

ALSKOM[®]
SUG'URTA KOMPANIYASI
СТРАХОВАЯ КОМПАНИЯ

"APPROVED"
Extraordinary General Decision
shareholders meetings
SC IC "ALSKOM" dated 10.04.2017
Appendix №7
to Protocol No. 1 dated 04.17.2017

REGULATION
"ON THE DIVIDEND POLICY of JSC SK ALSKOM"

Section I. General Provisions.

1.1. This Regulation “About the Dividend Policy of the Joint-Stock Company of the Insurance Company “ALSKOM” (hereinafter referred to as the Dividend Policy) is developed in accordance with the laws of the Republic of Uzbekistan“ About Joint-Stock Companies and Protection of Shareholders' Rights ”,“ About the Securities Market ”, recommendations of the Corporate Governance Code, approved by the minutes of the meeting of the Commission on improving the efficiency of joint stock companies and improving the corporate governance system (of 02.02.2016 No. 02-02 / 1-187), the Charter of the Joint Stock Company “ALSKOM” Company (hereinafter referred to as the Company) and other regulatory and legal acts of the Republic of Uzbekistan.

1.2. For the purposes of this Dividend Policy, the following terms and concepts are used:

dividend is a part of the Company's net profit distributed among shareholders;

Dividend policy is the policy of the Company in the area of the distribution of the Company's profits, that is, the distribution of dividends among shareholders;

net profit - profit remaining at the disposal of the Company after payment of taxes and other obligatory payments;

dividend payout fund - the amount of net profit allocated to pay dividends on ordinary shares of the Company.

1.3. The main purpose of this Dividend Policy is to establish a transparent and understandable mechanism for shareholders to decide on the payment of dividends, determining the amount, procedure and timing of payment.

1.4. The company has a stable dividend policy. This policy provides for the establishment of a long-term regulatory ratio of dividend payments in relation to the amount of profit.

1.5. This dividend policy is valid for the period until January 1, 2020.

Upon expiration of this period, the Company will adopt the next Dividend Policy based on the goals and objectives set out in the Company's development strategy.

Section II. Principles for calculating the amount of dividends

2.1. The calculation of the amount of dividends on ordinary shares is based on the size of the Company's net profit, reflected in the Company's financial statements, the accuracy of which is confirmed by an independent audit organization.

2.2. The following principles are observed when calculating the amount of dividends:

2.2.1. transparency of the mechanism for determining the amount of dividends;

2.2.2. balance of short-term (income) and long-term (development of the Company) interests of shareholders;

2.2.3. focus on increasing the investment attractiveness and the level of capitalization of the Company.

Section III. The procedure for calculating the amount of dividends

3.1. The amount of dividends on ordinary shares depends on the results of the financial and economic activities of the Company over the past period.

3.2. In accordance with the Company's charter, preferred shares are paid dividends in the amount of 70 (seventy) percent of the nominal value of shares.

3.3. The company for the period of this Dividend policy plans to send to the payment of dividends on ordinary shares at least 30% of net profit.

3.4. The amount of dividend payments per ordinary share is calculated according to the following formula:

$$ADPOSH = \frac{DPF}{NOSH}$$

ADPOSH - amount of dividend payments per one ordinary share;

DPF - dividend payout fund;

NOSH - the number of ordinary shares placed by the Company.

The size of the dividend per one ordinary share of the Company is calculated with an accuracy of one soum.

3.5. At the same time, the size of the fund dividend payments (FDP) is calculated in the following sequence:

3.5.1. 5% of net profit is directed to the formation of the reserve fund of the Company (until the size of the reserve fund is established by the charter of the Company);

3.5.2. no more than 10% of the net profit is directed to the formation of the insurance fund of the Company (until the insurance fund reaches the size established by the charter of the Company);

3.5.3. no more than 1.5 percent of the net profit remaining after deductions to the reserve and insurance fund is directed to the formation of a labor protection fund of the Company (until the size of the labor protection fund is established by the charter of the Company);

3.5.4. Part of the net profit is used to pay dividends on the Company's preferred shares;

3.5.5. Part of the net profit is directed to other purposes, including the development of the Company, to pay remuneration, compensation to members of management and control bodies, as well as to the labor collective of the Company;

3.5.6. Net income, net of amounts reflected in sub-clauses 3.5.1. - 3.5.5. of this Provision forms the fund dividend payments (FDV).

At the same time, the size of the dividend payout fund may not be less than 30% of the Company's net profit.

3.6. The company declares the amount of dividends excluding taxes on them.

3.7. The dividend is distributed among the shareholders in proportion to the number and type of shares owned by them.

Section IV. The procedure for deciding on the payment of dividends

4.1. The decision (announcement) on the payment of dividends on ordinary shares placed is the right, but not the responsibility of the Company. However, the Company is obliged to pay dividends declared on each type of shares.

4.2. To make a decision on the payment of dividends, the Supervisory Board of the Company submits recommendations on the amount of dividends to the General Shareholders Meeting.

In determining the amount of recommended dividends, the Supervisory Board should take into account the Company's financial and business plans for subsequent periods, the current and future state of the working capital and the Company's liabilities.

