
from "24" June 2016.

**POSITION
DIVIDEND POLICY
JOINT STOCK COMPANY «XAZORASP PAXTA TOZALASH»**

2016 year

TABLE OF CONTENTS

I. GENERAL PROVISIONS

II. PROCEDURE FOR DETERMINING THE AMOUNT OF DIVIDENDS AND CHARGES

III. PROCEDURE AND TERMS OF PAYMENT OF DIVIDENDS

IV. RESPONSIBILITY FOR PAYMENT OF DECLARED DIVIDENDS

V. ORDER OF INFORMATION DISCLOSURE

VI. FINAL PROVISIONS

I. GENERAL PROVISIONS

1. These Regulations on the dividend policy of the company "Xazorasp paxta tozalash" (hereinafter "Regulation") was developed in accordance with the current legislation of the Republic of Uzbekistan, the Corporate Governance Code approved by the minutes of the meeting of the Commission on improving the efficiency of joint-stock companies and improve the corporate governance system from 31.12.2015g. Number 9, the charter of the joint-stock company "" Xazorasp paxta tozalash "(hereinafter the" Company ") and other internal documents of the Company.

These Regulations are general issues that should be recorded and disclosed in the Company's dividend policy.

2. The Company's dividend policy is aimed at improving the welfare of shareholders and ensure the growth of the Company's capitalization. Regulation aims at informing shareholders and other interested parties about the Company's dividend policy.

This Regulation is intended to define the approach of the Company's Supervisory Board to make recommendations on the size of dividends on shares and the procedure of their payment.

If you have any questions related to the payment of dividends to shareholders of the Company are not regulated by the Law "On joint-stock companies and protection of shareholders' rights", other normative legal acts of the Republic of Uzbekistan, the Company's Charter and the present Regulation, they should be resolved on the basis of need ensuring the rights and interests of shareholders.

3. This dividend policy is developed for the period 2016 -2020 years. The Company intends in this period annually to the payment of dividends of 25% of net profit. Full information on the order of distribution of net income and basic parameters of investment projects (direction, amount of investment, the yield on the feasibility study / PSD) is available on the Company's website.

4. The Company considers the increase in capitalization as the main way to meet the property interests of shareholders to extract revenue from the Company's shares. The dividend policy is to optimize the proportions between consumption and capitalized portions of profits received by the Company in order to increase the market value of the shares.

5. The Company's dividend policy is based on the following principles:

the principle of transparency, which implies the identification and disclosure of information about the duties and responsibilities of the parties involved in the dividend policy, including the order and conditions of the decision to pay and the amount of dividends;

the principle of timeliness, involves the establishment of time limits in the exercise of dividend payments;

the principle of reasonableness, which means that the decision on the payment of dividends and the amount can be made only in the event of Company's positive financial results, taking into account the development plans and investment programs based on the actual financial position of the Company;

the principle of equity means ensuring equal rights of shareholders to be informed of the decision on payment, and the amount of dividend payment;

the principle of consistency, implies strict compliance procedures and dividend policies;

principle of development implies the continuous improvement of the dividend policy in the context of improving corporate governance procedures and the revision of its provisions in connection with the change of the Company's strategic goals;

the principle of sustainability, involves companies' commitment to ensuring a stable level of dividend payments.

6. Adoption of the decision (declaration) of dividends on the outstanding shares of the Company is right. The general meeting of shareholders may decide on the payment or non-payment of

dividends on shares.

7. Payment of dividends declared is the responsibility of the Company.

Expenses related to payment of dividends (including the costs of calculation and withholding taxes, transfer of dividends, postage), can not be entrusted to the shareholder receiving the dividend, by a decision of the management bodies. The Company is responsible to the shareholders for non-fulfillment of this obligation in accordance with the current legislation of the Republic of Uzbekistan.

8. Dividends shall not be accrued and paid on shares:

not placed;

purchased and / or redeemed by the Company;

in other cases stipulated by the legislation of the Republic of Uzbekistan.

