

**LAW OF THE REPUBLIC OF UZBEKISTAN**  
**22.07.2008.**  
**N LRU-163**

**"On Securities Market"**

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Approved by the Senate on June 27, 2008**

- Chapter 1. General provisions (Articles 1-3)**
- Chapter 2. Issue of securities (Articles 4-12)**
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**CHAPTER 1. GENERAL PROVISIONS**

**Article 1. The purpose and scope of this Act**

The main purpose of this Law is to regulate relations arising in the sphere of securities market. This Law applies to the following securities: shares, corporate and government bonds, certificates of deposit, derivative securities, and promissory notes.

**Article 2. The Law on securities market**

The legislation on the securities market comprises of the current Law and other legislative acts.

If the international treaty of the Republic of Uzbekistan sets rules other than those specified by this Law, the rules specified by the international treaty shall apply.

**Article 3. Basic terms**

The basic terms used in this Law:

**The share (stock)** – emissive and inscribed security of a perpetual maturity, which fixes the rights of its owner to receive part of the profit of a corporation in the form of dividends, to participate in the management of the corporation, and to receive part of the property that remains after its liquidation;

**Disclosure of information** - provision of information to interested parties in the securities market regardless of the aims of the interested parties in obtaining this information, and in a form guaranteeing access and delivery of the information;

**The promissory note** – a non-emissive security certifying the unconditional obligation of the issuer, or any other party, to make a certain amount of payment to the holder of the promissory note at a predetermined point in time;

**The government securities** – debt obligations of the Republic of Uzbekistan, bonds issued by the authorized Cabinet of Ministers body, as well as bonds of the Central Bank of the Republic of Uzbekistan;

**The custody account** – a set of records in the bookkeeping registers of a depository for preserving a depositor's securities and the rights on securities;

**Statement from depo account** – a document, issued by the depository, certifying the rights of the depositor to securities;

**The depository operations** – operations conducted by depositories in their books of registers in compliance with the standards of custody operations;

**The certificate of deposit** – non-emitive security certifying the deposited sum of money with a bank, rights of the depositor (certificate holder) to receive the original deposit with a stated interest upon maturity of the certificate of deposit from any branch of the bank that issued this certificate;

**The depository's book of registers** – a system of records set by the standards of the depository operations, for storage of the securities, and bookkeeping of the rights on securities in the depository;

**The depositor** - a person who holds a custody account in the depository;

**Investment assets** - securities, cash and other properties recognized as investment assets in accordance with the laws;

**The investor** - legal or natural person acquiring securities on his/her own behalf and at his/her own expense;

**The corporate bonds** - bonds issued by open joint-stock companies;

**Non-emitive securities** - securities that do not fall within the concept of emitive securities in accordance with this Law;

**The bond** – is an emitive security that fixes the right of its holder to receive the face value or other equivalent property, a fixed percentage interest of the face value, and other property rights in the period of time provided for by it;

**Bearer securities** – securities, whose property rights may be exercised upon presentation;

**The stock exchange** – a legal entity creating conditions to promote trading exclusively in securities via organizing, and conducting public auction trades based on established rules, and at a predetermined place and time;

**Registered securities** - securities, whose exercise of property rights requires the owners to be registered;

**Emitive securities** – securities, whose each issue is subject to homogeneous features and properties, and whose placement and circulation are carried out under the terms of that particular issue;

**The unified state register of emitive security issues** - the list of registered emitive security issues;

**The issuer** – a legal entity, which issues emitive securities and bears obligations over such securities before their owners.

**The issuer's option** – an emitive security giving the right to buy a certain number of securities at a fixed price, and within the time period specified therein from its issuer;

**Debt obligations of the Republic of Uzbekistan** – emitive securities certifying that their owners have deposited a sum of money into the state budget of the Republic of Uzbekistan, and which confer the right to their holders to receive a fixed income throughout the length of period of their ownership;

**The securities** – documents certifying either proprietorship rights or financial obligational relations between the issuer and the owner, making provisions for payments to the owner of these securities in the form of dividends or interest, and also provisions for possible transfer of rights on these securities to other entities. The value of a security is expressed in the national currency of the Republic of Uzbekistan;

**The securities market** - a system of legal and natural persons associated with the issue, placement and circulation of securities;

**The securities market participants** - issuers of securities, holders of securities, investors, professional participants in the securities market, and exchanges stipulated by the legislation;

**A professional securities market participants** - a legal entity that carries out professional activities in the securities market;

**The client of a professional securities market participant (client)** - depositor or other entity using the services of professional securities market participants;

**Professional activities in the securities market** – types of licensed activities on provision of services related to the issuance, placement and circulation of securities;

**The security transactions** – purchase and sale, gift, inheritance of securities, inclusion of securities into the statutory fund and other acts involving change of ownership of securities and as well as pledge of securities;

**The futures on securities** – an emissive security certifying the obligation to buy or sell a certain number of securities at a fixed price, and within the time period specified therein, from its issuer;

**The placement of securities** – the transfer of issued securities by the issuer to the first owners through a registered transaction;

**The Central Securities Depository** – a state depository, which provides a single storage system, and bookkeeping of the rights and movements of emissive securities on the depo accounts at depositories;

**The circulation of securities** - purchase and sale, and other actions undertaken with respect to securities resulting in the change of ownership of securities;

**The nominal holder of securities** – an entity registered in the register of a depository, and is also a depositor of the depository concerned, but not the owner of these securities.

**The issue of securities** – actions of the legal entity resulting in the origination of the securities as an object of civil rights;

**The owner of securities** - an entity to whom/which securities belong by right of ownership or any other proprietary right;

**The register of securities owners** - the list of securities owners formed as of a certain date, indicating the types, quantities, par values, and the categories of inscribed securities held by each owner in addition to the contact details of each entity recorded in the register;

**The issue of securities** – the act of issuance and placement of the emissive securities;

**The securities issue prospectus** - a document containing information about the issue, issuer, and also other information which may affect the investor's decision to acquire the securities;

**The derivative securities** – securities, certifying the rights or obligations of their owners in relation to other securities issued by legal entities, such as the stock options of the issuer, futures on securities and other financial instruments.

## **CHAPTER 2. ISSUE OF SECURITIES**

### **Article 4. Form of the securities issue**

Depending on the form of the issue, securities may be documentary - in the form of blanks - or non-documentary - in the form of entries in the book of register of a depository.

The form of the securities issue is determined by the issuing company in a manner set forth in the legislation.

All shares are issued in the non-documentary form.

## **Article 5. Decision on issue of the emissive securities**

The decision on issue of the emissive securities must contain the following:

Full name of the issuer, its address (postal address);

Date of approval of the decision on issue of the emissive securities;

Name of the managerial body of the company, which approved the decision on issue of the emissive securities;

Name of the emissive security and form of the issue;

An indication as to whether the emissive securities are to be bearer or registered;

Rights of the securities owners;

Conditions of placement of the securities;

Quantity of the securities being issued;

Quantity of securities already placed;

Face value of the security;

Decision on issue of the emissive securities may contain the other provisions in accordance with the law.

