**APPROVED**
**at the meeting**
**Supervisory Board of UzRCE**
**July 30, 2019**
**(Minutes No.219)**

# Regulations on the Traders Committee of the Joint Stock Company "Uzbek Republican Currency Exchange"

These Regulations have been developed in accordance with the Law of the Republic of Uzbekistan "On Exchanges and Exchange Activities" and other acts of legislation, the Charter of the Joint Stock Company "Uzbek Republican Currency Exchange" (hereinafter referred to as UzRCE) and the Code of Professional Ethics and Business Conduct of Participants in Exchange Trading at the Uzbek Republican Currency Exchange (hereinafter referred to as the Code).

## I. GENERAL PROVISIONS

1. These Regulations regulate issues related to the organization and activities of the UzRCE Traders Committee (hereinafter referred to as the Committee).

2. The Committee is a permanent body of the UzRCE.

3. In its activities, the Committee is guided by the legislation of the Republic of Uzbekistan, the Charter of the UzRCE, these Regulations and the Code.

4. The purpose of creating the Committee is to protect the legitimate rights and interests of traders, coordinate their actions, as well as ensure control over their compliance with the norms of the Code adopted by the UzRCE.

5. Expert councils and working groups may be created under the Committee on issues within the competence of the Committee. These temporary bodies are created by decision of the Committee.

## II. OBJECTIVES OF THE COMMITTEE

6. The main objectives of the Committee are:

consideration within its competence of issues and adoption of recommendations on them for the Executive Body of the UzRCE;

protection of the legal rights and interests of traders;

coordination of traders' actions;

ensuring control over traders' compliance with the Code adopted by the UzRCE;

participation in the discussion of draft regulations and rules governing exchange activities;

participation in the development of exchange trading rules, as well as standard agreements and standard forms of documents for execution of concluded exchange transactions;

preparation of proposals to introduce amendments and additions to the current internal regulatory documents of the UzRCE, regulating the procedure for organizing exchange trading, as well as clearing and settlement of exchange transactions;

making proposals and recommendations from traders aimed at improving the activities of the UzRCE;

monitoring the activities of traders, participation in organizing work to improve their professional level and business qualifications.

## III. PROCEDURE FOR FORMING A COMMITTEE

7. The committee is created by decision of the Supervisory Board of the UzRCE and is formed from among traders.

8. Participation in the Committee is voluntary, personal and free of charge, unless otherwise determined by a decision of the Exchange Supervisory Board.

9. Members of the Committee must have the qualifications, knowledge and experience necessary to perform the tasks and functions of the Committee in accordance with these Regulations.

8. The quantitative composition of the Committee is determined by the decision of the Supervisory Board of the UzRCE and cannot be less than five or more than seven people.

9. The Committee consists of the Chairman, his deputy, secretary and members of the Committee.

10. The composition, number of members and Chairman of the Committee are approved by the decision of the Supervisory Board of the UzRCE. These decisions approve the Secretary of the Committee to maintain documentation on the decisions taken. The Secretary of the Committee does not have the right to vote when making decisions.

11. The elected composition of the Committee is valid until the Supervisory Board of UzRCE forms a new composition of the Committee.

12. A member of the Committee, at the proposal of the Chairman of the Committee and (or) the Executive body of the UzRCE, may be excluded from the Committee by the Supervisory Board of the UzRCE if he did not participate (including did not submit written opinions or completed voting ballots on the issues under consideration) in three or more meetings of the Committee. An expelled member of the Committee cannot be proposed as a candidate for election to the Committee when forming the next composition of the Committee.

13. A member of the Committee has the right to resign from the Committee early (resign his powers) by notifying the UzRCE by sending a written statement.

14. Chairman of the Committee:

convenes meetings of the Committee and presides over them;

submits a report on the activities of the Committee to the Supervisory Board of the UzRCE;

exercises control over the implementation of the Committee's decisions.

In the absence of the Chairman of the Committee, his duties are performed by his deputy.

The Deputy Chairman of the Committee is elected from among the members of the Committee by a simple majority of votes.

15. The Secretary of the Committee performs responsibilities for organizational support of the Committee’s activities, as well as:

carries out instructions from members of the Committee for the preparation of meetings;

requests the necessary information on behalf of the Committee members;

informs the UzRCE about the activities of the Committee and the decisions it makes.

