

Marketing, Machinery Leasing, and Monitoring Department STATUTE

I. General

1. This Statute is developed in accordance with the Leasing Act of the Republic of Uzbekistan, Decree No.486 of the Cabinet of Ministers of the Republic of Uzbekistan “On Founding Uzkishlokhujalikmashlizing Leasing Joint Stock Company” dated 30 October, 1999 and Decree No.424 “On Measures on Lease-Based Agricultural Machinery Support of Agricultural Sector” dated 2 November 2000, Articles of Association of Uzkishlokhujalikmashlizing Leasing Joint Stock Company (hereinafter called the Company) and Company Management Statute.

2. Marketing, Machinery Leasing, and Monitoring Department shall be 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 – 1 position;

Senior Specialist– 2 position;

1st Degree Specialist – 2 positions.

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

III. Department Duties

9. The Department’s major duties are as follows:

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

b) To participate in improving legal qualifications and skills of staff members of the Company and branches;

c) To plan for works on protecting the property of the Company and its branches by legal tools;

d) To plan for and participate in inspections of agricultural machinery and equipment leased by the Company and its regional branches;

e) To keep track of advancements made by agricultural machinery manufacturers and foreign manufacturers in the field of agricultural technologies, to make market research for leasing of these technologies;

f) To analyze agricultural companies' demand for agricultural equipment and machinery for providing machine-tractor parks, alternative machine-tractor parks, farms, and other agricultural companies with leased machinery, to make forecasts of demand for machinery to be leased;

g) To identify sources of financing for procuring agricultural machinery based on the results of marketing research and agricultural machinery demand analyses;

h) To place orders for tractors and harvesting equipment in agricultural machinery manufacturers of the Republic of Uzbekistan As per the Procedure set forth in the Decree No.424 of the Cabinet of Ministers of the Republic of Uzbekistan dated 2 November 2000, based on financing guarantees of the Fund under the Ministry of Finance of the Republic of Uzbekistan;

i) To place orders in agricultural machinery manufacturers for agricultural equipment to be procured by means of the Company's internal funds as per the Decree No.486 of the Cabinet of Ministers of the Republic of Uzbekistan;

j) To control compliance of equipment lease processes with regional orders and financial lease agreements.

IV. Department's Functions

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

a) To ensure the compliance of equipment and machinery procured with the following requirements:

- component parts' completeness requirements;
- machinery quality requirements;
- tractor operating requirements;
- spare parts' completeness requirements;
- completeness of engineering documents and validity of technical data.

b) To ensure and control timely elimination by manufacturers of any defects identified in leased machinery within the warranty period;

- c) To inspect the correct operation, maintenance and storage of leased machinery throughout the leasing period, to control inspection works carried out by regional branches and territorial marketing specialists;
- d) To carry out at least 1 annual monitoring of leased machinery for inspecting the technical condition of leased equipment and machinery;
- e) To appropriately accept, analyze, and make comments to the Management on the machinery inspection reports made by regional branches;
- f) To control the registration of new lessee when the previous lessee is changed;
- g) To perform registration of leased machinery as a private property upon the completion of the leasing period, and to control the fulfillment of identical works by regional branches and territorial marketing specialists;
- h) To ensure insurance of all the leased tractors as per the Decree No.424 of the Cabinet of Ministers of the Republic of Uzbekistan dated 2 November, 2000;
- i) To undertake advertising efforts as a strategic tool for lease equipment and machinery supply, to participate and arrange workshops, exhibitions, fairs, presentations and etc.;
- j) To develop necessary regulations in cooperation with the Company's other departments and structural units;
- k) To collect, examine and analyze data on tractor and other agricultural machinery prices;
- l) To conduct market research and make proposals on developing and improving the efficiency of leasing-related activities.

V. Department's Rights and Responsibilities

11. The Department shall be entitled to:

- a) Obtain from the Company, its branches and officials any information and any document necessary for fulfillment of tasks assigned to the Marketing, Machinery Leasing, and Monitoring Department;
- b) Make proposals to the Management for improving the Departments day-to-day activities and labor conditions;
- c) To conduct independent negotiations with manufacturers and lessees to the extent of powers and authorities given to the Department;
- d) To give recommendations to the staff members of the Company's branches, lessees and etc. that requested the Department's activities-related information;
- e) To require from the Management to take steps to prevent any circumstances that may negatively impact the Company's or the Department's business activities;
- f) To prevent any illegal activities in providing or documenting a lease;
- g) To request from the Company's other departments any documents necessary and related to the Department's activities;

- h) To protect the Department from ungrounded intervention of other departments into its works and activities;
 - i) To include the proposals for improving the Department's performance to the Management's meeting agenda;
 - j) The Department may, as per applicable acts, have other rights.
12. The Department's staff members shall:
- a) Efficiently and fully accomplish the tasks given;
 - b) To immediately report to the Management any illegal activities or breaches identified in the Company and its branches;
 - c) The Department Manager – General Legal Counsel and Legal Counsel shall, in a prescribed manner and specified time, get training and successfully pass attestation;
 - d) The Department staff member may, as per applicable acts, have other rights.

VI. Department Staff's Responsibilities

13. To timely and efficiently accomplish obligations imposed to the Department by the Statute, to protect the Company's property, to follow fire safety rules, and to create safe and favorable working conditions for the Department staff;

14. To appropriately accomplish tasks and duties set forth in the Department staff's job description, to meet internal labor discipline requirements, and to fulfill other obligations as specified in applicable labor acts;

15. To follow the Guidelines for use of "Private & Confidential" documents and Uzkishlokhujalikmashlizing Leasing Joint Stock Company Executive Board's Guidelines for Implementation of Business Activities;

16. To be responsible for compliance of the Department staff members with internal labor discipline.

17. 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;

18. 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:

19. The Department shall closely collaborate with the Company's staff members and officials; provide assistance and support in improving the legal skills and experience thereof, make relevant recommendations and ensure fairness and legal compliance in their activities.

20. Bilateral Relations with the Company's Departments:

Marketing, Machinery Leasing, and Monitoring Department

receipt of information by the Department from...	submit information by the Department to ...
Contractual Rights and Complaints Handling Department	
Obtaining information about the performance of current contracts	Providing data about machinery procured under the sales and purchase contracts made with partners
Obtaining quarterly leased machinery-related information	Providing leased machinery-related information
Accounting, Credit Transaction, and Securities Department	
Obtaining information about lease debtors	Providing information about machinery procured under the sales and purchase contracts made with partners
Obtaining information about lessees who have repaid the full debt amount and whose contractual obligations are completed	Providing leased machinery-related information
Accounting and Financial Statements Department	
Obtaining information about advance payments and final payments made to partners under the contracts made	Providing leased machinery-related information
Obtaining information about advance payments made by lessees	
Senior Human Resource Specialist	
Obtaining information about documentation and conclusion of employment contracts	Providing information about acts and regulations
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.