The decision on issue of the emissive securities must be approved by the regulatory body of the issuer in compliance with the law and the company's charter.

Decisions on bond issues, which are collateralized by assets, by a letter of credit, or secured by other means set forth by the legislation, must contain information on entities involved in the issue's credit enhancement, and also other terms and conditions of the issue. In such instances, the decision on the issue of bonds must be signed by the entity providing the additional guarantees.

The decision on stock issue, as in the process of conversion of the state-owned enterprise into an open joint-stock company, is the issue prospectus approved by the State Committee of the Republic of Uzbekistan on State Property Management.

Following the state registration of the emissive securities issue, one copy of the decision on securities issue remains with the securities market regulating state body, one copy remains with the issuer, and one copy along with the documents affirming the securities issue is given to the Central Securities Depository.

Amendment or cancellation of the registered issue is carried out in a manner established by the legislation.

## **Article 6. State registration of the emissive securities issue**

State registration of the emissive securities issue is carried out by the securities market regulating state authority as per application from the issuer. The following items must be attached to the application:

The decision on securities issue;

The securities issue prospectus;

The sample form (if the securities are issued in the documentary form);

Other documents as dictated by the law.

The securities market regulating state authority is obligated to carry out the state registration of the securities issues, or pass a decision, backed by an explanation, not to register the issue within thirty days from the date of receipt of the documents submitted for registration.

During the state registration of the issue, each copy of the decision on issue of securities is marked with state registration, and printed with the issue's state registration number.

The issuer is liable for the accuracy of documents submitted for the state registration of the issue of emissive securities.

## **Article 7. Refusal in the state registration of the emissive securities issue**

The main reasons for decline by the state authority to register the securities issue are: noncompliance of documents or the information contained therein - submitted for State registration – with the requirements of the law on securities market; noncompliance to the terms of decision making procedures by the issuer of the securities;

Nonpayment of the registration and other fees as stipulated by the law on securities market;

Absence of rights by the issuer to issue securities on the market.

A decision to refuse the registration of a securities issue may be appealed against in the court.

## **Article 8. Fees for the state registration of securities issue and/or to make amendments into the previously registered securities issues**

During the registration of a securities issue with the State authority, the issuer pays a registrations fee of 0.01% of the total value of securities to be issued (calculated at par) to the State budget.

In the event an issuer decides to raise the par value of an already registered securities issue, the issuer incurs a fee of 0.01 % of the total value by which an issue increases due to an increase in par value.

### **Exemptions from payment of the registration fees:**

An issue, whose prospectus has been approved by the State Property Committee of the Republic of Uzbekistan, is exempt from the registration fee.

In the event an already registered issue is subject to an edition due to an increase in the company's statutory fund, contributed by the State, then this issuer is exempt from paying the registration fee;

In the event, an issue or the issuer is subject to the special provisions of the President of the Republic of Uzbekistan, or the Cabinet of Ministers of the Republic of Uzbekistan.

## **Article 9. The Unified State Register of emissive security issues**

The unified state register of issued securities should contain information on names and volumes of issued securities, and also information pertaining to the issuer of each security, and also other information required by rules and regulations.

The order of book-keeping of the unified state register is established by the Cabinet of Ministers of the Republic of Uzbekistan.

## **Article 10. Suspension of the emissive securities issue, recognition of the securities issue as unsuccessful or invalid**

Securities issue may be:

suspended if the issuer is found to be in violation with the requirements of the law on securities market, or the information released by the issuer is found to be inaccurate;

aborted if the issuer fails to end its violation of the rules and/or the law, or the issuer fails to place over 60% of its issue within a term stipulated by the law;

Issue is invalidated by the court if:

In the event an issue is aborted or invalidated, all securities already issued are subject to withdrawal, with all funds received by the issuer refunded to their original owners in a manner stipulated by the legislation.

All expenses incurred due to the abortion, or invalidation of a securities issue, or cost associated with refunding to prospective investors, are recognized and born by the issuer.

## **Article 11. Issue of government securities**

Securities issued by the government are not subject to a prior registration or a release of the issue prospectus, and are done in conformity with the legislation.

Government securities may be short term (original maturity less than one year), medium term (original maturity greater than one but less than five years), and long term (with original maturity greater than five years).

## **Article 12. Issue of certificates of deposit and promissory notes**

Certificates of deposit are issued in conformance with the procedures specified by the Central Bank of the Republic of Uzbekistan, and are subject to the approval of the securities market regulating authorities.

Issuance of the promissory notes is carried out in order established by the Central Bank of the Republic of Uzbekistan, and is subject to the approval of the securities market regulating authorities.

## **CHAPTER 3. PLACEMENT AND CIRCULATION OF SECURITIES**

### **Article 13. Terms of placement and circulation of securities**

All of the issued securities may be placed or may circulate within the Republic of Uzbekistan, unless otherwise stated by the law.

The Cabinet of Ministers sets the quotes and established the terms for admission into circulation of:

Securities issued by non-residents on the territory of the Republic of Uzbekistan

Securities of resident entities issued outside the territory of the Republic of Uzbekistan.

### **Article 14. Placement of securities**

Issuers have the rights to place their securities privately, or through intermediary banks or investment firms.

Placement of securities may take the following forms:

Private placements (placement based on a closed subscription among a limited and predetermined group of entities, and without a public disclosure);

Public placements (placement based on an open subscription among an unlimited number of entities, and with a public disclosure or advertisement).

For each of the forms of placement mentioned above, a minimum and a maximum issue size is established by the legislation.

Stock issues based on a prospectus approved by the State Property Committee of the Republic of Uzbekistan, are placed in conformity with the orders established by the Cabinet of Ministers of the Republic of Uzbekistan.

Banks and investment intermediaries may forge contracts with the issuers of securities to place issues on the best effort basis, and therefore not taking the liability to purchase any securities that may remain unplaced.

The volume of the issue may not exceed the size stipulated on the ruling.

The factual number of securities placed among investors is to be included in a memo written by the issuer on results of the issue. The order and procedures for submitting a memo on results of the issue is determined by legislation.

Placement of an issue must be completed by the issuer within one calendar year from the time of the initial registration of the issue.

Public issues may only be placed once the two weeks passes since the time the issuer made a public disclosure about the registration of an issue.

The issuer of securities, and any investment intermediary involved in placing the issue, is required to ensure that an investor is familiar with the prospectus of the issue, and the terms of placement of the issue before an investor commits to purchasing any securities.

### **Article 15. Circulation of securities**

Securities are said to circulate when they are exchanged between entities on the securities market.

Transactions in inscribed or bearer securities concluded with legal entities are done so in a written form and are subject to registration in an order established by the legislation.

