

**Approved by
General Meeting of the Founders
Minute no. 6
June 10, 2009**

Association of Trading Companies and Manufacturers of Power Tools

CHARTER

**Khimki, Moscow region
2009**

1. GENERAL PROVISIONS

1.1. Non-commercial organization “Association of Trading Companies and Manufactures of Power Tools” hereinafter referred to as “the Association” has been established by the resolution of the Founders (Minute of General Meeting of the Founders No.1 dated March 10, 2008) in accordance with the Civil Code of the Russian Federation dated 12.01.1996, Federal act No.7-FZ “On Non-Commercial Organizations” and other regulatory legal acts.

1.2. Non-commercial organization “Association of Trading Companies and Manufactures of Power Tools” hereinafter referred to as “the Association” has been established by the resolution of the Founders (Minute of General Meeting of the Founders No.1 dated March 10, 2008) in accordance with the Civil Code of the Russian Federation dated 12.01.1996, Federal act No.7-FZ “On Non-Commercial Organizations” and other regulatory legal acts.

1.3. In its activities the Association shall be guided by the applicable law of the Russian Federation, including the Constitution of the Russian Federation, the Civil code of the Russian Federation and Federal act dated 12.01.1996 No.7-FZ “On Non-Commercial Organizations”, as well the Articles of Association and this Charter.

1.4. Association full name in Russian: **Ассоциация торговых компаний и производителей электроинструмента и средств малой механизации.**

Association brief name in Russian: **ПАТПЭ**

Association full name in English: **Association of Trading Companies and Manufacturers of Power Tools.**

Association short name in English: **RATPE.**

1.5. The Russian version of the Charter shall be deemed original. The Russian language is the official language of all types of the Association activities.

1.6. The Association location and postal address: 29, Leningradskaya str., Khimki, Moscow region, Russian Federation, 141400.

Maintenance of the documents shall be performed at the location of the Association Executive Body at: 29, Leningradskaya str., Khimki, Moscow region, Russian Federation, 141400.

1.7. The Association shall acquire the rights of a legal entity as from the time of its state registration in the established manner. The Association shall own its individual property, bear liability for its obligations with all its property, can acquire in its own name and enjoy the vested interests and personal non-property rights, bear responsibilities, be a claimant and a defendant in the court.

The Association shall have its independent balance, operating and other bank accounts, a round seal, stamp and blank forms with its name, and also other means of visual identification.

1.8. The Association is a noncommercial organization and does not pursue profit earning as the basic goal of its activity. In case of profit gaining, it shall not be subject to distribution between the members of the Association and shall be used for realization of the goals specified in Art.2 hereof.

1.9. The Association can be a member of economic societies and partnerships, join associations and unions according to the applicable law of the Russian Federation.

1.10. The Association can establish its branches and representative offices on the territory of the Russian Federation. The branches and representative offices shall not be legal entities and conduct their business under regulations approved by the Association.

1.11. The Association shall be the owner of the property transmitted to it by the members as contributions, and also the property acquired by it by other reasons, and is liable for execution of its obligations with all its property.

1.12. The Association shall not be liable for its members' liabilities. Members of the Association shall bear subsidiary liability on Association liabilities in proportion to their last annual membership fees, but no more than 0.1%.

1.13. The State and its authorities shall not be liable for the Association liabilities. The Association shall not be liable for liabilities of the State and its authorities.

1.14. The Association has been founded for indefinite term.

2. SUBJECT AND OBJECTIVES OF ASSOCIATION ACTIVITY

2.1. Main objectives of the Associations shall be as follows:

2.1.1. coordination of Association members activity with a view to development of a civilized market of power tools and labor saving devices;

2.1.2. representation and protection of the common professional interests of Association members, consolidation of their efforts for development of a civilized market of power tools and labor saving devices which could ensure high-grade satisfaction of needs of people and organizations;

2.1.3. impact on legal, economic and the social policy being developed by representative and executive authorities of the RF which could meet the professional interests of Association members, and promotion to its effective implementation;

2.1.4. opposition to monopolism in the field of production and realization of power tools and labor saving devices;

