

DECISION OF THE PRESIDENT OF THE REPUBLIC OF UZBEKISTAN

REGARDING MEASURES FOR THE REORGANIZATION OF THE UNITARY ENTERPRISE "NATIONAL BANK OF FOREIGN ECONOMIC ACTIVITY OF THE REPUBLIC OF UZBEKISTAN" IN THE FORM OF A JOINT STOCK COMPANY

In accordance with the Decision of the President of the Republic of Uzbekistan dated October 9, 2019 No. 4487 "On the first priority measures to increase the financial stability of the banking sector of the Republic of Uzbekistan", the Unitary Enterprise "National Bank of Foreign Economic Activity of the Republic of Uzbekistan", in order to introduce modern universally recognized principles of corporate governance:

1. Approve the reorganization proposal. "National Bank of Foreign Economic Activity of the Republic of Uzbekistan" (hereinafter – National Bank) in the form of a unitary enterprise of the Ministry of Finance and the State Assets Management Agency to the "National Bank of Foreign Economic Activity of the Republic of Uzbekistan" in the form of a Joint Stock Company (hereinafter – “National Bank” JSC).

2. It should be noted that:
 - the Ministry of Finance and the Recovery and Development Fund of the Republic of Uzbekistan are the founders of "National Bank" JSC on behalf of the state;
 - the Authorized Fund of the newly established "National Bank" JSC will be formed in accordance with Appendix 1 in the amount and shares, after being increased in accordance with the procedure established by law;
 - "National Bank" JSC is the legal successor of the reorganized National Bank in terms of its rights, obligations and agreements, including international agreements.

3. The following should be defined as the main tasks and directions of activity of "National Bank" JSC:
 - actively lending large investment projects in priority sectors of the economy by attracting foreign credit lines, resources in the international capital market, funds of foreign investors;
 - introduction of innovative financial products to increase the quality and speed of service;
 - providing banking services to small businesses and private entrepreneurs, as well as providing financial advice and information support in matters of foreign economic activity;
 - development of retail banking services to the population, including the introduction of new types of banking services using information and communication technologies;
 - diversification of the sources of financing banking activities, primarily by mobilizing long-term funds in national currency; development of trade-export financing business products and expansion of its geography, as well as support of programs for the development of export potential of the republic,
 - provision of consulting services to exporters;

- providing investment banking services to corporate clients, including issuance and placement of securities in domestic and foreign markets.

4. The Ministry of Finance of the Republic of Uzbekistan: together with "National Bank" JSC, re-regulate the state guarantees given on the obligations of debtors and creditors of "National Bank", which will be reorganized within two months;

Having defined the main tasks and functions of the supervisory board, submit its composition to the general meeting of shareholders of "National Bank" JSC for approval.

5. "National Bank" within two months:

a) together with the State Assets Management Agency of the Republic of Uzbekistan, including the following:

- creation of a commission on preparation for reorganization of National Bank prepare the relevant transfer document and take measures to transfer the assets and liabilities of National Bank without an assessment of them;

b) re-registration of existing property documents, licenses and permits;

c) To establish "NBU INVEST GROUP" JSC on the basis of the investment company "NBU INVEST GROUP" LLC, with a view to expanding its participation in the implementation of investment projects through participation in the financial markets, including the authorized fund of economic entities (up to 100 percent) within the limits of the bank's income;

d) the following:

- organizational structure and Charter of "National Bank" JSC;

- with the involvement of international consultants, ensure that the development strategy of "National Bank of Foreign Economic Activity of the Republic of Uzbekistan" JSC for 2020-2023 is developed and approved at the general meeting of shareholders.

6. The Central Bank of the Republic of Uzbekistan shall ensure the registration of the Charter of "National Bank" JSC in the prescribed manner.

7. The State Assets Management Agency of the Republic of Uzbekistan and National Bank:

a) Transfer certain assets not related to the main type of activity in the form of shares and shares in the authorized fund of economic societies of National Bank to the State Assets Management Agency of the Republic of Uzbekistan in accordance with Appendix 2; b) Assets of National Bank and "NBU INVEST GROUP" JSC in the form of shares and shares in the authorized fund of economic societies not related to other main type of activity: using the mechanism of gradually reducing the appraisal price by 10%, but without reducing it by 50% of the market price and for two months if there is no interest from investors as a result of the trades, without reducing their nominal value; purchase payments all at once or in installments (except for shares) without calculating interest for the balance of the purchase amount for up to 7 years, as well as without the right to dispose of the object and give it as collateral (mortgage) to third parties (except for the commercial bank - the seller) until the purchase amount is paid in full to agree to their offer to sell through implementation.