9. In the cases specified in paragraph one of Article 54 of the Law "On joint-stock companies and protection of shareholders' rights" Company may not pay and take a decision on payment of dividends on shares.

II. PROCEDURE FOR DETERMINING THE AMOUNT OF DIVIDENDS AND CHARGES

10. Based on the results of the first quarter, six months, nine months of the fiscal year and (or) for the financial year to take decisions (declare) payment of dividends on shares other than those referred to in paragraph 8.

The decision on payment (declaration) of dividends for the first quarter, six months and nine months of a fiscal year can be made within three months after the end of the relevant period. Dividends are paid out of net profit remaining at the disposal of the Company, and (or) the retained earnings of previous years. Dividends on preferred shares may be paid at the expense of dedicated funds of the Company. At the same time in order to ensure timely payment of dividends and the prevention of deterioration in the financial condition of the Company due to the withdrawal of funds for the payment of dividends out of circulation, the Company created a provision for bad debts due to the profit of the Company.

11. General Meeting of Shareholders shall decide on the payment (declaration) of dividends on shares of each category. The Supervisory Board of the Company is the general meeting of shareholders of recommendations on the amount of dividends on shares and the procedure of their payment. The amount of dividends may not exceed the amount recommended by the Supervisory Board.

12. General Meeting of Shareholders decision on payment (declaration) of dividends shall be defined:

category (type) of shares that pay (declare) dividends;

the amount of dividend per share of a particular type;

term, procedure and frequency of dividend payments.

The Company is not entitled to take a decision on the calculation (payment) of dividends in the cases established by the legislation, as well as the impossibility of full payment of dividends on ordinary shares in the terms established by the legislation.

13. Recommended Meeting of Shareholders the dividend on the shares is determined by the Supervisory Board based on the following factors:

of net profit according to the financial statements, the accuracy of which is confirmed by the auditor's report;

financial and business plans of the Company for further periods;

the structure of the Company's working capital at the end of the relevant period;

the debt load of the Company at the end of the relevant period.

14. In determining the amount of dividends recommended to the Supervisory Board should take into account the financial and economic plans of the Company in future periods, current and future state of the current assets and liabilities. Payment of dividends recommended by the

Supervisory Board of the General Meeting of Shareholders of the Company, should not lead to the raising of additional debt financing or other costs not included in the approved financial and business plan for subsequent periods.

III. PROCEDURE AND TERMS OF PAYMENT OF DIVIDENDS

15. The Company shall pay dividends in cash or by other lawful means of payment or securities of the Company. Declared dividends shall be paid in the national currency of the Republic of Uzbekistan or at the written request of a shareholder - a non-resident of the Republic of Uzbekistan the Company is obliged to make the conversion into the freely convertible currency dividends accrued to him, the transfer of funds to the bank account presented by a shareholder - a non-resident.

16. The term of payment of dividends shall be determined by the general meeting of shareholders, but can not exceed 60 days from the date of the decision on payment of dividends by the General Meeting of Shareholders.

17. In the event that the owners of the Company's securities could not get the accrued dividends established by the general meeting of shareholders as possible, the Company continues to pay such (unclaimed) dividends. unclaimed dividend payment period shall not exceed three years from the date of expiry of the execution by the Company the obligation to pay the declared dividends.

18. In the case of non-payment (non-receipt) by the fault of the Company's dividend established by the general meeting of shareholders of the terms of unpaid (uncollected) Dividend penalty is charged on the basis of the refinancing rate set by the Central Bank of the Republic of Uzbekistan. Size of penalties accrued on the unpaid (uncollected) dividends shall not exceed 50 percent of the amount outstanding (missed) dividends.

19. The structural unit of the Company, which has among its functions, organization and management of work with shareholders, together with the Company's accounting department carries out preparation, coordination and implementation of all measures to organize the payment of dividends by the Company under these Regulations.