2.1.5. promotion of the enterprises' development – manufacturers of power tools and labor saving devices, trading and servicing companies of the market of power tools and labor saving devices;

2.1.6. protection of collective interests of manufactures of power tools and labor saving devices, trading and servicing companies of the market of power tools and labor saving devices in their relations with federal public authorities, public authorities of the sub-federal entities of the Russian Federation and local self-governing bodies;

2.1.7. promotion to establishment of equal competitive conditions and favorable financial and economic conditions for **the** Association members in the market of power tools and labor saving devices;

2.1.8. representation of the Association member's interests in international non-governmental organizations, in the Russian state bodies and other organizations;

2.2. subject and principal types of **the** Association activity:

2.2.1. attraction of intellectual, financial, organizational and other resources for the best realization of professional interests of **the** Association members;

2.2.2. legal protection of **the** Association members interests;

2.2.3. participation in development of federal, regional and local regulatory enactments and purpose-oriented programs;

2.2.4. arrangement of information, advisory and methodical assistance to **the** Association members;

2.2.5. arrangement of data banks, other informational systems facilitating the effectiveness of the work of **the** Association members;

2.2.6. representation of the Association member's interests in federal public authorities, public authorities of the sub-federal entities of the Russian Federation and local self-governing bodies;

2.2.7. development and investment of projects and programs aimed at realization of the Charter objectives and tasks of the Association;

2.2.8. assistance in the holding of exhibitions and conferences and participation of **the** Association members therein;

2.2.9. organization and holding of seminars, round tables for the purpose of information interchange and implementation of the achievements of **the** Association members;

2.2.10. development of bases and forms of co-operation between **the** Association members giving them an opportunity for more effective use of their capacities;

2.2.11. rendering assistance to the Association members in further professional training of their employees;

2.2.12. maintenance of mutual confidence, contacts of the Heads and experts of the organizations of-members of the Association, reliability and respectability, business co-operation;

2.2.13. international cooperation with commercial and noncommercial organizations, development of business relations with them to solve **the** Association tasks;

2.2.14. statistical and analytical processing of information, conducting of marketing researches;

2.2.15. promotion in publication of an industry magazine.

2.3. The Association can be engaged in one or more lines of its activity not prohibited by the legislation of the Russian Federation and corresponding to the Association objectives specified in its constituent documents. Some lines of **the** Association activity can be conducted only on the basis of special permissions (licenses). Specification of these lines of activity is established by law.

The Association can only conduct its enterprise activity insofar it serves to obtain the objectives for the sake of which it has been founded.

3. ASSOCIATION MEMBERSHIP, RIGHTS AND DUTIES OF MEMBERS

3.1. Members of the Association can be legal entities, their amalgamations (associations, unions), conducting their business in the field of production and realization of power tools, other labor saving devices and also in allied industries, foreign organizations (their representations) conducting similar business in the Russian Federation, recognizing the Charter and capable to make their contribution to implementations for realization the objectives and tasks facing the Association.

Members of the Association shall reserve their legal and economic independence and the rights of legal persons.

The Association shall not be a superior body over its members.

3.2. Members of the Association shall be the Founders thereof and also any legal entities joined therein after the state registration, having paid an admission fee, regularly paying annual membership fees and purpose fees and observing the provisions of the Charter and the Regulation on Membership in the Association.

3.3. All members of the Association shall have equal rights and exercise equal duties according to the Charter and applicable law of the Russian Federation.

3.4. Members of the Association shall have the right:

3.4.1. to take part in the Association activities including determination of key activity areas and also realization of programs and projects;

3.4.2. to take part in the Association management, to elect and be elected into bodies of the Association;

3.4.3. to obtain information on the activities of the Association, its governing and structural bodies;

3.4.4. to put forward proposal on the matters relative to the Association activities, make requests and submit statements to any body of the Association;

3.4.5. whilst conducting their Charter tasks, to enjoy the Association support in protection of their rights and legitimate interests in relations with business partners, public authorities, as well as in establishment of contacts with foreign bodies and organizations;

3.4.6. to use information, organization and intellectual assistance of the association, get consultations and recommendations on the matters of their Charter activities;

3.4.7. to take part in arrangements conducted by the Association;

3.4.8. to use the registered trademark (emblem) of the Association in their published materials of information and advertising character;

3.4.9. upon the end of a business year, to withdraw from the Association by giving a notification to the Board of the Association.

