

APPROVED by
General Meeting of Founders
Minutes № 1 dd September 24, 2020

CHARTER

**Association of producers of solid fuel from wood waste and wood working industries
“RUSSIAN PELLETT UNION”**

**Moscow
2020**

1. GENERAL TERMS

- 1.1. The Association of producers of solid fuel from wood waste and wood working industries “Russian Pellet Union” hereinafter referred to as the Association is a non-profit corporate organization established for representation and protection of the common interests, achievement of the socially useful objectives as well as other purposes specified in the present Charter.
- 1.2. Legal structure: Association.
- 1.3. Any legal entities and(or) individuals being the subjects of entrepreneurial activity or professional activity producing the solid fuel from wood waste and wood working industries can be the members of the Association
- 1.4. The full name of the Association in Russian: Ассоциация производителей твердого топлива из древесных отходов лесозаготовки и деревообрабатывающей промышленности «Русский Пеллетный Союз».
The short name of the Association in Russian: Русский Пеллетный Союз.
The full name of the Association in English: Association of producers of solid fuel from wood waste and wood working industries “Russian Pellet Union”.
The short name of the Association in English: Russian Pellet Union.
- 1.5. Location of Association: Moscow.

2. LEGAL STATUS OF ASSOCIATION

- 2.1. The legal status of the Association is determined by the Civil Code of the Russian Federation, Federal law “On non-profit organizations”, other statutory and regulatory enactments of the Russian Federation, the present Charter as well as generally accepted international principles, norms and standards.
- 2.2. The Association is considered established as a legal entity since the date of its state registration in accordance with the procedure established by law.
- 2.3. The Association is established without limitation of the term of activity.
- 2.4. In its own name the Association acquires and exercises property and non-property rights according to the purposes of activity of the Association, provided by the present Charter and bears the obligations related to this activity, can sue and be sued in general jurisdiction courts, arbitration and private arbitration courts.
- 2.5. The Association has its independent balance sheet and (or) budget estimate.
- 2.6. The Association has the right to open the accounts in the banks and other lending institutions on the territory of the Russian Federation and outside in the established order, except for the cases established by the legislation.
- 2.7. The association has a round seal, containing its full name in Russian and indication of its location. The Association has the right for stamps, letterheads with its name.
- 2.8. The Association can establish the branch offices and open the representative offices on the territory of the Russian Federation according to the legislation of the Russian Federation.
- 2.9. Interference into the activity often Association by the state and other bodies except for the bodies authorized by the legislation is now allowed.
- 2.10. The Association has the right to acquire the status of self-regulating organization in accordance with the procedure established by law. The Association acquires the status of self-regulating organization since the entry of data into the state register of self-regulating organizations. Self-regulating is understood as an independent and initiative activity of the members of the Association the content of which is to develop and establish the rules and standards of the specified activity as well as to control the observance of the requirements of legislation of the Russian Federation and specified rules and standards.

3. PURPOSES AND OBJECT OF ACTIVITY OF ASSOCIATION

- 3.1. The purposes of the Association are the following:
- improvement of quality of production of solid fuel from wood waste and wood working industries;
 - formation of the positive image of the members of the Association, creation of the atmosphere of mutual trust and business partnership among them
 - protection of industry interests of the members of the Association at all levels of legislative, executive and judicial power;
 - coordination of business activity of the members of the Association - producers of solid fuel from wood waste and wood working industries.
- 3.2. The object of activity of the Association is implementation of purposes, provided by the cl.3.1 of the present Charter. To achieve the purposes of the Charter the Association conducts the following activity established by the legislation:
- development of standards and rules of production of solid fuel from wood waste and wood working industries, control of their observance;
 - organization of events for wide discussion of the professional standards with all interested market players of solid fuel from wood waste and wood working industries;
 - organization of a system of level improvement of specialists' qualification, organization of a system of additional education, development of a system of attestation of specialists and certification of products produced by the members of the Association;
 - generalization of the experience of the members of the Association, introduction of the new perspective technologies in the field of production of solid fuel from wood waste and wood working industries;
 - promotion in creation and development of the civilized market of solid fuel from wood waste and wood working industries;
 - representation and protection of rights and legal interests of the members of the Association including the state federal, legislative and executive bodies and other organizations;
 - promotion to the disputes settlement arising between the members of the Association and the third parties in the order established by the legislation;
 - rendering of informational and consultation services to the members of the Association on issues of their activity in production of solid fuel from wood waste and wood working industries;
 - assistance to the members of the Association in conducting their entrepreneurial activity of production of solid fuel from wood waste and wood working industries;
 - organization of conferences, seminars, trainings on the issues of activity of the Association;
 - publishing of the educational literature, brochures, other educational materials including their soft copies.
- 3.3. The Association has the right to cooperate with all interested legal entities and individuals for achievement of the statutory purposes.
- 3.4. The Association has the right to conduct the educational activity on the programs of the professional education and additional educational programs. A special structural educational subdivision is formed in its structure to conduct the educational activity of the Association. The activity of such subdivision is regulated by the provision developed and approved by the Association.

