

"APPROVED"

By the decision of general
(constituent) meeting of
machine-building Association
"Cluster of automotive industry
of Samara region"

(Minutes of "29" July 2016)

**CHARTER OF
MACHINE-BUILDING ASSOCIATION
"CLUSTER OF AUTOMOTIVE INDUSTRY
OF SAMARA REGION"**

1. GENERAL PROVISIONS

1.1. Machine-building Association "Cluster of automotive industry of Samara region" (hereinafter - Association) is a voluntary association of legal entities and (or) citizens based on membership and established for methodological, organizational, expert-analytical, informational support of development of the Cluster of automotive industry of Samara region.

The Association is a non-profit organization.

Full official name of the Association:

in Russian - Ассоциация предприятий машиностроения "Кластер автомобильной промышленности Самарской области",

in English - Machine-building Association "Cluster of automotive industry of Samara Region".

Abbreviated name of the Association:

in Russian - АПМ "КАИ СО",

in English - MBA "CAI SR".

1.2. The Association was established for an indefinite term and is a legal entity from the moment of state registration, has separate property, independent balance, settlement and other accounts in banks, including foreign currency, seal with its full name. Members of the Association retain their independence and rights of legal entity.

1.3. The Association is responsible for its obligations by its property, which may be levied by legislation of the Russian Federation.

1.4. The Association may establish branches and representative offices both in the Russian Federation and abroad. Branches and representative offices of the Association are not legal entities, endowed with its property and act on the basis of its approved provision. The property of the branch or representative office is considered on separate balance and on the balance of the Association.

1.5. Location of the Association: Russian Federation, Samara region, Togliatti.

Address of the Association: Russian Federation, Samara region, Togliatti, 165 Yuzhnoe shosse.

1.6. Branches and representative offices of the Association are not created.

2. ACTIVITIES IMPLEMENTATION ORDER OF THE ASSOCIATION

2.1. The Association implements its activities in accordance with the Civil Code of the Russian Federation, the Federal Law "On Noncommercial Organizations", other regulatory and legal acts of the Russian Federation, decrees of the Russian Federation, this Charter, local acts, internal documents and decisions of the Association's governing bodies.

2.2. The Association keeps accounting and statistical reporting in the order established by legislation of the Russian Federation, and provides information on its activities to the state statistics and tax authorities, shareholders, and other persons in accordance with legislation of the Russian Federation and this Charter.

2.3. The Association has the right to open bank accounts in the Russian Federation and outside its territory, except cases established by federal law.

2.4. The Association has a round seal with full name of the Association in Russian and indication of the Association location. The Association has stamps and forms with its name.

2.5. Reorganization or liquidation of the Association is performed by decision of the General Meeting of Association members in the order and under the conditions prescribed by the Civil Code of the Russian Federation, the Federal Law "On Noncommercial Organizations" and current legislation of the Russian Federation.

3. PURPOSES, SUBJECT AND TYPES OF ACTIVITIES OF THE ASSOCIATION

3.1. The Association is a specialized organization, carrying out methodical, organizational, expert-analytical, informational support of development of "Cluster of automotive industry of Samara Region" (Hereinafter - Cluster).

3.2. The Association was established for purposes of:

3.2.1. creation of conditions for efficient interaction between Cluster participants, educational and scientific institutions, non-profit organizations, public authorities and local governments, investors in order to implement Cluster development program and achieve its objectives;

3.2.2. coordination of Cluster participants, aimed at creation of new or development of existing supply chains of industrial products to enhance cooperation in the production of components in industrial production of the Cluster;

3.2.3. monitoring key indicators of Cluster development.

Profit is not the main purpose of the Association.

3.3. The object of activity of the Association is methodical, organizational, expert-analytical and information support of development of the Cluster, as fee-based (received revenues are directed at achieving the objectives for which the Association was created), as free of charge, including following activities:

3.3.1. development, implementation and promotion of the implementation of Cluster development program, taking into account the spatial development strategy of the Russian Federation, as well as the schemes of territorial planning of the Russian Federation and constituent territories of the Russian Federation, in whose territory the infrastructure of the Cluster is located, including:

- provision of consultancy services to participants of the Cluster according to directions of Cluster development program;
- provision of services to participants of the Cluster in the field of enforcement and promotion of industrial products of the Cluster;
- realization of information campaigns in media, showing Cluster activities, including production of industrial products and prospects for the development of the Cluster;
- ensuring the attraction of credit and investment resources within Cluster development program;
- ensuring coordination of activities of Cluster development program with the activities of development program of Cluster participants to achieve the goals of Cluster foundation;
- conducting market research on different markets related to the promotion of Cluster products;

3.3.2. formation and maintenance of Cluster participants register, functional and organizational charts of Cluster participants, including information on products, projects, production and personnel potential, etc;

3.3.3. organization of training, retraining, professional development and internships of personnel, including engineering and technical personnel, provision of consultancy services for Cluster participants;

3.3.4. organization of webinars, round tables, conferences (inter-regional, international), seminars by invitation of leading Russian and foreign experts to participate in areas of Cluster specialization;

3.3.5. monitoring the status of industrial, scientific, economic and financial potential of the territories, and the provision of such information to Cluster participants;

3.3.6. rendering assistance to Cluster participants bringing products (services) to market, produced in the framework of the Cluster, organization of business missions and B2B-discussions with potential customers;

3.3.7. development of Cluster participants cooperation in scientific and technical spheres, also with foreign organizations;

3.3.8. organization of exhibitions and fairs and communicative activities in the interests of Cluster participants, as well as the organization of exhibitions and fairs and communicative activities carried out abroad;

3.3.9. assistance in the implementation of joint projects of Cluster participants to increase volumes and quality of the supply chain and production cooperation of components in the final products of the Cluster;

3.3.10. creation of unified development strategy of the Cluster;

3.3.11. conducting of strategic planning sessions of Cluster development with the involvement of Cluster participants, authorities and experts for purposes of development and update of strategic documents of Cluster development;

3.3.12. establishment of partnerships, including the conclusion of agreements and memorandums of cooperation with leading foreign clusters, technology platforms and other organizations in innovation, production and trade spheres;

3.3.13. carrying out of expert groups with the involvement of Cluster participants and representatives of the authorities on various directions of Cluster development;

3.3.14. ensuring cooperation with Russian industry, innovative regional clusters, centers of cluster development and engineering, testing, prototyping centers according to Cluster specialization areas, as well as the exchange of experiences;

3.3.15. provision of services to Cluster participants and other interested parties to prepare for:

- licensing of activities, products, works and services;
- certification of products, works and services in accordance with legal requirements, standards, technical regulations and other documents in accordance with the legislation set mandatory requirements for products, works and services (including international level);
- certification (re-certification, supervisory control) of quality management systems, environmental management system, industrial safety management system and labor protection for compliance with national and international standards;
- certification (validation, re-certification) and the certification of production equipment, including testing;

3.3.16. assistance in attracting skilled labor and the development of professional education system;

3.3.17. organization of work on the interaction with the management (HR-directors) of Cluster participants on personnel issues, including:

- identification of needs in personnel, training and personnel development;
- organization of personnel recruitment and retraining;
- development and implementation of recruitment and retention programs;
- development and conduction of trainings;
- development and implementation of personnel adaptation program;

3.3.18. development of innovative facilities and educational infrastructure on the territory of the Cluster;

3.3.19. formation and implementation of educational programs in areas of Cluster specialization, provision of professional services and additional professional training and educational services for the training and advanced training of technical personnel of Cluster participants;

3.3.20. provision of services to Cluster participants and other interested parties on the development of normative and methodical documentation planning, calculation, accounting and management of production costs also production systems based on the application of lean manufacturing technologies;

3.3.21. provision of services to Cluster participants and other interested parties:

- on the selection and delivery of software and hardware systems of enterprise management, production and technological processes management, as well as their modules, including licenses (non-exclusive license) for the right to use the software;
- on performance of works on the installation and configuration of the software;
- on the development of specialized software configurations, additional software modules (plug-ins);
- on database provisioning, including the development of technical and operational documentation software;
- on training of technical personnel of enterprises on the equipment and the software;

3.3.22. assist Cluster participants in the implementation of engineering projects, including the search and the selection of engineering organizations that provide services:

- on the development of design documentation for industrial products and components, as well as a list of items and design documentation for equipment, tooling and tools, test tooling, manufacturing process planning, necessary for the production of industrial products and components;
- on the development of technologies and processes of industrial production, including the development of technical documentation (including route and operation charts of technological processes, operation technical control chart, process instructions and other technical documentation);
- on the implementation of control, measurement and tests of industrial products, manufacture of prototypes, experimental models, and experimental batches of industrial products;

3.3.23. assisting cluster participants in retraining, advanced training of employees, development of professional standards, the introduction of modern teaching methods;

3.3.24. creating and maintaining a database of research, development and engineering works, implemented by Cluster participants;

3.3.25. analysis of opportunities and preparation of proposals to attract cutting-edge technologies, including through the acquisition of licenses, patents, attraction of competent specialists (engineering personnel of foreign companies);

3.3.26. development of intellectual property protection system, including the patenting of intellectual property.