3.5. Members of the Association must:

3.5.1. observe the provisions of the Charter and other regulatory acts passed by the Association regulatory bodies within their competence, take active part in realization of the objectives and tasks specified in the Charter;

3.5.2. facilitate **the** Association activities to be successive;

3.5.3. provide **the** Association officers with information required for realization of the objectives and tasks specified in the Charter, unless disclosure of such information is inconsistent with the law of the Russian Federation;

3.5.4. fulfill decisions and instructions of the Association regulatory bodies in good faith;

3.5.5. transfer admission and annual membership fees in full and in due time, as well as purpose fees, amount and payment procedure of which shall be established by the Founders' decision, and after state registration of the Association it shall be done by the Board; execute other assumed responsibilities relative to financing of **the** Association arrangements.

4. ADMISSION PROCEDURE, TERMINATION PROCEDURE

4.1. The Association is open for new member admission.

4.2. Admission to the Association membership shall be carried out at a General Meeting of **the** Association members on the grounds of an application of a nominee's legal entity authorized body and the documents attached thereto as provided in the Regulation on **the** Association Membership.

In the period between meetings admission to the Association can be carried out by the Board with further approval at a General Meeting.

4.3. Upon receipt of an application, the Association Board shall verify completeness and adequacy of the data contained in the submitted documents, and on the grounds of the results shall take decision on including the matter of admission of a new member in the agenda of the General Meeting of the Association.

4.4. The Applicant shall pay the admission and annual membership fee not later than ten (10) days of receipt of a notice of its admission in the Association in the manner and amount set forth herein. After that the new member shall acquire the right and bear the responsibilities stipulated herein.

4.5. The rights of **the** Association member cannot be transferred to any third party.

4.6. An Association member shall have the right to withdraw from the Association in its sole discretion after the end of a business year. Withdrawal from the Association shall be made by a written application submitted to the Board.

4.7. An Association member can be excluded from the Association on the grounds of a recommendation made by the Board or by **the** Association members representing at least 20% of the total number of votes, in the following cases:

- serious breach of the Charter or persistent non-fulfillment of its obligations, as well as improper actions against the association or its individual members;
- failure to pay membership fees within three months after due date;
- if the actions of **the** Association member contradict with the objectives and tasks of the Association or impede standard activities of the Association.

4.8. In the case of withdrawal or exclusion from the Association, admission and annual membership fees shall not be repaid, as well as purpose fees and voluntary contributions, save property given to the Association for temporary use.

5. ADMINISTRATION OF THE ASSOCIATION

GENERAL MEETING OF ASSOCIATION MEMBERS

5.1. Administration of the Association shall comprise a General Meeting of **the** Association members, the Board of the Association headed by President – Chairman of the Association Board, and Executive Director of the Association.

5.2. The highest administrative body of the Association shall be the General Meeting of **the** Association members (further referred to as "General Meeting"). A General Meeting may be ordinary (annual) and extraordinary.

5.3. A General Meeting can make decisions in respect of matters relative to competence of the Highest Body of the Association vested thereto by the Russian Federation law and by this Charter.

The matters below shall be within exclusive competence of a General Meeting:

5.3.1. amendments and additions to the Charter of the Association;

5.3.2. determination of the priority fields of **the** Association activity, its structure principles and use of its property;

5.3.3. approval of the annual report and balance sheet of the Association;

5.3.4. approval of the annual budget of the Association and amendments of thereof;

5.3.5. approval of the admission fees and annual membership fees, terms and procedures of their payment;

5.3.6. reorganization and liquidation of the Association;

5.3.7. determination of the number of members in the permanently acting collegiate management body of the Association, the Board of the Association, election of members of the Board and early termination of their authorities;

5.3.8. election of President - Chairman of the Board of the Association ("President") and early termination of his/her authority;

5.3.9. election of the Vice-President of the Association;

5.3.10. appointment of the Chief Executive Officer ("CEO") of the Association – the Executive Director and early termination of his/her authority on recommendation of the Board of the Association;

5.3.11. election of members of the Auditing Committee (Auditor) and approval of Regulations on the Auditing Committee (Auditor) of the Association;

5.3.12. approval of reports of the Auditing Committee (Auditor);

5.3.13. decision making in respect of admission of new members in the Association;

5.3.14. exclusion of members from the Association by the reasons provided herein;

5.3.15. approval of annual reports of the Board on the results of its performance.