Terms of payment on transaction carried out on organized securities markets are established by the organizers of securities trading, and in some instances, established by the purchase and sale contacts itself. In the event of a failure to comply with the terms of payment, a transaction is invalidated.

### **Article 16. Organizers of securities trading**

Organizers of securities trading are considered to be:

Securities exchanges and other exchanges which meet the requirements of the law on securities market;

Organizers of the over-the-counter securities trading;

Owners of securities.

Organizers of securities trading mentioned in:

The second paragraph of the current article, establish trading rules on securities in agreement with the State body regulating the securities market;

The third and the fourth paragraphs of the current article, should organize trading of securities in compliance with the established legislation.

Stock and other exchanges where securities are traded in compliance with the legislation on securities market, and also the organizers of the over-the-counter securities trading, need relevant licenses to carry out their activities.

Only those members of stock and other exchanges - operating in accordance with the legislation on securities markets – holding licenses to carry out professional activities on the securities market, in the form of an investment intermediaries or trustee investment asset managers, are allowed to trade securities.

#### **Article 17. Placement and management of government securities**

Placement and management of government bonds are done in a manner prescribed by the legislation.

#### **Article 18. Placement and management of certificates of deposit and promissory notes**

Placement and management of certificates of deposits are carried out in conformity with the rules, established by the Central Bank of the Republic of Uzbekistan, and approved by the securities market regulating State authority.

Placement and management of promissory notes are carried out in conformity with the rules, established by the Central Bank of the Republic of Uzbekistan, and approved by the securities market regulating State authority.

### **CHAPTER 4. PROFESSIONAL ACTIVITIES ON THE SECURITIES MARKET**

#### **Article 19. Carrying out professional activities on the securities market**

All professional activity on the securities market is carried out on the basis of a license issued by securities market regulating State authority, except in circumstances where provisions are made by the legislation.

Professional activities in the securities market consist of:

Investment intermediary activities (brokerage, dealership);

Investment advisory activities;

Investment fund activities;

Investment (asset) management activities;

Securities depository activities;

Clearinghouse activities;

Transfer-agent activities;

Over-the-counter securities trading activities.

An applicant for license to carry out professional activities on the securities market may be issued with a license to carry out professional activities, or part of the professional activities applied for. License to carry out professional activities on the securities market are issued with limitations on merger of certain professional activities in the securities market.

Only legal entities, with no less than two employees (with the exception of investment funds) certified as securities market specialists, may carry out professional activities on the securities market. Securities market specialist certificates are issued to expire in three years.

Rules of establishment, reorganization, liquidation, and also activities of legal entities operating in the securities market are established by the legislation.

#### **Article 20. Limitations on merger of certain professional activities on the securities market**

Investment fund activities may not be combined with any other types of professional activities.

A transfer-agent, also acting as a securities depository, may not engage in investment intermediary activities.

Additional limitations on merger of professional activities and/or other operations in the securities market are set by the securities market regulating state authority.

#### **Article 21. Investment intermediary activities (brokerage, dealership)**

A legal entity, operating based on a commissions contract, or in the form of a trustee executing

trades in securities on behalf of a client, is known as a broker.

All securities and cash, transferred from a client to a broker for the purpose of making future transactions, or received by a broker as a result of past transactions based on a contract with a client, must be kept in separate account(s) open by a broker at the central securities depository and in bank accounts respectively.

A broker may use in his own interests the monetary funds received from his client, if such a provision is made on the contract written with the client; however, a broker must guarantee the fulfillment of any of the client's orders necessitating the use of clients' funds, and guarantee the return of the client's funds if requested by a clients.

Monetary funds of the clients permitted for use to the broker (by some clients) to pursue goals other than those of the clients', should be kept in a separate accounts from funds of those clients not granting such rights to the broker. A broker does not have the rights to transfer his own funds to these accounts, except when a broker is returning the funds of the clients, or when a broker is lending funds to clients in an orderly manner as established by the legislation.

A broker must keep a book of accounts for each client; carry out trades and operations with securities exclusively based on clients' orders and in accordance with contracts, and also report to clients about transactions and operations.

A legal entity, executing a purchase and sale transactions on securities, or entering into repurchase agreement on its own account through publicly quoting a transaction price, is known as a dealer. Other than quoting transaction prices, a dealer has the rights to make a public disclosure of other essences (i.e. conditions) of the purchase and sale contracts such as: minimum and maximum volume of securities the dealer stands ready to purchase or sell, as well as the length of time during which announced prices remain effective. In the event of absence of other essences of the purchase and sale contracts, the dealer must enter into transaction agreements based on conditions proposed by his client. In the event of a deviation by the dealer from entering into a purchase and sale contract over quoted securities, the dealer may be sued and legally enforced to enter into such a contract, or be enforced to compensate for any loss or damage to the client.

A liquidation of a legal entity – an investment intermediary – may only take place after a written confirmation of the return of securities to their owners by the investment intermediary has been issued by the securities market regulating State authority.

#### **Article 22. Investment advisory activities**

A legal entity, rendering advisory services on matters relating to issue of securities, placement of securities, management of securities, analysis and forecasts relating to the securities market, and also training of securities market specialists, is known as an investment advisor.

#### **Article 23. Investment fund activities**

A legal entity, which is an open joint-stock company that issues shares to attract investor funds with the purpose of investing in securities and other investments (all in compliance with the legislation), and/or also to deposit in bank accounts, is known as an investment fund. An investment fund may not reorganize into any other form of legal entity. Merger, acquisition, division, or a detachment of an investment fund is only possible with the approval of the securities market regulating State authority.

A discontinuation or termination of license to carry out professional activities on the securities market, issued to an investment fund, results in a liquidation of an investment fund in an orderly manner as established by law.

#### **Article 24. Investment (asset) management activities**

Investment management activities carried out by a legal entity on its own behalf for a defined period of time, to manage assets owned by another entity but entrusted into the custody of this legal entity, and to be managed in the interest of an entity which has entrusted such assets:

Securities, including those received in the process of investment management;

Cash and cash equivalents intended for investment, including those received in the process of investment management.

#### **Article 25. Securities depository activities**

A legal entity, rendering services pertaining to custody of securities; also, registration, bookkeeping, and verification of rights of the securities holders, is known as a securities depository.

A system of securities depositories of the Republic of Uzbekistan consists of a Central securities



depository, and also securities depositories with correspondent accounts at the Central depository.

Securities flow within the system of depositories in accordance with the standards for securities depository operations as established by legislation.