3.3.27. development and maintenance of a catalogue of Cluster participants, their competencies and products;

3.3.28. formation and maintenance of database on best practices and advanced methods on the organization of production, production systems, management systems;

3.3.29. promotion of innovative and industrial infrastructure of the Cluster;

3.3.30. identification of opportunities to diversify businesses and start production of new products;

3.3.31. development and implementation of management systems in the field of quality management, environmental and labor safety at enterprises;

3.3.32. market researches;

3.3.33. formation and promotion of common Cluster brand;

3.3.34. development and implementation of strategies to promote the products of the Cluster on Russian and foreign markets;

3.3.35. implementation of measures to promote the Cluster, including through Cluster participation in specialized exhibitions, conduction and participation in the «road-show», creation of platforms to demonstrate projects and products of Cluster participants;

3.3.36. provision of services to participants of the Cluster in the part of legal coverage, marketing and advertising;

3.3.37. organization of information campaigns in media showing Cluster activities and its development prospects, including the publication of information materials in Russian and English about Cluster activities, including announcements of events and reports on the activities, plans, and other relevant information, publication of information materials containing information about Cluster participants (manufactured products, industrial and technological potential, information on joint projects in the field of competencies improvement, research and development works, production, technologies etc.);

3.3.38. marketing research on different markets related to the promotion of Cluster products;

3.3.39. promotion of Cluster participants in the formation and development of industrial communication and cooperation, as well as with small and medium-sized enterprises;

3.3.40. assistance to Cluster participants in the technological and technical equipment, including the purchase, delivery, installation, commissioning of new machinery and equipment, involved in the process of industrial production of Cluster participants products;

3.3.41. identification of tools to support Cluster development by governments, development institutions, financial institutions, funds and other organizations;

3.3.42. conducting laboratory measurements and investigations with the issuance of opinions and measurements to customers;

3.3.43. assistance in obtaining intellectual property rights;

3.3.44. design and engineering support of projects.

3.4. The Association may carry out income-generating activities only so far it serves the aims of the Association and meets such purposes. Such activities are recognized as profit earning production of goods and provision of services that meet the objectives of the Association foundation, as well as purchase and sale of securities, property and non-property rights, participation in economic societies and participation in limited partnerships as a contributor. Restrictions on the activities and the list of activities that the Association may perform only on the basis of special permits (licenses) shall be established by the legislation of the Russian Federation.

4. CONDITIONS AND PROCEDURE FOR ADMISSION TO MEMBERSHIP AND WITHDRAWAL FROM MEMBERSHIP OF THE ASSOCIATION. RIGHTS AND OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. EXCLUSION FROM MEMBERSHIP OF THE ASSOCIATION.

4.1. Association members are the founders of the Association and admitted in prescribed order to the Association legal entities, which comply with the requirements of this Charter, local acts and internal documents of the Association. In accordance with the current legislation of the Russian Federation and this Charter transference of membership in the Association is not allowed.

4.2. Conditions and procedure for admission to membership of the Association:

4.2.1 Candidate member of the Association submits a written application for membership of the Association addressed to the Director General of the Association, which contains the obligation to pay the entrance fee and an annual membership fee, with a copy of constituent documents.

4.2.2. The Director General of the Association convenes a meeting of the Association Council within thirty days from the date of receipt of the application for membership in the Association to take a decision approving the application with a recommendation to the General Meeting of Association members to take a decision on the admission of a new member of the Association. The Association Council takes such decision by a qualified majority - at least 3/4 (three quarters) of votes of the elected members of the Association Council. In the case if this decision is given at least 3/4 (three quarters) of votes of the elected members of the Association Council, application for membership in the Association shall be deemed as rejected.