General meeting reserved matters cannot be solved by **the** Association executive bodies.

5.4. General Meeting is entitled to resolve the Board reserved issues.

5.5. Annual General Meeting shall be convened by the Board of the Association.

5.6. Extraordinary General Meeting shall be convened in the event when convening of such General Meeting is required in the interests of the Association and its members. Extraordinary General Meeting shall be convened by the Board of the Association on recommendation or demand President, Executive Director or not less than one third of **the** Association members.

The Board shall consider the demand above and make decision whether to convene an Extraordinary General Meeting or refuse the demand within ten (10) days from reception of the demand.

5.7. Notice on convening a General Meeting shall be made not later than 15 days before the General Meeting, and a notice on convening a General Meeting which agenda contains a question on reorganization or liquidation of the Association shall be made not later than 30 days prior thereof. Such notices shall be forwarded to each Association member within the terms above by a registered letter, telegram, electronic media (fax, e-mail) or recorded delivery.

5.8. Every Association member shall be entitled be present at any General Meeting either personally or by proxy whose power must have been effected in the manner established by the applicable law of the Russian Federation.

5.9. At a General Meeting every member of the Association shall have one vote.

5.10. General Meeting shall be deemed to be competent (quorum is present) when more than half of **the** Association members (or their proxies) have took part in it.

5.11. Resolutions concerning the matters specified in items 5.3.1 through 5.3.6 hereof shall be passed by not less than two third of votes of total number of the members present at a General Meeting.

Resolutions on the matters specified in item 5.3. hereof shall be determined by a majority of votes of the members present at a General Meeting.

5.12. President of the Association, or in his absence a person appointed by the Board, shall be entitled to take the Chair at every General Meeting. Chair of a General Meeting shall arrange for taking of minutes of a General Meeting.

5.13. Resolutions of a General Meeting can be passed without a General Meeting duly convened and held (without actual presence of **the** Association members) by means of absentee voting (by interrogation). Such voting can be carried out by exchange of documents forwarded by post, telegraph, teletype, telephone, e-mail or similar type of communication, while retaining authenticity of transmitted and accepted messages and their documentary acknowledgement.

5.14. Minutes of a General Meeting shall be completed not later than 15 days after its closing and signed by the Chair presiding at the General Meeting and by the Secretary the General Meeting.

5.15. Resolutions of a General Meeting shall be declared at the closing thereof or be notified to **the** Association members not later than 30 days after completion of the minutes of the General Meeting, in the manner established for notices on a General Meeting convening.

6. EXECUTIVE BODIES OF THE ASSOCIATION

BOARD OF THE ASSOCIATION

6.1 The Board of the Association shall be permanently acting collective executive body of **the** Association management (hereinafter - the "Board").

6.2 Number of **the** Board members shall be not less than three persons and not more than seven ones.

6.3 **The** Board members shall be elected at a General Meeting from among authorized representatives of **the** Association members and other persons who are not **the** Association members, for two year term. Persons elected into the Board can be re-elected unlimited number of times.

6.4 Authorities of all members of the Board shall be subject to early termination by a resolution of a General Meeting.

6.5 In their work the Board shall be guided by this Charter and resolutions of General Meetings.

6.6 The matters below shall be within competence of the Board:

6.6.1. approval of annual reports and annual balance sheets of the Association;

6.6.2. convening of Annual and Extraordinary General Meeting, approval of a General Meeting agenda, notification of **the** Association members about the convening of a General Meeting; other questions connected with preparation and holding of a General Meeting which subject to this Charter fall under **the** Board authority;

6.6.3. preparation and approval of employment contract (contract) conditions concluded with the President of **the** Association, and definition{determination} of remuneration size paid to the President of **the** Association;