Securities depositories must:

Give access to the rules of securities custody at the depository for interested parties;

Ensure that all securities deposited into the custody of the depository are safeguarded;

Keep account of the quantity and the par value of for each security kept with the depository;

Keep account of securities placed as collateral, and also termination of collateral period for securities;

Keep the original documents, which have been the basis for making changes to depository accounts, and also documents pertaining to depository operations;

Carry out operations on depository accounts in accordance to the written instructions given by depositors or a depositor's authorized person, except for circumstances foreseen by the legislation;

Verify depositors' rights to securities by issuing relevant account statements to confirm such rights;

Protect the confidentiality of information on flows and movements of securities on depositors' accounts, except so in cases foreseen by the legislation;

Terminate operations on a depositor's account, when required by the securities market regulating State authority, antimonopoly State regulator, court of law, and other authorized State regulators, in a manner established by the legislation;

Provide necessary information to the securities market regulating State authority, tax authority, antimonopoly State authority, court of law, and other authorized regulating bodies; Make provisions for possibility of a damage requiring a compensation, by acquiring insurance policies, creating special funds, or through other means in compliance with the legislation.

In the course of carrying out its depository functions and liabilities, prescribed by part four of the current article, a securities depository is additionally obligated to:

Provide information about securities owners, necessary to form a central register, to the central securities depository;

Change contact details of securities and their issuers based on the information supplied by the central securities depository.

Under the legislation, securities depositories may have other obligation.

Securities depository does not have the rights to:

Make use of securities given to custody of the securities depository;

Keep accounting of the rights to securities issued by the securities depository itself;

Execute transactions with securities on its behalf, or on its own account, except in cases where securities have been issued by the depository itself.

Unless otherwise stated by the legislation, the central securities depository does not have the rights to (except in cases stated in part seven of this article):

Render financial assistance to other legal entities and individuals;

Purchase equities of other legal entities.

In the event of discontinuation of securities depository activities by the securities depository, or in the case of liquidation, the securities depository must, within ten days, publish relevant information in the mass media.

If a depositor instructs for a transfer of securities put into custody of a depository - that has discontinued its normal operations or is set for liquidation - the securities must be transferred into custody of other depository within a week; and in the absence of such instruction, the securities are transferred, within a term defined by the securities market regulating State authority, into custody of the central securities depository, where they are held until the depositor designates a securities depository which is to take custody of the depositor's securities.

The liquidation of a securities depository is executed only after the securities market regulating State authority issues a written note confirming the completion of the procedure stated in part nine of this article.

## **Article 26. Activities of clearing and settlement house**

A legal entity, carrying out activities on determination, and settlement of mutual liabilities (collection, revision, correction of information and preparation of accounting reports on transactions with securities), which also carried out the delivery of securities upon completion of transactions, is known as the clearing and settlement house (or chamber). The Clearing and settlement houses receive for execution prepared securities, monetary means and accounting documents on determining mutual liabilities based on agreements signed among securities market participants, for whom the clearing is carried out.

### **Article 27. Activities of transfer-agents**

A legal entity, whose principal function is to receive, process, and transfer documents pertaining to the system of accounting of rights to securities, is known as a transfer-agent.

The clients of transfer-agents are: issuers, and entities, executing transactions with securities.

Transfer-agents have the rights to assist issuers in organizing and conducting the general shareholders' meeting.

### **Article 28. Activities of organizers of over-the-counter securities trading**

A legal entity, (excluding an owner of a security independently trying to realize the sale of a security over-the-counter), carrying out activities on organizing trades in securities via accepting orders through special points/units or electronic trading systems, and allowing investors to participate in trades without involvement of intermediaries, is known as an over-the-counter securities trading organizer.

The procedure for carrying out over-the counter securities market trades is established by the legislation.

### **Article 29. Bookkeeping of operations and transactions in the securities market**

A professional securities market participant keeps a book of records, of all his operations and transactions in the securities market, in conformity with the rules and procedures established by the legislation.

### **Article 30. Relationship between client and securities market participant**

A relationship between a client and a professional securities market participant is governed by the legislation and contract.

Transactions on behalf of the clients may only be carried out by brokers and trustee investment managers based on contracts made between the parties.

## **CHAPTER 5. RECOGNITION OF SECURITIES HOLDERS' RIGHTS**

### **Article 31. Organization of the accounting of rights to securities**

The accounting of rights to securities is carried out by securities depositories, except in cases where special provisions are made by the legislation.

Securities depositories keep track and record of securities owners' rights to registered securities placed in the depositories' accounts and cumulatively accounted for in the correspondent accounts of the securities depositories. Furthermore, securities depositories provide a safeguarding of the securities deposited with them, and also keep record of rights on these securities.

### **Article 32. Transfer of rights on securities**

A right to a security is transferred to the buyer/acquirer at the instance of receiving, by a depository account holder from the securities depository according to a procedure stipulated by legislation, a confirmation of the transfer of securities into the depository account, in an orderly manner as prescribed by the legislation.

Right of ownership to a documentary security is transferred to the buyer/acquirer at the instance of making a record, in a manner prescribed by the legislation, on the security blank.

Right of ownership to a bearer security is transferred to the buyer/acquirer at the instance the security blank is passed into possession of the buyer/acquirer; and in cases where a bearer security is kept and rights on it are accounted by a security depository, the transfer of rights to the buyer/acquirer takes place at the instance of a receipt of confirmation of a transfer of rights into the depository account of the buyer/acquirer.

All rights provided by a security are transferred to the buyer/acquirer at the instance of transfer of a right to this security to the buyer/acquirer.

### **Article 33. Central securities depository**

The central securities depository is established in the form of a unified State enterprise, and finances its activities by means of funds received in the course rendering its services, and also by

means of funds received from other sources.

The servicing fees charged by the central securities depository is established by the securities market regulating State authority in concordance with the Ministry of Finance of the Republic of Uzbekistan.

#### **Article 34. The exclusive functions of the central securities depository**

The exclusive functions of the central securities depository are, to:

- Registration of securities, except for government securities;
- Safeguarding of issued registered securities (excluding government securities);
- Keeping a register of the owners of stocks, and corporate bonds in the form of a central register;
- Keeping a register of the government's rights to securities placed for safeguarding, and also the rights of the officials empowered by the government to manage securities;
- Creating and maintaining of correspondent accounts opened by other depositories;
- Confirmation, and verification of the legitimacy of securities, before the securities are traded on the exchange or over-the-counter;
- Provision of securities - kept at the central securities depository - to the participants of exchange or OTC trades upon the conclusion of trade contracts;
- Safeguarding of the documents confirming the issue of securities, except for the government securities;
- Registration of securities issued by non-resident entities, and permitted for circulation on the territory of the Republic of Uzbekistan;
- Registration of securities issued resident entities, and permitted for circulation on the territory of the Republic of Uzbekistan;
- Registration of rights to securities issued and held by investment funds;
- Keep a single database of depositors of the securities depositories;
- Collection and systemization of information on the flow of securities (except for the government securities) through the depository accounts.

#### **Article 35. Rights and liabilities of the central securities depository as the central registrar**

The central securities depository may, in the course of carrying out its functions as the central registrar, request and receive information - necessary to form a register of the owners of stocks, and corporate bonds - from the nominal holders of securities..