16. The Chairman of the Committee has the right to invite other traders and employees of the UzRCE to Committee meetings to participate in the discussion of the issues under consideration.

17. Meetings of the Committee are held as necessary. The frequency and time of Committee meetings is determined by the Chairman of the Committee. Meetings of the Committee may also be convened at the initiative of Committee members.

18. The Secretary notifies the Committee members and invited persons, meeting participants in advance about the place, date and time of the Committee meeting.

## IV. RIGHTS AND RESPONSIBILITIES OF COMMITTEE MEMBERS

19. Members of the Committee have the right:

make proposals to include issues on the agenda, taking into account the tasks of the Committee specified in Section II of these Regulations;

take part in Committee meetings and vote on agenda items;

receive information about the activities of the Committee;

resign from the Committee early (resign from office).

20. Members of the Committee are obliged to:

not to use the rights granted to them for purposes contrary to the interests of UzRCE and causing damage to the business reputation of UzRCE;

exercise their rights and obligations in relation to UzRCE in good faith and professionally;

in order to prevent conflicts of interest when UzRCE carries out its activities, refrain from committing actions that may cause property damage to UzRCE;

participate in meetings of the Committee, including voting in absentia when making decisions at meetings held in the form of absentee voting;

comply with the requirements of the internal regulatory documents of the UzRCE regulating its activities as they relate to the activities of the Committee;

not to disclose or use in their own interests or in the interests of third parties information that has become known to them, constituting confidential information of UzRCE, the list of which is determined by the internal regulatory documents of UzRCE, official and other insider information, as well as other information, access to which is limited in accordance with internal regulatory documents of UzRCE;

perform other duties provided for by these Regulations and other internal regulatory documents of the UzRCE.

## V. PROCEDURE FOR CONDUCTING COMMITTEE MEETINGS

21. The agenda of the meeting is determined by the Chairman of the Committee, taking into account the wishes of other traders sent in advance by e-mail to the Chairman of the Committee. The agenda of the meeting and additional documents, unless otherwise specified, are sent to all members of the Committee no later than seven working days before the date of the meeting.

22. A meeting of the Committee is valid if at least half of the members of the Committee, including the person performing the functions of the Chairman, participate in it.

23. When making decisions, members of the Committee are guided by the legislation of the Republic of Uzbekistan, these Regulations and other internal regulatory documents of the UzRCE.

24. Decisions at Committee meetings are made by a simple majority of votes of the Committee members present at the meeting. Each Committee member has one vote. In case of equality of votes, the vote of the Committee Chairman is decisive.

25. Members of the Committee who do not agree with the decision made have the right to draw up and attach to the decision a special opinion, which is an integral part of the said decision.

26. If necessary, a meeting of the Committee may be held in absentia. To do this, the issue put to a vote must be stated in writing, clearly formulated and sent by email to the members of the Committee indicating the time period allotted for voting. Posing a question should involve an unambiguous and definite answer.

27. The Committee establishes its own rules for holding meetings in matters not regulated by these Regulations.

## VI. MINUTES OF THE COMMITTEE MEETING

2 8. During the meeting of the Committee, the secretary draws up a protocol that briefly outlines the issues on the agenda and the decisions made.

29. The minutes of the meeting are agreed upon with the Chairman of the Committee, after which they are sent to all members of the Committee. If necessary, the minutes of the Committee meeting are sent to all other traders.

## VII. POWERS OF THE COMMITTEE

30. If necessary, the Committee may invite independent experts with the necessary professional knowledge and practical experience to participate in meetings of the Committee.

31. Within the framework of its powers, the Committee has the right to request information from traders, structural divisions and officials of the UzRCE to the extent necessary for a comprehensive consideration of the issues included in the agenda of the Committee’s meetings.

## VIII. CONFIDENTIALITY

32. Members of the Committee, traders, structural divisions and officials of the UzRCE, in accordance with the legislation of the Republic of Uzbekistan, take all measures within their power to maintain confidential information relating to the activities of the Committee.

## IX. RESPONSIBILITY

33. Members of the Committee are responsible for non-fulfillment or improper performance of the duties assigned to them, resulting in damage to UzRCE, in accordance with the legislation of the Republic of Uzbekistan and internal regulatory documents of UzRCE.