**Appendix No.3**

**REQUIREMENTS**

**to potential acquirers of bank shares**

**I. Requirements for residents – individuals and legal entities:**

For the acquisition of bank shares by local investors (individuals and legal entities) the following requirements and conditions must be met:

1) The potential acquirer, its participants (shareholders), and ultimate beneficial owners must not be persons registered or residing in a state or territory that provides preferential tax treatment and (or) does not provide for disclosure of the identity of the ultimate beneficial owner and provision of information when conducting financial transactions;

2) The potential acquirer must have an impeccable business reputation and sufficient financial solvency;

3) No excessive fragmentation of shareholders - legal entities into levels (more than three levels from potential acquirer to ultimate beneficial owner);

4) Legal entities must operate for at least one year;

5) The legality of the source of funds used to purchase bank shares must be documented, and the flow of funds must be transparent;

6) Members of the Supervisory Board and the Management Board of the bank shall comply with the established requirements and criteria;

7) The bank's ability to comply with prudential requirements after the proposed acquisition;

8) No suspicion that attempts to legalize the proceeds of crime, terrorist financing, or the financing of proliferation of weapons of mass destruction, and no suspicion of an increase in such a risk after the proposed acquisition has taken place;

9) The acquisition of shares should not adversely affect the development of banking activities.

**II. Requirements for foreign banks**

In case of acquisition of bank shares by foreign banks, the following requirements, in addition to those outlined in Section I, are mandatory:

1) The authorized capital and credit rating of the foreign bank shall not be lower than the equivalent of EUR 200,0 million and investment grade (BBB-), respectively. In case of non-compliance of the foreign bank capital and credit rating with these requirements, the assessment of financial solvency of the foreign bank, performed by the bank supervision authority of the foreign country, whose prudential requirements are recognized by the Central Bank as equivalent to the national ones, shall be taken into consideration upon the availability of documents, sent by this authority to the Central Bank;

2) Existence of an agreement on data exchange between the Central Bank and the banking supervisory body of the foreign bank;

3) Availability of written confirmation from the banking supervisory authority of the foreign bank that the foreign bank is under its consolidated supervision, is entitled to accept deposits, and has been issued a permit by the banking supervisory authority to establish or participate in the charter capital of the bank or confirmation that such a permit is not required.

**III. Requirements for non-resident individuals and legal entities other than international financial institutions, foreign banks, and other credit institutions**

In case of acquisition of bank shares by non-resident individuals and legal entities, which are not international financial institutions, foreign banks, and other credit institutions, in addition to requirements listed in Section I, the following requirements to be met:

1) The aggregate share of non-resident individuals and legal entities, which are not international financial institutions, foreign banks, and other credit institutions, shall not exceed 50 percent of the bank's authorized capital.

**IV. Requirements for foreign banks and other credit institutions with high capital and credit ratings**

If foreign banks and other credit institutions with high capital and credit ratings acquire shares in the bank, in addition to the requirements set forth in Section I, the following requirements shall be meeting:

1) Availability of authorized capital no lower than the equivalent of 500,0 million euros;

2) Availability of a long-term credit rating no lower than categories "A+", "A1", "A+", assigned by rating agencies "Standard & Poor's", "Moody's Investors Service", "Fitch-IBCA", respectively.

*Note: Potential purchasers of bank shares can be subject to other requirements for obtaining preliminary permission of the Central Bank of the Republic of Uzbekistan for the acquisition of bank shares in accordance with the Law of the Republic of Uzbekistan "On Banks and Banking Activity", Regulation of the Central Bank of the Republic of Uzbekistan "On the procedure and conditions of issuing permission for banking activity"
(reg. of the Ministry of Justice of the Republic of Uzbekistan No. 3252 dd. as of June 30, 2020).*