The central securities depository may, in the course of carrying out its functions, have other rights in accordance with the legislation.

The central securities depository is liable, in the course of carrying out its functions as the central registrar to:

- Safeguard a register, of the owners of stocks and corporate bonds, formed as of a certain date;
- Provide information, contained in the register of the owners of stocks and corporate bonds, in conformity with the current Law;
- Protect the confidentiality of information contained in the register of the owners of stocks and corporate bonds.

In conformity with the legislation, the central securities depository may have other liabilities in the course of carrying out its function as the central registrar.

#### **Article 36. Rights and liabilities of a depositor**

Depositor of securities has the rights to:

- Dispose securities, held in his depository account with the depository, within the limits and in a manner prescribed by the legislation.

- Give orders to the securities depository on execution of operations on the depositor's account (other than orders on a transfer of securities held as collateral before third parties, and without presenting any documents confirming the end of the collateral period of the securities), make queries, and request a receipt on execution of operations;

- Keep any documentary securities owned by the depositor, and charge the securities depository with registering and keeping account of the depositor's rights to documentary and registered securities;

- Receive a statement of account on the depositor's account, and also a report of past transaction on the depositor's account - held with the securities depository, and accordance with the terms of the contract made between the depositor and depository;

- A depositor may have other rights in accordance with the legislation.

- A depositor has liabilities to:

Notify the securities depository of termination or changes in the credentials of the depositor's authorized person;

Notify the securities depository of any changes in the contact details of the depository;

Check for discrepancies, and inaccuracies of information in written messages and reports received from the securities depository, and inform any detected discrepancies to the securities depository in a timely manner.

A depositor may carry other liabilities in accordance with the legislation.

### **Article 37. Guarantees of safeguarding of securities in depositories**

Securities are safeguarded, by depositories, through keeping them in special depots which meet the requirements placed for safeguarding securities and standards for keeping a register of securities by depositories. Safety of securities kept with the central securities depository is provided by maintaining a system that duplicates the information bank of the central securities depository, which allows the retrieval of information in the event of a technical fault, or unforeseen circumstances with the system.

Guarantees of the safety of securities by the securities depositories, is provided in accordance with rules and procedures established by the securities market regulating State authority.

## **CHAPTER 6. DISCLOSURE OF INFORMATION ON THE SECURITIES MARKET**

### **Article 38. General provisions on disclosure of information on the securities market**

All information on the securities market is open and public, except for information considered confidential and whose disclosure is carried out in a manner set forth in the legislation.

In certain events foreseen by the legislation, securities market regulating State authority, securities market participants, also small and micro enterprises make the disclosure of information through:

Publishing information on the mass media ;

Supplying reports, facts, and other information.

A professional securities market participant, an issuer, or a stock exchange, may require a fee for supplying an information to an investor that is not to exceed the cost of making a copy of the information.

### **Article 39. Disclosure of information by the issuer**

Issuer of securities, with the exception of government securities issuers, discloses information:

In the issue prospectus;

In its quarterly, and annual report of the activities of the issuer;

In its report on significant events in the activities of the issuer.

The issue prospectus must contain:

Full and brief names of the issuer, its location (contact address), bank details, registration and identification numbers of the issuer as issued by the State registering authorities, and also by statistical and tax authorities;

Financial statements on results of activities for each of the past three years, or for each completed year if the issuer has been operating for less than three years;

Description of the issuer's principle business activities and the types of products, and/or services the issuer produces and/or renders;

Result of a credit rating including an explanation of the assigned credit grade – if a credit grade assigned by an independent rating agency;

Names of the issuer's supervisory and executive board members, also information on the number of shares (as percentage of issued shares) in the issuer held by these members.

A list of branches, representative offices, and subsidiaries of the issuer; including their postal addresses;

A list of the names of people affiliated with the issuer, including information on the number and class of shares held by these people in the issuer;

Weighted average number of employees of the issuer for the past three years;

Information on all issues in the past three – volume of each issue, aim of each issues, and also dividends or interest paid on each issue;

Information about sanctions, litigations, and court proceedings associated with the issuer in the past three years; also information about cases in the courts of law where the issuer appeared as a plaintiff or defendant;

Terms and conditions of the upcoming issue, in conformity with the ruling on the issue of securities.

The issuer's quarterly report must contain:

Full and brief names of the issuer, its location (contact address), bank details, registration and identification numbers of the issuer as issued by the State registering authorities, and also by statistical and tax authorities;

Financial statements on results of activities of the issuer for the corresponding quarter.

The issuer's annual report must contain:

Full and brief names of the issuer, its location (contact address), bank details, registration and identification numbers of the issuer as issued by the State registering authorities, and also by statistical and tax authorities;

Summary of business activities of the issuer for the previous year;

Grounds for changing the company officials by the issuer;

Financial statements on results of activities by the issuer for the corresponding period;

A copy of an independent auditor company's conclusion;

Material facts on additional issues of securities;

Material facts on the activities of the issuer during the corresponding period;

Facts considered material about the activities of the issuer are:

Changes in the location (postal address) of the issuer;

Reorganization, suspension, or termination of issuer's activities;

Decisions made by the highest governing authorities of the issuer;

Changes in the rights of securities holders;

Changes among the company's (i.e. issuer's) officials;

Changes in the number of issuer's branches, representative offices, subsidiary companies;

Arrests placed on property or bank accounts of the issuer, and information on law suits against the issuer where the amount sued for exceeds 10% of the value of the issuer's total assets; Receipt of any credits whose value exceeds 50% of the issuer's chartered, fixed or working capital;

Individual recognition of an increase or a decrease in the value of the issuer's assets by more than 10%;

Individual transactions by the issuer, where the value of the transaction or the value of the property involved in the transaction, exceeds 10% of the issuer's total assets on the day of the transaction;

A list of significant transactions, and transactions made with privies by the issuer during the year;

Receipt or annulment of issuer's licenses, suspension or termination of the validity of licenses to carry out specific activities;

Issue of securities, cancellation of an issue, or abortion of an issue of securities;

Changes in the list of companies in which the issuer holds more than or equal to 10% of stock;

Approach of settlement date on issuer's securities;

Payment of interest and dividends on securities of the issuer, including the start and end dates for payment;

Commencement of bankruptcy proceedings in relation to the issuer;

Changes in the stock ownership (stated as a percentage of issued equity) in the issuer by the members of the executive body of the issuer;

Changes in the list of affiliated persons of the issuer, and stating their stock ownership in the issuer;

The issuer must:

Provide a prospectus of securities issue, and annual report to all interested parties;

Publish in the mass media: information on sources and locations where interested parties can get acquainted with securities issue prospectus, and also information stated in the paragraphs – two, four, five, and twelve – in part two of this article, no less than two weeks before the commencement of placement of the issue;

Publish its annual report on the mass media, within three weeks of holding the general shareholders' meeting, or a meeting of other members of the executive body of the issuer; Provide the securities market regulating State authority with the annual report, within two weeks of holding the general shareholders' meeting, or a meeting of other members of the executive body of the issuer;

Provide the securities market regulating State authority with its quarterly report, within one month of completion of a corresponding quarter;

Publish in the mass media, and also provide to the securities market regulating State authority, within two business days of taking effect, information on material facts in the activities of the issuer;

The issuer may also provide other information to investors in accordance with legislation.