4.2.3. Admission of a new member to the Association is exercised by decision of the General Meeting of Association members, question of a new member admission to the Association shall be submitted to the General Meeting of Association members only when the decision of the Association Council approves the application for membership to the Association and recommends the General Meeting of Association members to take a decision on the admission of a new member to the Association.

4.2.4. Entrance fee is payable by a candidate member of the Association within fifteen days from the date of the General Meeting of Association members decision on the admission of new member.

4.2.5. A new member of the Association shall be deemed as admitted after completion of the actions indicated in paragraphs 4.2.1. - 4.2.4. of the Association Charter.

4.3. Member of the Association shall be entitled to withdraw from the membership of the Association on its own initiative or may be excluded from the Association by the decision of the General Meeting of Association members in the cases and in the order prescribed by this Charter, by local acts and internal documents of the Association.

4.4. Conditions and procedure of withdrawal from the membership of the Association:

4.4.1. Members of the Association shall be entitled at their discretion to withdraw from the membership of the Association by filing a written application to the Director General of the Association.

4.4.2. Day of withdrawal from the membership of the Association is the receipt of relevant written statements from Association withdrawn member by the Director General of the Association.

4.4.3. When exiting the Association withdrawn member is not receiving the property of the Association and shall not be paid the value of this property, including the value of the property transferred by a member of the Association in its property, admission and membership fees.

4.4.4. The Director General of the Association shall notify the Association Council and the General Meeting of Association members about Association withdrawn member at the next after the receipt of the corresponding application meeting of the Association Council and the General Meeting of Association members.

4.5. Members of the Association are entitled to:

4.5.1. participate in management of the Association, including vote at the General Meeting of the Association, make proposals to the agenda of the General Meeting of Association members in accordance with the order of this Charter and internal documents of the Association;

4.5.2. receive information about the activities of the Association, get acquainted with its accounting and other documentation by sending a request in writing form to the Director General of the Association;

4.5.3. appeal against decisions of the Association bodies, entailing civil consequences in cases and in the order prescribed by law;

4.5.4. demand, on behalf of the Association, reimbursement of losses caused to the Association;

4.5.5. litigate, acting on behalf of the Association, its committed transactions on the basis stipulated in Article 174 of the Civil Code of the Russian Federation and other laws, and require application of the consequences of their invalidity, as well as the application of consequences of invalidity of the Association void transactions;

4.5.6. address the management of the Association on issues related to membership and activities of the Association, in accordance with the order of this Charter and internal documents of the Association;

4.5.7. transfer property in ownership of the Association;

4.5.8. make voluntary contributions and provide financial assistance to the Association;

4.5.9. withdraw from the Association at its discretion;

4.5.10. use the services provided by the Association on equal rights with other members of the Association and free of charge, unless otherwise provided by law.

4.6. Members of the Association may have other rights provided by this Charter and internal documents of the Association, not contradicting the legislation.

4.7. Members of the Association are obliged to:

4.7.1. participate in the implementation of the Association's activities;

4.7.2. comply with the requirements of this Charter and internal documents of the Association, approved by the General Meeting of Association members;

4.7.3. properly exercise the rights and obligations established by this Charter and internal documents of the Association, approved by the General Meeting of Association members;

4.7.4. implement the decisions of the Association's governing bodies, approved within the framework established by the competence of this Charter;

4.7.5. make membership (entrance) fees in the order and on conditions established by this Charter and decisions of the General Meeting of Association members;

4.7.6. make additional assets contributions to Association property according to the decision of the General Meeting of Association members;

4.7.7. provide information to the Association needed to resolve the issues related to activities of the Association, in the order and conditions established by this Charter, local acts and internal documents of the Association, approved by the General Meeting of Association members;

4.7.8. participate in the formation of Association's property in required amount in the order, in a manner and within the time limits stipulated by the Civil Code, other law or by this Charter of the Association;

4.7.9. not disclose confidential information about activities of the Association;

4.7.10. participate in decision-making, without which the Association cannot continue its activities if their participation is necessary for the approval of such decisions;

4.7.11. not commit acts deliberately aimed at causing harm to the Association;

4.7.12. not take any actions (or inaction), which essentially make difficult or impossible to achieve the objectives for which the Association was created.