4. ASSETS OF ASSOCIATION

- 4.1. According to the legislation of the Russian Federation the Association has the right to possess the buildings, structures, residential fund, equipment, tools, cash funds in rubles and foreign currency, securities and other assets that is not removed from the stream of commerce required for the maintenance of the activity provided by the present Charter.
- 4.2. In regard to its own property the Association has the right to make any transactions that do not contradict to the legislation of the Russian Federation and the present Charter.

- 4.3. The Association is liable for its debts by its whole property. The Members of the Association do not have the propriety to the assets transferred to the Association. The Association is not liable for debts of its members unless otherwise is provided by the law. The members of the Association are not liable for its debts.
- 4.4. The sources of formation of the assets of the Association are:
- regular and nonrecurrent receipts in the forms of contributions from the members of the Association (entry fees, membership fees, target contributions);
 - voluntary cash and asset contributions and donations;
 - proceeds from the sale of goods, works and services;
 - funds received from rendering of informational services disclosure of which can be made on a fee basis;
 - funds received from rendering of educational services related to the entrepreneurial activity, commercial or professional interests of the members of the Association;
 - funds received from sale of informational materials related to the entrepreneurial activity, commercial or professional interests of the members of the self-regulating organization;
 - revenue received from the assets of the Association;
 - dividends (revenue, interests), received from shares, bonds, other securities and deposits;
 - revenues received from investments of monetary funds on bank deposits;
 - other sources and contributions that are not forbidden by the current legislation.
- 4.5. Entry fees and membership fees as the main source of formation of assets of the Association are paid by its members in the money terms. The target contributions can be paid by money, securities, other property and non-property rights or other rights having a monetary value.
- 4.6. The order of determination of the size and method of payment of the entry fees and membership fees, the decision of target contribution is determined by the General Meeting.

5. PROCEDURE OF ADMISSION (ACCEPTANCE) INTO MEMBERS OF ASSOCIATION AND TERMINATION OF MEMBERSHIP. RIGHTS AND OBLIGATIONS OF MEMBERS OF ASSOCIATION

- 5.1. Membership in the Association is voluntary.
- 5.2. The Members of the Association become the founders of the Association after its state registration as well as other legal entities and(or) individuals being the subject of entrepreneurial or professional activity, producing the solid fuel from wood waste and wood working industries, making the entry fees, membership fees and target contributions, observing the provisions of the present Charter and other internal documents of the Association.
- 5.3. The Association is open to the admission of the new members. The procedure of admission in the members of the Association and expulsion from it is determined by the General Meeting of the members of the Association. Admission and expulsion from the members of the Association is made by the Supervisory board on the base of the corresponding application of the candidate. The member of the Association is considered to be admitted into the members of the Association since the date of payment of the entry fee and annual membership fee.
- 5.4. The members of the Association have equal rights and obligations.
- 5.5. The members of the Association have the right:
- to participate in the management of the activity of the Association including the participation in the General meetings of the members of the Association, election into the bodies of the Association, submission of proposals regarding the activity of the Association for consideration of the management bodies of the Association, participation in their consideration as well as making the corresponding decisions in the order determined by the present Charter;
 - to participate in the development of the documents determining the min direction of the activity of the Association;
 - to make remarks and proposals on the improvement of the work of the association and its bodies;

- to receive information of the activity of the Association and to study its accounting and other documentation;
- to appeal against the decision of the bodies of the Association causing the civil law consequences in cases and in order provided by the law;
- to use the protection of its legal rights from the Association, to ask the Association to represent the general interests of the members of the Association in the governmental authorities and local authorities, in courts, public associations, in relations with legal entities and individuals, including the foreign ones;
- to participate in all types of activity and events of the Association;
- to terminate the membership in the Association at any time and in the order provided by the Rules of termination of the membership in the Association and current legislation;
- to realize other rights provided by the present Charter and current legislation.