#### **Article 40. Disclosure of information by the professional securities market participant**

At the request of the investor, the professional securities market participant provides:

- a copy of the state registration document;
- a copy of the license to perform professional activities in the securities market;
- information on statutory capital, own capital, and reserve funds;
- information on state registration of the securities issue to be purchased by an investor;
- information contained in the prospectus of securities purchased by an investor as well as the prices of these securities during six weeks preceding the date of submission of request for information by investor;
- reporting on the results of transactions with securities within the timeframe stipulated in the contract.

A professional securities market participant is obliged to notify investors of their rights to information provided by this article.

A professional securities market participant within two working days informs the authorized state body on regulation of the securities market in written form of the completion of:

- operations solely on securities of one issuer during one quarter;
- a single transaction on securities of one issuer, if the quantity of securities on this operation makes at least 15 % of the total number of listed securities.

#### **Article 41. Disclosure by organizer of securities trading**

Organizer of securities trading, other than the owner of securities or the holder of property right on securities, reveals:

- transaction and trading rules;
- list of securities admitted for trading;
- other information as determined by the law.

The organizer of trades provides information on results of reviews of applications, recommendations, and complaints from investors if requested by the authorized state body.

#### **Article 42. Disclosure of information by the securities holder**

The owner of securities within five days from the date of the transaction, in which he has obtained possession of 35 % or more of any type of securities of an issuer, is obliged to implement the disclosure of this information in a manner established by the law.

#### **Article 43. Disclosure by investor**

An investor is required, in the order established by the law, to disclose information about any intention to acquire independently and (or) jointly with its affiliates 15% or more of an open joint-stock company's statutory fund as a result of one or more transactions

#### **Article 44. Disclosure by public authorities on regulation of the securities market**

The state body authorized to regulate the securities market must inform investors via the mass media or its electronic information systems about:

- registered securities issues, and issued securities, whose circulation and placement have been suspended, resumed, invalidated or announced as failed;

- issuance, suspension, termination, or annulment of licenses on activities on the securities market;

- issuers, professional securities market participants, and officials against whom disciplinary actions have been taken due to violating the law on securities market, and also the type of disciplinary action taken;

- court rulings on suits brought by the authorized securities market regulating state body.

The authorized securities market regulating state authority may charge fees for providing information to investors and securities owners in accordance with this Law within the limits of the cost of photocopying the information.

#### **Article 45. Confidentiality of information on the securities market**

Information about customers of professional participants of the securities market, the status of their accounts and operations, as well as content of deals with securities (except for the name of

securities, quantity, price, date, time of conclusion a deal and in cases of stock trades – parties, involved in trades) is considered to be confidential.

Parties possessing confidential information have no right to use this information to make transactions, or pass it to others making transactions based on this information.

People who have access to such information are liable for disclosing confidential information.

#### **Article 46. Disclosure of confidential information on the Securities Market**

Disclosure of confidential information is carried out in conformity with the procedure established by the legislation.

Information on customer accounts are issued to them or their representatives, state anti-monopoly authorities, State Tax Service, Department of Justice, logistical and financial support of courts under the Ministry of Justice of the Republic of Uzbekistan, courts on matters falling within their competence, and to the authorized bodies carrying an investigation or making inquiry pertaining to a criminal case.

In the event of the death of a client account holder, information on the client's account is provided to the client's heirs and individuals stated by the account holder in his will at the notary. If the deceased is a foreign national, then information about the client's account is passed consular of the foreign country.

Details of exchange made transactions may be provided to the courts of justice, and to the authorities initiating a criminal case.

Confidential information is disclosed to the securities market regulating state authority in the event of a review of facts of violations of the securities market legislation.

#### **Article 47. Disclosure of information on government securities**

Disclosure of information on government securities is done in a manner set forth in the legislation.

### **CHAPTER 7. REGULATION OF THE SECURITIES MARKET**

#### **Article 48. The principles of the state's regulation of the securities market**

State regulation of the securities market is carried out through:

Licensing and (or) setting of mandatory requirements for professional activity in the securities market, and the stock market;

registration of securities, and compliance oversight of the issuers to the conditions and obligations stipulated on the issue decision by the issuer;

assurance of information disclosure on

securities as established by the legislation;

certification of the professional securities market participants;

control over the activities of the professional securities market participants in a manner established by the legislation.

#### **Article 49. Restrictions on the securities market aimed at protecting the rights of the securities market participants**

Following are prohibited on the stock market:

issue of securities without disclosing information related to the issuer or the securities;

placement, circulation, advertisement, and offer of securities, issue of which failed the state registration in cases stipulated in this Law, or has been suspended;

giving advantages to one investor over another during the public placements, or in the process of distribution of issued securities;

carrying out transactions with securities held at the owner's account, before they have been fully paid for;

manipulation in the securities market;

issue of corporate bonds to form a statutory fund, to increase the statutory fund, or to settle losses related to the financial activities of the issuer;

making changes into the decisions on issue of bonds by the issuer concerning the amount of rights on bonds set by this decision after registering of the bond issue;

extortion of securities and cash of the client over the obligations of the professional securities market participant.

Corporate bonds can be issued only by open joint-stock companies:  
within the size of their own capital as of the date of decision on bond issue, confirmed by the conclusion of the auditing organization;

having positive figures of profitability, financial solvency, financial stability and liquidity for the past three years, confirmed by the findings of the auditing organization, as well as by obtaining an independent credit rating, as established by the legislation;

with participation of commercial banks acting as payment agents for the payment of funds payable to investors by issuers.

Corporate bonds do not give their owners the right to participate in the management of an open joint-stock company.

Acquisition, as a result of one or more transactions by legal entities or individual persons or group of legal entities and individuals, connected to each other by an agreement or through controlling assets of each other, of more than 5% stake in a bank requires notification, and if more than 20% - the prior consent of the Central Bank of the Republic of Uzbekistan. The procedure for obtaining preliminary consent of the Central Bank of the Republic of Uzbekistan is determined by the Central Bank of the Republic of Uzbekistan.

The issuer has no right to carry out transactions with shares issued by it under the condition of repurchase, and transfer issued shares to trust management.

### **Article 50. The state body authorized to regulate the securities market**

The authorized state body on regulation of the securities market is appointed by the President of the Republic of Uzbekistan.