20. Any shareholder may apply to the Company with a request for information on the procedure of calculation of dividends on the shares, the procedure of calculation and taxation of dividends amount on the payment conditions.

21. On receipt of dividends on shares are entitled to the person recorded in the register of shareholders, formed for holding the general meeting of shareholders at which the decision to pay dividends to shareholders.

22. In the event of a finding of shares in the share ownership, the dividend distributed to the shareholders in proportion to their share in the prescribed manner.

23. A shareholder shall promptly inform the investment intermediary and / or the Central Securities Depository, providing services to integrate the rights to its shares of its data changes. In case a shareholder does not provide information about his change of the Central Depository and / or investment intermediary, providing services to incorporate the rights for its shares shall not be liable for any shareholder in connection therewith.

24. If the shareholder has not correctly indicated their address or bank details for the transfer of dividends, or has not informed the Company of these requisites, or not timely informed about them, the Company shall not be liable for any shareholder in connection therewith. After returning to the Company incorrectly listed the amounts of dividends due to the fault of the shareholder for the reasons stated in this paragraph, re-listing them according to the specified shareholder details is carried net of their return and re-transfer costs.

25. The Company is a tax agent in the payment of income to the shareholders on the shares belonging to them, and makes payment of accrued dividends, net of the applicable laws of the Republic of Uzbekistan for a tax on securities income. The shareholder, which should not apply the standard rate of taxation, provides a set current legislation of the Republic of Uzbekistan

supporting documents to the Company (bringing them to the paying agent).

IV. RESPONSIBILITY FOR PAYMENT OF DECLARED DIVIDENDS

26. The Company shall pay declared dividends on shares of each type.

27. Upon payment of the dividend, none of the shareholders has no advantages in terms of payments.

Payment of accrued dividends on the Company's common shares shall be subject to the equal rights of shareholders to receive dividends. The Company is not entitled to pay big dividends to the shareholder, if the result of this will be to ensure the payment of dividends to minority shareholders in a timely manner.

28. The Executive Body of the Company is responsible for the full and timely payment of dividends to shareholders of the Company. Control over executive actions carried out by the Supervisory Board of the Company, together with the Audit Committee of the Company.

29. In order to ensure the payment of accrued dividends The Supervisory Board considers at its meetings, the progress of payment of dividends. In the case of incomplete or late payment of dividends due to the fault of the executive body of the Supervisory Board determines the measure of responsibility the perpetrators and impose appropriate sanctions or initiate their imposition.

30. In the case of non-fulfillment by the Company of its obligations, the shareholders are entitled to demand payment of declared dividends on the shares of each type in the courts.

31. For non-performance or improper performance of the Company to withhold and remit the tax agent duties taxes on dividends The Company is liable in accordance with the legislation of the Republic of Uzbekistan.

V. ORDER OF INFORMATION DISCLOSURE

32. These Regulations, as well as changes and amendments to it, are disclosed by the Company on its corporate Internet website within ten days after the signing of the minutes of the meeting body company's management, which made the corresponding decision.

33. When making a general meeting of shareholders to pay dividends, the Company discloses information in the form of statements of material facts in the terms established by law. At the same time the Company shall be notified to shareholders by e-mail about the accrual of dividends to them.

34. Upon the Company's performance of its obligations to pay dividends, the Company discloses the relevant information in the form of statements of material facts in the terms established by law.

VI. FINAL PROVISIONS

35. These Regulations, as well as changes and additions to it are approved by resolution of the general meeting of shareholders.

36. Changes and amendments to these Regulations shall be made on the proposal of the members of the Supervisory Board of the Company, the Audit Committee of the Company, the Company's internal audit service, the head of the executive body.

37. If individual provisions of these Regulations come into conflict with the current legislation of the Republic of Uzbekistan and / or the Company's Charter, these articles become invalid in part regulated by these articles of issues should be guided by the norms of the current legislation of the Republic of Uzbekistan and / or the Articles of Association until the appropriate changes in the this Regulation.