

“Agreed”
Chairman of the Board of Joint
Stock Company “Asakabank”
N.N.Saydullayev _____

PPROVED according to the protocol
No ___ dated ___ 2020 of the Board of
Asakabank

CHARTER

Regarding the Audit committee of Asaka bank

This Charter is developed in accordance with the Laws “regarding the banks and banks activities”, “regarding protecting the rights of joint stock companies and shareholders”, “Audit activity”, of the Republic of Uzbekistan, the decree PF-2084 dat“regarding activities on developing joint stock commercial banks”, Ўзбекистон Республикаси October 2, 1998 of the President of the Republic of Uzbekistan, the decision No 104 “regarding additional activities related to reforming the banking system” of the Cabinet of Ministers and the charter “regarding requirements to the internal audit of the commercial banks by the central bank” registered under No992-1 dated April 20, 2004 and the charter “regarding cooperative management system in the commercial banks” registered under No 3254 dated June 30, 2020 in the ministry of justice, as well as the documents corresponding the bank and audit activities at the territory of the Republic of Uzbekistan. This Charter shall appoint the main directions of the activity of the Audit committee of Asakabank.

1. General provision

1.1. The Charter shall appoint the rights of Audit committee of Asakabank (hereinafter referred in as Asakabank) and working process, the process of forming audit committee as well as rights and duties of its members.

1.2. In order to effectively organize internal control system the Board shall organize audit committee. Majority members of the committee should not be people belong to the bank (membership to the Board shall be excluded).

1.3. The Chairman of the audit committee should not be the chairman of the board. The chairman and members of the audit committee shall be approved by the Board of the Bank according to the recommendation of the Chairman of the Board of the Bank. The Audit committee shall be consisted from at least three member of the Board of the Bank. Membership to the committee shall not be consisted from the same people, similarly each member of the committee should not be member of other committees.

1.4. Members of audit committee must have higher education, have skills and experience matching with the purpose and tasks of audit service. One member of the audit committee must have at least 5 years working experience on accounting and financial reporting.

2. The main tasks of the audit committee

2.1. The main tasks of audit committee is as follows:

- Participate in the process of working out and approving financial report and internal audit policy;

- Control the authenticity, completeness, submission of the reports related to the control, financial and other reports;
- Prepare information to the meeting of the board within the framework of his or her authorities and submission of reports to the council;
- Control mutual relation of the bank with internal and external auditors;
- Consider issues on appointment (dismiss) the heads of internal audit service, give suggestions to the board;
- Learn the quarter reports of internal audit service and submit to the board;
- For the provision of the efficiency and correspondence of internal control system of the bank and internal control system assess them, consider the internal audit inspection plan and their periodicity, participate in assessing the performance of the duties and tasks of the head of internal audit service and express his or her opinions;
- Carry out meetings with the heads of internal audit service in every quarter, discuss the issues related to the activity of the internal audit service;
- Render practical assistance in assessing external proposals, prepare the recommendations to the board in selecting external auditor;
- Enter suggestions to the board on concluding (cancelling) agreement with him and the highest cost paid to the services of external auditors;
- Render practical assistance to the board in developing technical tasks for external auditors;
- Adopting internal and external audit reports and control timely prevention of the shortcomings and nonconformance to the legislative document, bank policies and internal documents;
- Consider the reports and conclusions of external audit and submit them to the board;
- In case of assessing unsatisfactory the activity of external auditors, give recommendations to the board on changing them;
- Consider transparency and exactness of the bank activity;
- Prepare the report on its activity;
- Perform other tasks assigned by the board.

3. Authorities of the Audit committee

3.1. The Auditor committee has the authority on following issues:

- Timely using annual independent auditor inspection results and materials of internal audit service, as well as refer to the primary accounting documents of the bank;
- Changing, corresponding or appointing additional inspection for the plan of internal audit department inspections;
- Give proposals on activity of the audit department of the banks to the Board of the bank;
- Carry out separate meetings on necessary issues, but give reports to the Board of the Bank on performed works in the meetings, in case of revealing negative situations effecting on the activity of the bank refer to the Board of the Bank on calling off the meeting of the Board of the bank;
- Reviewing the importance and volume of the internal audit inspection;
- Adopting quarterly and final report on internal audit;

- Observing the efficiency of the internal control structures of the administrative and operation system of the bank.

4. the rights of the members of the audit committee

4.1. The members of the audit committee have the following rights:

- Take full and reliable information regarding the results in the specific period of the activity of the bank and its development plans;
- Be familiar with public services bodies on various directions of the bank, inspection results performed by the central bank of the Republic of Uzbekistan;
- Work out his or her conclusions and suggestions linked with the activity of the bank;
- Agree his or her action with the chairman of the board of the bank;
- Every quarter give conclusions regarding internal audit results to the Board of the bank;
- Follow the keeping bank secret.

5. Responsibility of audit committee

5.1. Responsibility for working out the plan of audit inspection shall be assigned to the audit committee.

6. Miscellaneous

6.1. Upon approval of this Charter, the Charter regarding Audit committee of Asakabank approved with the protocol No 29 dated April 22, 2019 by the Board of Asakabank shall lose its legal power.