

# **Contractual Rights and Complaints Handling Department STATUTE**

## **I. General**

1. This Statute is developed in accordance with Civil Code of the Republic of Uzbekistan, the Leasing Act of the Republic of Uzbekistan, Decree No.424 of the Cabinet of Ministers of the Republic of Uzbekistan “On Measures on Lease-Based Agricultural Machinery Support of Agricultural Sector” dated 2 November 2000, Statute “On Legal Departments Functioning in Economic Organizations, Public Organizations and Companies” approved as per Annex 2 to the Decree No.182 of the Cabinet of Ministers dated 24 August 2007.

2. Contractual Rights and Complaints Handling Department shall be managed by managed by a Manager who is appointed by the Board Chairman and directly subordinates to the Deputy Chairman.

3. In performing its obligations the Department complies with the acts, sub-laws of the Republic of Uzbekistan, Decrees of the President of the Republic of Uzbekistan, decrees and resolutions of the Cabinet of Ministers of the Republic of Uzbekistan, the Company’s Articles of Association, minutes of the General Shareholders’ Meetings and Supervisory Board, Board of Directors’ protocols, the Board Chairman’s orders and decisions, as well as this Statute.

4. In carrying out business activities the Company works in close collaboration with the Company branches and partners (lessees, machinery manufacturers and etc.).

5. The Department staff members shall be employed and dismissed based on the Board Chairman’s order in concurrence with the Deputy Chairman and the Department Manager.

6. The requirements for the Department staff members’ qualifications, functions, rights and responsibilities are subject to job description.

## **II. Department Structure**

7. The Department’s staff schedule is as follows:

Manager – General Legal Counsel– 1 position;

Legal Counsel – 1 position;

1<sup>st</sup> Degree Legal Specialist – 1 position.

8. Distribution of responsibilities between the Department staff members shall be made by the Manager in mutual agreement with the Deputy Chairman.

## **III. Department’s Duties**

9. The major duties of the Department include:

a) To involve in ensuring legality in business activities carried out by the Company, its branches and officials;

- b) To assist in improving the legal culture of the Company's and its branches' staff members;
- c) To plan for protection of the Company's and its branches' property by using legal tools;
- d) To plan for and be involved in contracts, legal issues, and complaints handling activities;
- e) To plan for and be involved in protecting the Company's property rights and other rights in courts and competent authorities.

#### **IV. Department Functions**

10. For fulfilling its duties the Department shall perform the following functions:

*1) Activities in legality assurance and legal culture improvement:*

a) To check the compliance of draft orders, decrees, and other legal documents submitted to the Company, and in case of "no objection" to sign and approve thereof. Signing of such documents shall be performed after all the competent units and departments (staff members) of the Company sign them.

b) To make proposals for preventing and eliminating legal trespass and delinquencies in the Company and its branches;

c) To participate in ensuring the compliance with applicable labor acts, as well as in developing labor standards and regulations (employment contract, social contract and etc.), to check the compliance of the drafts thereof with applicable acts and to give an expert opinion thereon;

d) To provide legal assistance and support to the Company's Labor Union and staff members in representing their interests and rights in competent authorities;

e) To arrange and plan for training sessions and events aimed at improving the legal knowledge and skills of the Company and its branches' staff members; to participate in these training sessions and events;

f) Upon the request to facilitate the Company and its branches' staff members in searching for the Company-related legal documents; if necessary to provide clarifications and explanations thereon;

*2) Activities in property protection by using legal tools:*

a) To participate in development of legal documents related to the property protection and to check their compliance with applicable laws and acts;

b) In cooperation with other structural units and departments to analyze the reasons and factors that lead to the Company's property looting and plundering, arising of funds deficit and non-production costs, to prepare looted property and deficit-related documents for submitting to law enforcement agencies;

c) To give an expert opinion in respect with draft documents related to cancellation and withdrawal of material assets and funds from the account,

auditing reports which identified competence abuse and trespass, as well as stock-taking reports;

3) *Contractual and legal activities, complaint handling and legal protection activities:*

a) Under assistance of other structural units, regional branches and territorial representatives to be involved in developing the Company contracts, to check their compliance with applicable acts and regulations and in case of “no objection” to sign and approve thereof. Signing of such documents shall be performed after all the competent units and departments (staff members) of the Company sign them.