- 6.6.4. preparation and approval of terms of employment contract to be made with Executive Director, and determining of remuneration to be paid to the Executive Director;
- 6.6.5. drawing up and approval of **the** Association internal documents, except for the same which approval subject to the Charter is referred to the competence of a General Meeting or Executive Director's;
- 6.6.6. decision-making on establishment of branches and representations of the Association, approval of Regulations on branches and representations;
- 6.6.7. participation in other organizations;
- 6.6.8. establishment of a commercial entity or participation in such entity;
- 6.6.9. recommendations to Executive Director on amounts of remunerations and compensations payable to members to the Auditing Committee (Auditor);
- 6.6.10. considering of Executive director's report concerning execution of resolutions of a General meeting and the Board by him/her on the matters of running activities;
- 6.6.11. decision-making on giving a bonus to President and Executive Director;
- 6.6.12. approval of decisions on makings deals relative to obtaining and disposal of property and decisions towards the Charter goals in amount of over 500 000 rubles;
- 6.6.13. considering of proposals of persons interested in deals to be made with the Association and making of appropriate decisions;
- 6.6.14. information of **the** Association labour bodies (commissions, committees), establishment of their powers.

6.7 The Board is entitled to decide other questions concerning Association activity but falling within the powers of neither a General Meeting nor Executive Director under the Russian Federation law.

6.8 The questions directly attached by this Charter to the authority of Board or/and the current legislation of the Russian Federation cannot be passed to decide by Executive Director. Other questions connected with the activity of **the** Association and not directly attached by this Charter to the legislation of the Russian Federation and the power of the Board can be passed to decide by Executive Director.

6.9 Board meetings shall be convened on an as-needed basis, but not less than two meetings a year and shall be convened by President or on demand not less than 70 % of Board members.

6.10 Board members demanding to convene a meeting shall notify all Board members about the meeting not later than five days before a scheduled day of the meeting.

6.11 The Board is entitled to make decisions when not less that half of its members are present at the meeting. Decisions shall be made by simple majority votes of Board members present thereat. In the event of an equality of votes, a vote of President shall be a casting vote.

PRESIDENT OF THE ASSOCIATION

6.14 President of the Association shall be elected by a General Meeting for a two year term. The power invested to President can be terminated early by a resolution of a General Meeting.

6.15 President of the Association shall be the Chair of the Board.

6.16 President shall:

6.16.1 arrange the work of the Board, convene a Board meeting and preside as Chairman thereat, arrange for minutes thereof, preside as Chairman at a General Meeting, perform follow-up actions with regard to resolutions thereof;

6.16.2 without power of attorney represent the Association in state authorities of the Russian Federation, sub-federal entities of the Russian Federation, local self-governing bodies, public (non-commercial) organizations and international organizations on the matters falling within his/her power hereunder;

6.16.3 administer coordination of activity on cooperation with Russian, foreign and international organizations in the field of power tools and labor saving devices;

6.16.4 sign General Meeting minutes on behalf of the Association (when he/she is chairman thereat), contract of Executive Director's employment and other documents;

6.16.5 make proposals to a General Meeting in relation of nominees for Board members;

6.16.6 make proposals to a General Meeting in relation of nominees for Executive Director;

6.16.7 make proposal at a General Meeting in relation of early removal of Executive Director from his/her position in the Association when Executive Director has failed to execute his/her duties, as well as in other cases provided by the current legislation of the Russian Federation;

6.16.8 execute individual authorities delegated to him/her by the Board.

6.17 Should President be incapable to execute his/her duties (due to illness, a business trip or other reasons), his/her duties shall be executed by one of Board members by Board decision.

VICE-PRESIDENT OF THE ASSOCIATION

6.18. Vice-President of the Association shall be elected by a General Meeting from the authorized representatives of the Association members for a two year term, without the right to be re-elected.

The power invested to President can be terminated early by a resolution of a General Meeting.

6.19. Vice-President shall:

6.19.1. perform the President's obligations in case of impossibility of the latter to fulfill its obligations (due to disease, errand, vacation or other reasons).