The authorized state body on regulation of the securities market:  
implements public policy formation, development, monitoring and regulation of the securities market;

licenses professional activities in the securities market;

protects the rights and legitimate interests of investors and owners of securities;

develops regulations for promoting and regulating the securities market and its participants;

establishes requirements for the implementation of professional activity in the securities market, the qualification requirements for the securities market specialists, conducts their certification, and issues qualification certificates;

approves the rules of issuing securities into circulation (except government securities), rules of registering securities transactions, accounting standards for operations and transactions with securities, rules and orders of keeping the register of securities owners, the bookkeeping of transactions;

supervises control over the compliance with the law on securities market of government bodies, participants of the securities market, and in cases of detecting violations of the law on securities market, issues its findings, and decides on sanctions against the violators in accordance with the law;

determines the minimum capital adequacy ratios and other indicators that limit risks in securities transactions, as well as set minimum periods for keeping information on operations with securities, except for government securities.

### **Article 51. The rights of the securities market regulating state body**

The authorized state body on regulation of the securities market may:

take legal action in the court for the benefit of the investors, owners of securities, and the state, without paying the state duties;

in the event of violations of the law on securities market, within its powers to suspend some of the operations of the securities market participant, without suspending all of its activities;

seek and receive information and documents within its power limits from the government, and participants of the securities market;

establish the order of combining professional work in the securities market.

The securities market regulating state authority may also have other rights under the law.

### **Article 52. The responsibilities of the securities market regulating state body**

The securities market regulating state authority must:

review requests from the participants of the securities market, and if violations of the investors' rights have occurred, then to carry out an investigation and take measures prescribed by the law;

follow confidentiality of information received from the government bodies, and participants of the securities market on the issues concerning the protection of the rights of investors, unless disclosure of such information is foreseen by the law;



keep the Unified State Register of issued securities, and the register of the professional securities market participants;  
within thirty days provide a reasoned response to the inquiries of legal entities and individual persons on matters relating to its authority;  
inform the public about the status of the securities market and its participants.  
The authorized state body on regulation of the securities market can also incur other obligations in accordance with the law.

## **CHAPTER 8. RIGHTS, DUTIES AND RESPONSIBILITIES OF THE SECURITIES MARKET PARTICIPANTS**

### **Article 53. Rights and responsibilities of the securities market participants**

The participants in the securities market have the rights to:  
insure their risks in the securities market;  
receive information from the securities market regulating state authority on securities market participants, on all events of suspension, termination of activities, and annulment of licenses for carrying professional activities on the securities market, violations of the legislation by the securities market participants, and court ruling on the legal actions brought by the regulating state body against the securities market participants and issuers;  
submit statements, suggestions and complaints to the state authorities;  
take legal action in the court as a result of violation of their rights in the securities market, and claim for the compensation of damages.  
Besides rights under the first paragraph of this Article, investors and holders of securities are entitled to:  
demand for information on the registration of the securities issue, current financial situation of the issuer, and the prospects for its development from the issuer;  
invest in securities in accordance with the law and the constituent documents of the issuer by way of financial and other means of payment, property and rights (including property rights) with monetary value;  
require information in accordance with this Law from the professional securities market participants offering their services in the securities market

The participants of the securities market have to comply with the requirements of the law on securities market, and terms of the contracts agreed by them at the securities market.

The participants of the securities market may have different rights and carry other duties in accordance with the law.

### **Article 54. Responsibility of professional participants of the securities market and issuers**

The professional securities market participants and the issuers of securities are liable for any damages to investors within the limits of the loss inflicted:  
for failure to provide information to an investor as foreseen by the legislation on the securities market, or for providing false information;  
for violation of the established order of issuing securities;  
for carrying out unfair advertising of securities, unregistered advertising of securities in the procedure, established by law, as well as advertising of securities, use of which is prohibited by the law;  
conclusion of contracts with investors, which limit the rights of investors, responsibilities of issuers and professionals of the securities market, set by the legislation on the securities market;  
for manipulating prices, as well as encouraging investors to buy or sell securities based on deliberately distorted information about securities, issuers of securities, prices on securities, including information provided in advertising. Signs of price manipulation in the securities market are set by the legislation. The fact of manipulating the prices of securities is recognized in a judicial proceeding;  
for failure of execution or improper execution of the terms of agreements, concluded with investors, as well as the conclusion of the transaction on terms other than those specified in the contract with the investor.

The depository shall, except for cases specified in the first paragraph of this article, be also responsible towards its depositor as a result of:

loss or damage of the documentary securities, records on securities owners and their securities, loss of documents supporting the issue of securities and accounting records in the registers of the depository. Depository reimburses the cost of production of the lost documentary securities or

manufactures at its own expense or issues new ones, restores lost records, documents confirming the issue of securities and accounting entries in the registers of the depositary;

for action (or inaction) resulting in the impossibility of exercising of rights related to the securities by the depositor, the depositary compensate the depositor for losses inflicted by it.

The liability over the obligations of the issuers is born by the issuers.

#### **Article 55. Economic sanctions applicable to the securities market participants**

Economic sanctions are imposed on the securities market participants in the event of the violation of the legislation on securities:

A penalty in the amount from forty to seventy fold of the minimum wage is applicable for evading from the order to halt legislative violations by repeatedly violating the legislation within one year from the date of the ruling on disciplinary measure against the officials;

A penalty in the amount of 5% of the issue's value, but not more than the size of one hundred minimum wages is applicable against the issuer for non-compliance with the securities issuing procedures that result in a damage to investors;

A penalty in the amount of 5% of the value of the transaction, but not more than the size of seventy minimum wages is applicable against the professional securities market participant for violating the rule of registering securities transactions; and in the event of repeat violation within one year, then a penalty in the amount of 10% of the transactions' size, but no more than the size of one hundred minimum wages is applicable.

A penalty in the amount of three to four hundred fold of the minimum wage is applicable against the entity, which has deliberately misled investors, controlling state bodies, and law enforcement bodies.

#### **Article 56. Application of the economic sanctions**

Application of the economic sanctions is set by the courts and in cases of admission of guilt by participants of the securities market in committed offense and voluntary payment of the amount of sanctions – by authorized state body on regulation of the securities market.

Application of the economic sanctions exceeding in aggregate 20% of the company's book value as of the last reporting date, is exercised by allowing it to pay in installments of equal amount during a six month period from the date of imposition of sanctions.

#### **Article 57. Appealing against the rulings of the state authorities, actions (inactions) of officials**

The decisions of the state bodies, actions (inaction) of their officials, which are subject to this Act, may be appealed in court of law.

### **Chapter 9. FINAL PROVISIONS**

#### **Article 58. Investor's risks**

The choice of the securities in the form of investment objects, and the consequences of the choice is considered to be investor's risks

#### **Article 59. The statute of limitations on securities**

Statute of limitations for invalidation of decisions, made by the issuer and the securities market regulating state authority, related to issuing equity securities, annulling the issue of equity securities, transactions, committed in the process of placement of issued securities is one year from the moment of finish of placement of the issue of equity securities.