4.3. When deciding on the payment of dividends, the provisions of the current legislation of the Republic of Uzbekistan that:

- the amount of dividends may not exceed the amount recommended by the Supervisory Board of the Company;

- The General Meeting of Shareholders has the right to decide on non-payment of dividends on certain types of shares, as well as on payment of dividends in an incomplete amount on preferred shares, the amount of dividends on which is defined in the Company's Charter.

4.4. According to the results of the first quarter, six months, nine months of the fiscal year and (or) based on the results of the fiscal year, the Company is entitled to decide on the payment of dividends on the placed shares.

4.5. The decision to pay dividends, the size of the dividend, the form and procedure for its payment on the Company's shares is taken by the General Meeting of Shareholders.

4.6. The decision of the Company to pay dividends based on the results of the first quarter, half year and nine months of the fiscal year can be made within three months after the end of the relevant period.

Section V. Form, terms and procedure of dividend payment

5.1. Dividends are paid from the net profit remaining at the disposal of the Company, and (or) retained earnings of previous years.

5.2. Payment by the Company of dividends on preferred shares in the event of insufficient profit or loss of the Company is possible only at the expense and within the reserve fund of the Company created for this purpose.

5.3. By decision of the General Meeting of Shareholders of the Company, the dividend may be paid in cash or other legal means of payment, or in the Company's securities.

5.4. Payment of dividends by securities on preferred shares of the Company is not allowed.

5.5. Dividends are paid:

- to legal entities in non-cash form by transferring money to their bank settlement accounts;
- to individuals in a cashless form by transferring money to their plastic cards or depository demand accounts.

5.6. The company is obliged at the written request of the non-resident shareholder of the Republic of Uzbekistan to convert the dividends accrued to it into freely convertible currency, with the transfer of funds to a bank account submitted by the non-resident shareholder.

5.7. By written order of the shareholder, accrued but unpaid to the employee and dividends can be sent in the prescribed manner to acquire shares of the Company.

5.8. The term and procedure for payment of dividends are determined by the decision of the General Meeting of Shareholders. The dividend payment period may not be later than sixty days from the date of the decision. 5.9. Persons registered in the shareholder register of the Company formed for holding the General Meeting of Shareholders, at which the decision was made to pay dividends to shareholders, are entitled to receive a dividend on shares.

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5.10. The dividend, not claimed by the owner or his legal successor or heir for three years, by decision of the General Meeting of Shareholders remains at the disposal of the Company.

5.11. In case of non-payment (non-receipt) due to the fault of the Company of dividends in the terms established by the General Meeting of Shareholders, the non-paid (not received) dividends are charged based on the refinancing rate set by the Central Bank of the Republic of Uzbekistan. The amount of interest charged on unpaid (not received) dividends shall not exceed 50 percent of the amount of unpaid (not received) dividends. The penalty for the period of delay in the payment of the dividend is charged from the day following the day of the expiration of the dividend payment period.

5.12. A shareholder has the right to demand payment of dividends and penalties accrued by the Company in court. In case of non-payment by the Company of dividends when the court meets the requirements of the shareholder in relation to the Company, the procedure for eliminating insolvency or declaring a bankrupt in the manner prescribed by law is applied.

5.13. Shareholders must promptly notify the Company of bank current accounts to which they need to pay dividends due to them. In cases where a shareholder fails to provide information on bank settlement accounts to which accrued dividends are to be transferred, the Company shall not be liable for losses incurred to the shareholder in connection with this.

5.14. The payment of accrued dividends on ordinary shares by the Company is carried out in compliance with the equal rights of shareholders to receive dividends.

Section VI. Dividend Restrictions

6.1. The company does not have the right to make decisions on the payment of dividends in the following cases:

- if at the time of payment of dividends there are signs of insolvency (bankruptcy) or the specified signs appear to the Company as a result of payment of dividends, and also if the consequence of the payment may lead to a significant deterioration in the financial and financial condition of the Company;

- if the value of the Company's net assets is less than the sum of its authorized and reserve capital.

Upon termination of the circumstances specified in this clause, the Company is obliged to pay dividends to shareholders.

6.2. Dividends are not accrued on the Company's own redeemed shares.

Section VII. Notification of shareholders on the payment of dividends

7.1. In accordance with the Laws of the Republic of Uzbekistan “About Joint-Stock Companies and Protection of Shareholders' Rights”, “About the Securities Market”, and the “Rules for the Submission and Publication of Information by Securities Market Participants” (reg. No. 2383, dated 31.07.2012) The proceeds from the Company's securities will be published on the official website of the Company (www.alskom.uz) and the Single portal of corporate information (www.openinfo.uz) within two business days from the date of preparation of the relevant protocol of the authorized body of the Company.

Section VIII. Final provisions

8.1. This Regulation shall enter into force upon its approval by the General Meeting of Shareholders.

8.2. If one of the rules of this Statute becomes invalid, this rule is not a reason for suspending other rules.

8.3. If the current legislative acts of the Republic of Uzbekistan establish other provisions than those provided for in these Regulations, the rules of the current legislative acts of the Republic of Uzbekistan shall apply.