6.19.2. perform some obligations delegated by the President or the Board.

EXECUTIVE DIRECTOR OF THE ASSOCIATION

6.20. Chief Executive Officer ("CEO") of the Association - Executive Director shall run management of Association current activities.

6.21. Executive Director shall be elected for a two year term on President recommendation with the right to be re-elected for the unlimited times.

Executive Director can be removed from his/her position in the Association by a resolution of a General Meeting before expiry of his/her term.

6.22. Executive Director can resolve all issues that cannot be settled by other executive bodies of the Association according to the existing legislation of the Russian Federation and this Charter.

6.23 Executive Director shall:

6.23.1 without power of attorney act on behalf of the Association and represent its interests;

6.23.2 open and close operating, hard currency and other bank accounts;

6.23.3 perform logistical support of **the** Association activities within its own assets;

6.23.4 perform preparation and presentation to the Board of an Association annual budget;

6.23.5 perform preparation of an annual report and submit it and annual balance sheet to the Board;

6.23.6 take decision on expenses relative to different kinds of **the** Association administrative costs, sign agreements and control **the** Association property and money funds within the his/her powers and a budget approved by the Board;

6.23.7 should the amount of expenses relative to different kinds of **the** Association administrative costs be in excess of the budget approved by the Board for these kinds of activities, submit a demand of convening of Board meeting to President at which there should be taken a decision on making amendments to the budget;

6.23.8 arrange for **the** Association executive body and control it;

6.23.9 issue orders and instructions, give directions binding for execution by all the officers of the Association body;

6.23.10 approve a personnel list, establish amounts and terms of labor payments of the Association body officers;

6.23.11 conduct admission and removal of the officers of the Association body, effect motivation of and inflict punishment on them;

6.23.12 grant powers of attorney to represent **the** Association interests, including power of substitution;

6.23.13 execute individual authorities delegated to him/her by President or **the** Board.

6.24. If Executive Director is incapable to execute his/her duties (due to illness, a business trip or other reasons), his/her duties shall be temporary executed by a person appointed by Board on President's recommendation.

7. PROPERTY OF THE ASSOCIATION

7.1. In accordance with the current legislation of the Russian Federation, the Association shall be entitled to own buildings, constructions, land plots, equipment, housing facilities, monetary funds in rubles and foreign currency, shares and other securities, as well as other movable and immovable property required for activities stipulated herein.

7.2. **The** Association property shall be obtained from the sources below:

7.2.1 admission, ordinary (annual) membership fees and target fees (contributions) from **the** Association members;

7.2.2 voluntary property contributions and subscriptions;

7.2.3 profits from realization of goods, works and services;

7.2.4 dividends (income, interest) from securities and deposits;

7.2.5 income from ownership and rights;

7.2.6 other proceeds not prohibited by law.

In case of profit, it shall not be subject to distribution between **the** Association members, but shall be applied for realization of the objectives indicated in Art. 2 hereof.

7.3. Amount and manner of payment of admission and ordinary (annual) membership fees and also target contributions (proceeds) shall be established by the Regulation on membership in the Association.

7.4. Admission and ordinary membership fees shall be used for maintenance of Executive Bodies and structural sub-units of the Association, the consulting service and supporting the activities provided therein.

7.5. Target contributions shall be made voluntarily and intended for financing of particular actions and programs. Term, amount and form of their payment shall be established by the Board.

7.6. Association members shall have the right to transfer voluntarily contributions to **the** Association bank accounts in any reporting period and in any amount which shall be used for Charter goals, including without note of particular purpose, as well as to transfer to the Association any property owned by title and having not been withdrawn from civil circulation.

7.7. **The** Association can perform any transactions with its property not contradicting to the legislation of the Russian Federation.

7.8. **The** Association shall be liable for performing of its obligations with all its property which can be imposed a court-enforced seizure according to the legislation of the Russian Federation.

8. AUDITOR OF THE ASSOCIATION

8.1. Auditor shall be a controlling unit of the Association. Auditor shall be elected at a General Meeting for a two year term.