According to requirements of a bill holder against the endorser and against bill drawer, the statute of limitations is one year from the day of a protest, occurred during a fixed period, or from the date of maturity in case of provision on turnover without costs.

According to the requirements of endorsers to each other and to a bill drawer statute of limitations is six months from the date on which an endorser has paid the bill, or from the date of presentation of the claim.

In other cases not covered by part one-three of this Article, as well as with other securities the limitation period is established in accordance with the law.

#### **Article 60. Dispute resolutions**

Disputes in the securities market are resolved in order prescribed by the legislation.

#### **Article 61. Responsibility for violation of laws on Securities Market**

Parties guilty of violating the law on securities market, are liable according to the set procedures.

#### **Article 62. Annulment of some legislative acts**

Following acts are to be recognized void:

1) The Law of the Republic of Uzbekistan No. 918-XII "On Securities and Stock Exchange" as of 2<sup>nd</sup> September 1993 (Bulletin of the Supreme Council of the Republic of Uzbekistan, 1993, No. 9, Art. 325);

2) The Resolution of the Supreme Council of the Republic of Uzbekistan as of 2<sup>nd</sup> September 1993 No. 919-XII "On the order of introduction of the Law of the Republic of Uzbekistan" "On Securities and Stock Exchange" (Bulletin of the Supreme Council of the Republic of Uzbekistan, 1993, N 9, Art. 326 );

3) Section XXI of the Law of the Republic of Uzbekistan as of 23<sup>rd</sup> September 1994 No. 2022-XII "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of the Supreme Council of the Republic of Uzbekistan, 1994, No. 11-12, Art. 285);

4) Section I of the Law of the Republic of Uzbekistan as of 22<sup>nd</sup> December 1995, No. 179-I "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 1995, No. 12, Art. 269);

5) Law of the Republic of Uzbekistan as of 25<sup>th</sup> April 1996 No. 218-I "On mechanisms of functioning of the securities market" (Bulletin of Oliy Majlis, 1996, No. 5-6, Art. 56);

6) Resolution of Oliy Majlis of Uzbekistan as of 25<sup>th</sup> April 1996 No. 219-I "On the introduction of the Law of the Republic of Uzbekistan "On the functioning of the securities market"" (Bulletin of Oliy Majlis, 1996, No. 5-6, Art. 57);

7) Section V of the Law of the Republic of Uzbekistan as of 26<sup>th</sup> April 1996 No. 231-I "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 1996, No. 5-6, Art. 69);

8) Section V of the Law of the Republic of Uzbekistan as of 30<sup>th</sup> August 1996 No. 281-I "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 1996, No. 9, Art. 144);

9) Section VII of the Law of the Republic of Uzbekistan as of 27<sup>th</sup> December 1996 No. 357-I "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 1997, No. 2, Art. 56);

10) The Law of the Republic of Uzbekistan as of 29<sup>th</sup> August, 1998 No. 672-I "On the activity of custodians in the securities market" (Bulletin of Oliy Majlis, 1998, No. 9, Art. 172);

11) Resolution of Oliy Majlis as of 29<sup>th</sup> August, 1998 No. 673-I "On the introduction of the Law of the Republic of Uzbekistan "On the activity of custodians in the securities market"" (Bulletin of Oliy Majlis, 1998, No. 9, Art. 173 );

12) Section IX of the Law of the Republic of Uzbekistan as of 20<sup>th</sup> August 1999, No. 832-I "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 1999, No. 9, Art. 229);

13) Law of the Republic of Uzbekistan as of 30<sup>th</sup> August 2001, No. 262-II "On the protection of the rights of investors in the securities market" (Bulletin of Oliy Majlis, 2001, No. 9-10, Art. 173);

14) Resolution of Oliy Majlis of Uzbekistan as of 30<sup>th</sup> August 2001, No. 263-II "On the introduction of the Law of the Republic of Uzbekistan "On protection of the rights of investors in the securities market" (Bulletin of Oliy Majlis, 2001, N 9-10, Art. 174);

15) Sections IV, X and XX of the Act as of 13<sup>th</sup> December 2002 No. 447-II "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 2003, No. 1, Art. 8);

16) Section III of the Law of the Republic of Uzbekistan as 27<sup>th</sup> August 2004, No. 671-II "On amendments and additions to some legislative acts of the Republic of Uzbekistan" (Bulletin of Oliy Majlis, 2004, No. 9, Art. 171);

17) Article 2 of the Law of the Republic of Uzbekistan as of 22<sup>nd</sup> September, 2005 No. LRU-7 "On amendments and additions to some legislative acts of Uzbekistan in connection with the streamlining of business entities" (Bulletin of Chambers of Oliy Majlis, 2005, No. 9, Art. 311);

18) Article 2 of the Law of the Republic of Uzbekistan as of 19<sup>th</sup> December 2005 LRU N-14 "On amendments to some legislative acts of Uzbekistan in connection with the reorganization of certain government bodies" (Bulletin of Chambers of Oliy Majlis, 2005, No. 12, Art. 413);

19) Articles 10 and 30 of the Republic of Uzbekistan as of 10<sup>th</sup> October, 2006 No. LRU-59 "On amendments and additions to some legislative acts of Uzbekistan in connection with the improvement of legal protection and liberalization of financial responsibility of business entities" (Bulletin of Chambers of Oliy Majlis of the Republic Uzbekistan, 2006, No. 10, Art. 536);

20) Article 1 of the Law of the Republic of Uzbekistan as of 23<sup>rd</sup> July, 2007 LRU N-104 "On amendments and additions to some legislative acts of Uzbekistan in the economic sphere" (Bulletin of Chambers of Oliy Majlis, 2007, No. 7, Art. 325).

### **Article 63. Bringing legislation in accordance with this Law**

The Cabinet of Ministers of the Republic of Uzbekistan:  
to bring the Government's decision in accordance with this Law;  
to ensure the revision and abolition of laws and regulations, which contravene this Law by public administration bodies.

### **Article 64. The orders of entry into force of this Law**

This Law shall come into force on the day of its official publication.

Stocks and corporate bonds, issued in form of blanks and certificates and remaining in circulation as of the date of entry into force of this Law, shall be subject to hand over to a depository, and be transferred into a non-documentary form in the manner established by the law.

Transactions with shares and corporate bonds, issued in the form of blanks and certificates and are in circulation on the date of entry into force of this Law shall be carried out only after they are handed to a depository.

During the period before the transfer of shares and corporate bonds, issued in the form of blanks and certificates, into a non-documentary form, registers of their respective owners are formed by the Central Depository in order determined by the securities market regulating state authority.

**The President of the  
Republic of Uzbekistan  
Islam Karimov**

"Narodnoe slovo", 23<sup>rd</sup> July, 2008

"Collection of Laws of the Republic of Uzbekistan" 2008, No. 29-30, Art. 278