4.2.8. A member of the Association may be excluded from the membership of the Association by decision of the General Meeting of Association members in the case of:

4.8.1. non-payment of membership fee within the period specified in subparagraph 4.2.4 of paragraph 4.2 of this Charter;

4.8.2. non-payment of membership fees in established amount 3 (three) consecutive years;

4.8.3. hindering the activities of the Association and / or members of the Association, as well as corporate processes and the work of the Association's governing bodies;

4.8.4. if activity / inactivity of Association member do not comply and / or contrary to the stated purposes and development o the Cluster and / or objective and purposes of the Association;

4.8.5. systematic non-performance of other basic obligations of Association member, established by this Charter, by local acts and internal documents of the Association, approved by the General Meeting of Association members.

5. GOVERNING BODIES OF THE ASSOCIATION

5.1. The supreme governing body of the Association is the General Meeting of Association members.

5.2. Collegial governing body of the Association is the Association Council.

5.3. The sole executive body of the Association is the Director General of the Association.

5.4. Activities of the General Meeting of members, the Council, the Director General of the Association, other formed management and control bodies in accordance with the Charter governed is approved by the General Meeting of Association members by provisions of the General Meeting of members, the Council, and the Director General of the Association.

5.5. The main function of the General Meeting of Association members - decision making which is necessary to ensure the achievement of established in this Charter goals of the Association.

5.6. The exclusive competence of the General Meeting of Association members includes:

5.6.1. introduction of amendments to the Charter of the Association, approval of the Charter of Association in a new version;

5.6.2. approval and amendment of local acts, regulations and rules of the Association, regulating membership in the Association, as well as the activities of the General Meeting of members, the Council, the Director General, the Association Audit Commission;

5.6.3. determination of admission procedure to the membership of the Association and the exclusion from its membership;

5.6.4. decision making on the admission of new members to the Association;

5.6.5. creation of Association Council, the election of members of the Association Council and termination of powers of the Association Council, or individual members of the Association Council;

5.6.6. election and termination of powers of the Director General of the Association;

5.6.7. determination of priority directions of activity of the Association, the principles of formation and use of property of the Association;

5.6.8. approval of the financial plan of the Association and integration of amendments to it;

5.6.9. approval of annual reports and accounting (financial) documentation of the Association;

5.6.10. decision making on reorganization or liquidation of the Association, appointment of the liquidation commission (liquidator), the approval of the liquidation balance sheet;

5.6.11. decision making on the establishment by the Association other legal entities, on the participation of the Association in other legal entities, the establishment of branches, opening of representative offices;

5.6.12. decision making on the amount, order and method of determining the payment of membership fees and other assets contributions of Association members to its property;

5.6.13. election and termination of powers of Audit Commission members and appointment of an audit organization or individual auditor for Association;

5.6.14. decision making on other matters referred to the exclusive competence of the General Meeting of Association members by regulation and standards of the Russian Federation and / or by this Charter.

5.7. The General Meeting of the Association shall be entitled to take decisions on other issues arising in Association activities in compliance with the decision making procedures established by this Charter.

The issues referred to the exclusive competence of the General Meeting of Association members, can not be transferred to the other bodies of the Association.

5.8. The General Meeting of the Association is entitled, if on indicated meeting more than half of its members are presented. The decision of the General Meeting of the Association is taken by a majority vote of the members, presented at the General Meeting of Association members, unless otherwise established by regulation and standards of the Russian Federation and / or this Charter.

5.9. Decisions of the General Meeting of Association members on exclusive competence issues, fixed in paragraph 5.6. of this Charter are made by a qualified majority vote - at least 2/3 (two thirds) of votes of the members present at the General Meeting of Association members. In voting, each member of the Association (authorized representative Association member) shall have one vote.

5.10. The General Meeting of Association members is organized as necessary, but not less than once a year.

5.11. The General Meeting of the Association shall be convened by the Association Council on its own initiative and at the request of:

- Association members, constituting not less than 1/3 (one third) of the Association members;
- The Director General of the Association.

Minutes of the General Meeting of the Association shall be signed by the chairperson of the General Meeting of the Association, as well as by secretary of the General Meeting of Association members, appointed by the chairman. Secretary of the General Meeting of Association members also carries out counting of votes at the meeting.

5.12. The Association Council is formed by the election Council members by the General Meeting of Association members for a term of 1 (one) year.

5.13. The number of elected members of the Council and the term of office of members is determined by the relevant decision of the General Meeting of Association members, approved in accordance with this Charter.