b) To prepare and sign expert opinions in writing for contracts whose amount is two hundred times more than the minimum monthly wage; to control works of General (Senior) Legal Counsels of branches for preparing and signing expert opinion in writing;

c) To control compliance of contract making, contract amending, contract modifying and contract terminating process with specified rules and regulations, to monitor appropriate performance of contracts made, and to make comments thereon;

d) To plan for preparation of request-letters aimed at protecting the Company’s interests, to participate in review and evaluation of complaints and requests made against the Company;

e) In collaboration with structural units to be involved in collection of accounts receivable by regional branches and territorial representatives, to plan for works on filing lawsuits against debtors in Business Courts, to require from banks and bailiffs to execute the Business Court Decrees (Orders), and to facilitate branches therein;

f) To handle claims arisen from contractual relations;

g) To participate in developing of documents necessary for protecting the Company’s property and other rights, and to participate in court meetings in the prescribed manner;

4) *Other activities:*

a) To provide methodical assistance to structural units, regional branches and territorial representatives in handling legal issues, to develop recommendations and guidelines for performing the business activities of legal departments;

b) To ensure proper storage and control of regulations and legal documents, to make proposals to the Management for law journals and periodicals;

c) To be involved in and plan for accomplishment of specific the Company’s business-related tasks assigned by the Management;

d) To undertake other tasks and duties as per applicable acts and laws.

## **V. Department’s Rights and Responsibilities**

11. The Department shall be entitled to:

a) Obtain from officials of the Company and its branches any information and document necessary for undertaking tasks assigned to the Legal Department;

b) Upon the Management's request or in concurrence with competent departments to involve the staff members of these departments in developing regulations and guidelines, working out other draft documents and accomplishing legal tasks;

c) Return draft incompatible documents to originators for making corrections, give justified opinions regarding the elimination of identified errors, participate in improving the project development works upon the management's request or on one's own initiative;

d) To make proposals to the Management for bringing those managers and staff members of the Company or its branches who fail to follow the legal act requirements or those who make trespass, to responsibility;

e) To participate in inspections and stock-takings, as well as in review of documents and reports made at the end of such inspections and stock-takings; to give an expert opinion thereon.

The Department may, as per applicable acts, have other rights.

12. The Department staff members shall:

Fully and efficiently accomplish and undertake tasks assigned to the Department;

Immediately notify the Management of any trespass and breaches identified in the Company or its branches;

The Department Manager – General Legal Counsel and Legal Counsel shall, in a prescribed manner and specified time, get training and successfully pass attestation;

The Department staff member may, as per applicable acts, have other rights.

## **VI. Department Staff's Responsibilities**

13. The Department staff members shall be liable for compliance of draft documents and expert opinions in which their initials and signatures appear with applicable regulations;

14. The Department staff members shall, as per applicable rules and regulations, be liable and penalized for failure to fulfill or appropriately fulfill their duties and obligations

## **VII. Bilateral Relations:**

15. The Department shall closely collaborate with the Company's staff members and officials; provide assistance and support in improving the legal culture thereof, provide legal advice, and ensure fairness and legal compliance in their activities.

16. Bilateral Relations with the Company's Departments:

Contractual Rights and Complaints Handling Department

receipt of information by the Department from...	submit information by the Department to ...
Marketing, Machinery Leasing, and Monitoring Department	
Obtaining information about the performance of current contracts	Providing data about sales and purchase contracts made with partners
Obtaining quarterly leased machinery-related information	Providing data about lease agreements made with lessees
Accounting, Credit Transaction, and Securities Department	
Obtaining information about lease debtors	Providing data about contracts made with partners
Obtaining information about lessees who have repaid the full debt amount and whose contractual obligations are completed	Providing information about lessees against which lawsuits filed in Business Courts
Accounting and Financial Statements Department	
Obtaining information about advance payments and final payments made to partners under the contracts made	Providing data about contracts made with partners
Obtaining information about advance payments made by lessees	
Senior Human Resource Specialist	
Obtaining information about documentation and conclusion of employment contracts	Providing information related to the context of acts and sub-law documents
General Issues Department	
Obtaining information about the nature and accomplishment schedule of tasks assigned by the Management	Providing information about controlled documents and the status of Management tasks fulfillment
Senior Economics Specialist	
Obtaining information related to the performance of economic contracts	

### **VIII. Supervision and Inspection of the Department's Business Activity:**

17. The Company's Board of Directors and its Internal Auditing Department shall perform full systematic control over the Department's business activities.

18. In addition, the Internal Auditing Department shall, as per the annual program, carry out inspection to check the compliance of the Department's business activities with ISO-9001 Quality Management Standard.