8.2. Board members, Executive Director and Association body officers cannot be elected as Auditor.

8.3. The Auditor shall:

8.3.1 perform control and annual audit of financial and economic activities of the Association;

8.3.2 present its opinion on **the** Association annual report and balance sheets;

8.3.3 control compliance of **the** Association activities with the current legislation;

8.3.4 annually account to members at a General Meeting of the work performed;

8.4. Auditor shall have the right to request, and members of the Association, its management members and apparatus officers must present all the requested documents and explain questions concerning **the** Association finance activity.

8.5. Independent experts and auditors can be invited for auditing subject to President's decision and approval by the Auditor.

8.6. Unplanned revision of the financial and economic activity of the Association can be carried out on demand of not less than 1/3 of the total number of **the** Association members.

9. REORGANIZATION AND LIQUIDATION OF THE ASSOCIATION

9.1. The Association shall have the right to be reorganized into a foundation, unaffiliated non-commercial organization, business entity and partnership.

9.2. Resolution on **the** Association reorganization shall be passed by all the members entered into the agreement of its foundation.

9.3. After **the** Association reorganization, newly founded organization shall obtain all **the** Association rights and obligations subject to an acceptance certificate.

9.4. The Association can be liquidated by reasons and in the manner provided **by** the Civil Code of the Russian Federation, Federal act "On Non-commercial organizations" and other federal acts.

9.5. Legal statement with regard to **the** Association liquidation shall be given by a public prosecutor of an appropriate sub-federal entity of the Russian Federation in the manner provided in Federal act "On public prosecution of the Russian Federation" by an authorized body or its territorial unit.

9.6. By the resolution of a General meeting and authority that made decision of liquidation of the Association, there shall be appointed a Liquidation Commission (Liquidator) and determined a manner and term of liquidation pursuant to the Civil Code of the Russian Federation and Federal act "On Non-commerce organizations".

9.7. As from the time of appointment of the Liquidation Commission, the latter shall acquire the power to administer all **the** Association affairs. The Liquidation Commission shall act in court on behalf of the Association.

9.8. The Liquidation Commission shall publish information on the manner and term of **the** Association liquidation in the press wherein one usually publishes information on legal entity state registrations. The term for creditors to serve demands shall be not less than two months as from the publication of the Association liquidation.

9.9. The Liquidation Commission shall take steps to make a search for creditors and accounts receivable, as well as notify creditors in writing of **the** Association liquidation.

9.10. Upon expiry of the term for creditors to serve demands, the Liquidation Commission shall make a preliminary liquidation balance wherein there shall contain data of the Association property, schedule of demands filed by the creditors, as well of the results of handling thereof.

9.11. The preliminary liquidation balance shall be approved by a resolution of a General Meeting or the authority made decision of the liquidation.

9.12. When monetary funds owned by the Association are not enough to meet creditors' demands, the Liquidation Commission shall sell the Association property at a public auction in the manner established for court awards.

9.13. The Liquidation Commission shall pay monetary funds to the creditors in order of priority provided in the Civil Code of the Russian Federation and subject to the preliminary liquidation balance beginning with the day of its approval, save creditors of the fifth turn who shall be repaid on expiry of a month as from the day of the preliminary liquidation balance approval.

9.14. After creditors' demands are settled, the Liquidation Commission shall compile a liquidation balance that shall be approved by a General Meeting of **the** Association members of the authority made decision of the liquidation.

9.15. Property remained after creditors' demands have been satisfied, unless otherwise provided in applicable law, shall be contributed for the Association objectives subject to the Association constituent documents and/or for charity. In case when the property of the Association being liquidated cannot be used as specified in its constituent documents, it shall be reduced in favor of the public revenue.

9.16. Liquidation of the Association shall be deemed as closed and the Association as terminated its existence after an entry to this effect there has been made in the Uniform State Register of Legal Entities.

10. FINAL PROVISIONS

10.1. This Charter shall be effective as from the day of its state registration in order established by applicable law.

10.2. All amendments and additions hereto shall be made by a resolution of a General Meeting of **the** Association members and become effective as from the day of their state registration in order established by applicable law.

10.3 All other matters not set forth by this Charter shall be regulated by applicable law of the Russian Federation.