5.14. The competence of the Association Council includes:

- 1) convening of the General Meeting of Association members;
- 2) preliminary review of priority activities, the principles of formation and use of property, financial plan, annual balance sheet and annual report of the Association;
- 3) approval expenditure estimate of the Association;
- 4) preliminary examination of the of the candidate's application for admission to membership of the Association;
- 5) approval and amendment of instructions, rules and regulations of the Association, except attributable in accordance with this Charter and the legislation of the Russian Federation to the competence of the General Meeting of Association members and the Director General;
- 6) approval of organizational structure of the Association;
- 7) preliminary approval of a transaction or several interconnected transactions related to acquisition, disposal or possibility of alienation of property by the Association, directly or indirectly, the value of which is twenty-five percent or more of the value of Association property, determined on the basis of accounting report for the last accounting period preceding the adoption of decision making day on such transactions;
- 8) preliminary approval of the transaction or several interconnected transactions related to acquisition and (or) disposal or possibility of acquisition and (or) alienation, directly or indirectly, of immovable property;
- 9) preliminary approval of immovable property rental contract or other transaction related to the use of immovable property and (or);

- 10) preliminary approval of the transaction in respect of which there is an interest according to the requirements of the Russian Federation legislation;
- 11) preliminary approval of license contracts, with the exception of licensing agreements for use of the software (the product);
- 12) preliminary approval of loans, credits, guarantees, transactions related to the charity;
- 13) preliminary approval of the contract with state (municipal) authority ;
- 14) decision making on the use of Association's rights as the founder (participant, shareholder, member) of legal entities with participation of the Association;
- 15) election of chairman of the Association Council and secretary of Association Council;
- 16) decision making on other issues referred to the competence of the Association Council by regulation and standards of the Russian Federation and (or) by this Charter.

Chairman of the Association Council and secretary of the Association Council are not bodies of the Association.

The Association Council carries out its activities through:

- meetings in the form of joint presence of the members of the Association Council, or by absentee vote (by poll);
- formation and activities of working groups, committees, involving relevant professionals, experts and other necessary scientific and methodical and specialized working bodies of the Association Council.

The Association Council meeting, held in the form of joint attendance is quorate if more than half of the members of the Association Council are present at the meeting. The Association Council meeting by absentee vote (by poll) shall be valid if at a given time, more than half members of the Association Council expressed their opinions in writing form.

The Association Council meeting is organized on the initiative of any member of the Association Council, as well as on initiative of the Director General of the Association.

Unless otherwise provided by law and / or this Charter, decision of the Association Council is adopted by a majority of votes of presented at the meeting and / or expressed their opinion in writing form members of the Association Council, except cases provided in this Charter.

5.15. The Director General of the Association shall be elected by the General Meeting of the Association for 1 (one) year, carries out current management of the Association's activities and acts on behalf of the Association on the basis of the this Charter without authorization.

5.16. The Director General of the Association is accountable to the General Meeting of the Association and the Association Council and implements their decisions.

5.17. The competence of the Director General of the Association includes all issues which do not constitute the competence of the General Meeting of Association members and the Association Council, determined in accordance with the current legislation and this Charter.

5.18. The Director General of the Association:

- represents the interests of the Association in all state bodies, institutions, commercial and non-profit organizations, in the courts of general jurisdiction, arbitration, arbitration courts and before other third parties;
- concludes on behalf of the Association (signs) contracts and agreements;
- organizes accounting and reporting of the Association;
- opens and closes accounts of the Association in banks;
- manages the property and funds of the Association within the limits established by this Charter and approved estimated expenditure by the Association Council;
- organizes the preparation of the strategy, financial plan, budget for review and approval by the General Meeting of members and / or the Association Council, monitors and ensures their implementation / compliance;

- organizes the convening and holding of the General Meetings of members and the Association Council;
- organizes marketing and improves material and financial base of the Association, as well as the attraction to and participation of new members to the Association;
- organizes the process of receiving and reviewing of applications, as well as interaction of the intending applicants, candidates and members of the Association with the Association established order ;
- makes decisions and issues orders within management framework of current activities of the Association;
- approves the personnel chart and job descriptions of employees of the Association;
- hires and fires employees of the Association.

5.19. The Director General of the Association is responsible for the management of property and funds of the Association in accordance with the stated objectives of the Association within the framework of his competence.