5.6. The members of the Association are obliged:

- to pay timely entry fees, membership fees and target contributions provided for by the present Charter in the required amount in the manner provided by the Charter, decisions of the bodies of the Association, other internal documents of the Association;
- not to disclose confidential information about the activities of the Association;
- to participate in making corporate decisions, without which the Association cannot continue its activities in accordance with the law;
- not to take actions intentionally directed at making harm to the Association;
- not to take actions (inaction) that complicate significantly or make it impossible to achieve the purposes of the Association;
- to assist to the Association in the implementation of its activities;
- to contribute actively to the implementation of the programs of the Association and the achievement of its purposes;
- to comply with the legislation of the Russian Federation and the requirements of the present Charter, standards and rules, other internal documents of the Association, to comply with the decisions of the management bodies of the Association accepted within their competence;
- to provide the information required for the operation of the Association, with the exception of information constituting a commercial secret of a member of the Association;
- to notify the Association in writing or by sending an electronic document about the occurrence of any events causing a change of the significant information about a member of the Association within three business days from the day following the day of such events;
- to reimburse in full, in accordance with the procedure established by law, the losses caused by them to the Association as a result of unlawful use of the rights granted to them by the Charter;
- to fulfill other obligations stipulated by this charter and current legislation.

5.7. Membership in the Association is terminated in cases of:

- voluntary termination of the membership in the Association;
- expulsion from the members of the Association in cases provided by the cl.4.10 of the present Charter.

5.8. Voluntary termination of membership in the Association is performed according to the Rules of termination of membership in the Association.

5.9. A member of the Association can be expelled from it in the following cases :

- repeated violation of obligations provided by the Charter, including non-payment of membership fees;
- violation of the provisions of the Charter, standards and rules, other internal documents of the Association;
- non-fulfilment of decisions of the bodies of the Association, accepted within their competence;
- conducting activities causing material damage to the Association and/ or damage to its business reputation;

- non-participation in the activities of the Association.
- 5.10. The expulsion of a member from the members of the Association is made on the basis of the decision of the Supervisory Board. If, during a scheduled or unscheduled inspection, the grounds for expulsion of the member from the Association are revealed, the Control Committee shall forward the complaint to the Disciplinary Committee, which, based on the results of the consideration of the complaint, has the right to apply a disciplinary measure to the member of the Association in the form of a recommendation to the Supervisory Board to expulse the member from the Association. Based on the recommendation of the Disciplinary Committee, the Supervisory Board has the right to make a decision on the expulsion of the member from the Association.
 - 5.11. In case of termination of membership in the Association, property contributed to the Association by the member who terminated its membership in the Association, including entry fees, membership fees and target contributions, will not be reimbursed.
 - 5.12. From the moment of termination of membership in the Association, all rights and obligations of its member cease, with the exception of the obligation to pay membership fees, other payments, transfer other property of the Association, which arose before the decision to expulse it was made, as well as the obligation to compensate losses caused to the Association, and other obligations provided by the decision on expulsion.

6. DATA OF MEMBERS OF ASSOCIATION

- 6.1. The bodies of the Association consist of management bodies, executive and specialized bodies, and internal control bodies.
- 6.2. The governing bodies of the Association are:
 - General meeting of members of the Association is the supreme governing body of the Association;
 - The Supervisory Board is a permanent collegial governing body of the Association.
- 6.3. The executive bodies of the Association are:
 - The Executive Director is the sole executive body of the Association;
- 6.4. The specialized bodies of the Association are:
 - Control Committee;
 - Disciplinary Committee;
 - Legal advisor of the Association.
- 6.5. The internal control bodies of the Association are::
 - Auditor.

7. GENERAL MEETING OF MEMBERS OF ASSOCIATION

- 7.1. The supreme governing body of the Association is the General Meeting of the Members of the Association (hereinafter referred to as the General Meeting, the Meeting).