8. The Council of the National Bank shall write off the off-balance sheet assets for which reserves were previously created and where there are no sources of extinguishment in accordance with the established procedure.

9. The Capital Market Development Agency of the Republic of Uzbekistan shall ensure that the shares of "National Bank" JSC are issued in the prescribed manner without the collection of fees and that the primary issued shares are transferred to the state register.

10. Clause 9 of the Decision of the President of the Republic of Uzbekistan dated March 27, 2017 "On approving the program for the reconstruction of farmers' markets and the construction of modern shopping complexes in their territory" shall be considered as invalid.

11. The Ministry of Justice of the Republic of Uzbekistan, together with the interested ministries and agencies, submits proposals to the Cabinet of Ministers of the Republic of Uzbekistan on amendments and additions to the legal documents arising from this decision within one month.

12. Control of the implementation of this decision is entrusted to the Deputy Prime Minister of the Republic of Uzbekistan - Minister of Finance J.A. Kochkarov and adviser of the President of the Republic of Uzbekistan R.A. Gulyamov.

President of the Republic of Uzbekistan Sh. MIRZIYOEV,

Tashkent city,

November 30, 2019,

No:4540

APPENDIX 1 to the decision of the President of the Republic of Uzbekistan No. 4540 of November 30, 2019

SOURCES of formation of Authorized Fund of "National Bank of Foreign Economic Activity of the Republic of Uzbekistan" JSC

	Name of shareholders	Authorized capital (as of 01.11.2019)		Funds allocated for the creation of authorized capital	The amount of authorized capital	
		billion UzS	percentage	billion UzS	billion UzS	percentage
1	Ministry of Finance of the Republic of Uzbekistan*	3 885,8	89,93%	922,1	4 807,9	41,51%
2	Reconstruction and Development Fund of the Republic of Uzbekistan**	435,2	10,07%	6 338,1	6 773,3	58,49%
	Total:	4 321,0	100%	7 260,2	11 581,2	100%

Note: *The share of the Ministry of Finance is 3,885.8 bln. UzS is formed at the expense of the transfer of the share of the Cabinet of Ministers of the Republic of Uzbekistan. The undistributed profit and deposit of previous years on the subscription of shares in the amount of 922.1 billion UzS will be directed to the capitalization of the share of the Cabinet of Ministers of the Republic of Uzbekistan based on the decision of the "National Bank of Foreign Economic Activity of the Republic of Uzbekistan" Council, and then the share of the Ministry of Finance and will later be transferred as a share of the Ministry of Finance. The net profit of "National Bank of Foreign Economic Activity of the Republic of Uzbekistan" JSC at the end of 2019 will be directed to increase the shareholders' share in the Authorized Fund of the Bank in accordance with the established procedure.

**The formation of the share of the Recovery and Development Fund of the Republic of Uzbekistan is carried out in accordance with the Decision of the President of the Republic of Uzbekistan dated October 9, 2019, No: 4487. The final amount of the share is determined according to the exchange rate of the Central Bank of the Republic of Uzbekistan on the date of the transaction.

APPENDIX 2 to the decision of the President of the Republic of Uzbekistan No.4540
of November 30, 2019

**LIST of economic companies whose shares belong to National Bank and
should be transferred to the State Asset Management Agency of the Republic
of Uzbekistan**

	Name of the economic society	Balance price	Share amount (percentage)
1.	"Takhiatash-don" JSC	0.3	0,01
2.	"Kurilish Leasing" LLC	290.6	5,3
3.	"Ozinterimpeks" JSC	524.1	4
4.	"Markazsanoatekспорт" JSC	550	4
5.	"Uzprommashimpeks" JSC	1 232.8	3,8
6.	"Uzmarkazimpex" JSC	530.7	4
7.	"Ozmed-leasing" JSC	408.9	20
8.	"Chotqol" LLC	10	12,5
9.	"Elsis Trade" JSC	14.8	2,2
10.	"Agrotexservis" LLC	629	15
11.	"Ozavializing" LLC	10 214.1	26,5

(National database of legal documents, 30.11.2019, No. 07/19/4540/4093)