6. SOURCES OF PROPERTY. THE ORDER OF USE AND DISTRIBUTION OF PROPERTY IN CASE OF ASSOCIATION LIQUIDATION

6.1. Sources of property formation of the Association in money and other forms are:

6.1.1. regular and one-time income from Association's members, membership (entrance) fees;

6.1.2. voluntary assets contributions and donations;

6.1.3. revenue from sales of goods, works and services;

6.1.4. income derived from the property of the Association;

6.1.5. corresponding budget, grants attracted by the procedure established by current legislation;

6.1.7. other income not prohibited by law.

6.2. Payment of regular and one-time receipts, voluntary assets contributions and donations, membership (entrance) fees may be in any material and immaterial forms, having monetary value and not prohibited by applicable law, in the order and under conditions established by this Charter, by local acts and internal documents of the Association by the decision of the General meeting of Association members agreed with the subject of introduction.

6.3. In case of Association liquidation the remaining property after satisfaction of creditors' claims, is directed to charity, unless otherwise stipulated by the current Russian legislation.

7. THE ASSOCIATION AUDIT COMMISSION

7.1. Control over financial and economic activity of the Association is carried out by the Association Audit Commission.

7.2. The Association Audit Commission shall comprise 3 (three) persons and elected by the General Meeting of Association members for a period of 1 (one) year.

7.3. General Meeting of Association members shall be entitled to terminate the powers of individual members of the Audit Commission, instead them electing new members of the Audit Commission.

7.4. Member of the Association Audit Commission can be any person. Members of the Association Audit Commission can not simultaneously be members of the Association Council, or hold other positions in the management bodies of the Association.

7.5. The competence of the Association Auditing Commission includes:

- checking the financial records of the Association, accounting reports, opinions of the property inventory, comparison of mentioned documents with primary accounting, the presence of auditor's certificate and auditor's report to management of the Association, both on accounting report, and other issues analyzed by the auditor;

- analysis of authenticity, accuracy and completeness of accounting, taxation, management and statistical reporting;

- analysis of the financial position of the Association, its solvency, liquidity of assets, the ratio of debt to equity, identification of reserves to improve the economic status of the Association, recommendations to the Association's governing bodies;

- analysis of financial plan execution of the Association;

- analysis and confirmation of the data included in the annual reports of the Association, the annual accounting reporting, documentation for tax and statistical authorities, government;

- verification of legality of the sole executive body of the Association for the conclusion of contracts on behalf of the Association;

- verification of the legality of decisions taken by the Association Council, the sole executive body of the Association, the liquidation commission of the Association and their compliance with the Charter of the Association and decisions of the General Meeting of Association members;

- analysis of decisions of the General Meeting of Association members for their compliance with the legislation of Russian Federation and the Charter of the Association;

- verification of decision completion by the sole executive body of the General Meeting of the Association members of the Association and the decisions of the Association Council.

- carrying out any other procedures aimed at exercising control over financial and economic activities of the Association.

The Audit Commission of the Association has the right:

- to demand personal explanation from the Association, the sole executive body of the Association Council and the Association staff on matters within the competence of the Audit Committee of the Association;

- to raise an issue of Association staff responsibility to management bodies, including staff in case of their violation of the Charter, regulations, rules and instructions approved by the Association.

7.6. Control (audit) of financial and economic activity of the Association is carried out on the basis of the Association's activities for the year and at any time by decision of the General Meeting of Association members and the Association Council.

7.7 At the request of the Association Audit Commission aimed at the verification of activities of the Association, persons holding positions in the Association's management bodies shall provide documents on financial and economic activities of the Association.

These documents must be submitted within 5 (five) days from the date of written request.

7.8. Members of the Association Audit Commission during the performance of their obligations may be paid remuneration and (or) compensation of expenses related to the performance of their obligations. The amount of such remunerations and compensations shall be determined by the General Meeting of Association members.

8. ORDER OF AMENDMENTS INTRODUCTION TO THE CHARTER OF THE ASSOCIATION

8.1. Amendments to the Charter of Association members shall be made by the decision of the supreme body of the Association - the General Meeting of the Association, approved in the order provided by paragraph 5 of this Charter.

Decision of the General Meeting of Association members concerning the order of amendments introduction to the Charter of the Association shall be subject to state registration in the order prescribed by current legislation, the relevant registration authority and shall enter into force for third parties from the date of state registration.