The main function of the General Meeting is to ensure that the Association observes the purposes for which it was created.
- 7.2. The General meeting can be reporting and extraordinary.
- 7.3. The Reporting Meeting is held at least once a year. The Reporting Meeting is convened by the Executive Director.
- 7.4. An extraordinary General Meeting may be convened at any time by the decision of the Supervisory Board, taken either on its own initiative or on the basis of a corresponding request submitted by the members of the Association, constituting at least 50% of the total number of members of the Association.
- 7.5. The meeting determines independently the procedure of its work, and also makes decisions on the activities of the Association, guided by the provisions of the Charter and the norms of the current

legislation. The participants of the Meeting elect the Chairman and the Secretary of the Meeting among their members.

- 7.6. The meeting is authorized to make decisions (there is a quorum) if more than half of the total number of members of the Association are present at the meeting. Each member of the Association, when voting at the Meeting, has one vote. The decisions of the General Meeting are made by a majority of votes of the members of the Association present at the Meeting.
- 7.7. For the purpose of holding the Meeting, the Executive Director sends a notice in writing to the members of the Association to the legal address or to the e-mail address provided for this purpose by the member of the Association, indicating the date and place of the Meeting and the expected agenda. The notice of convocation of the Meeting shall be sent to the members of the Association at least one week before the date of its holding.
- 7.8. The resolutions accepted by the Meeting are drawn up in the form of minutes, which are signed by the Chairman and the Secretary of the Meeting. The Executive Director maintains (organizes the maintenance) and stores (organizes the storage) the minutes of the Meetings at his location.
- 7.9. The competence of the General Meeting includes the resolution of issues related to the implementation of the main function of the General Meeting.
- 7.10. The exclusive competence of the General Meeting includes the solution of the following issues:
 - 7.10.1. determination of the priority directions of the Association activity, the principles of the formation and use of its property;
 - 7.10.2. approval and amendment of the Charter;
 - 7.10.3. determination of the procedure for admission to the membership of the Association and expulsion from the membership, except for the cases where such a procedure is determined by law;
 - 7.10.4. formation of the bodies of the Association and early termination of their powers, with the exception of specialized bodies, the formation of which is within the competence of the Supervisory Board;
 - 7.10.5. appointment of a person performing the functions of the sole executive body of the Association, early termination of appointment of such a person;
 - 7.10.6. approval of the annual report and accounting statements of the Association;
 - 7.10.7. making decisions on the creation of other legal entities by the Association, on the participation of the Association in other legal entities, on the creation of branches and on the opening of representative offices of the Association;
 - 7.10.8. making decisions on the reorganization and liquidation of the Association, on the appointment of a liquidation commission and on the approval of the liquidation balance sheet;
 - 7.10.9. election of an audit commission (auditor) and appointment of an audit organization or an individual auditor of the Association;
 - 7.10.10. making decisions on the procedure for determining the amount and method of payment of entry fees and membership fees, as well as target contributions of the members of the Association;
 - 7.10.11. determination of the procedure of the Meeting;
 - 7.10.12. approval of disciplinary measures, the procedure and grounds for their application, the procedure of considering cases of violation of the requirements of the standards and rules of the Association by members of the Association, conditions of membership in the Association;
 - 7.10.13. making a decision on the voluntary exclusion of information about the Association from the state register of self-regulating organizations;
 - 7.10.14. approval of the internal documents of the Association regulating the issues related to the competence of the supreme governing body, as well as amendments and additions to them, prepared by the collegial governing body.

- 7.11. Resolutions on issues within the competence of the Meeting are made by a majority vote of the members of the Association present at the Meeting. Resolutions on issues referred to the exclusive competence of the Meeting are made by a qualified majority of 2/3 of the votes of the members present at the Meeting.
- 7.12. The resolution of the supreme governing body of the Association may be made by voting by correspondence (by poll), with the exception of making decisions on the issues specified in cl. 7.10.1 - 7.10.9 of the present Charter.
- 7.13. Voting by correspondence can be carried out by exchanging documents by means of postal, telephone, electronic or other communication, ensuring the authenticity of transmitted and received messages and their documentary confirmation.
- 7.14. To conduct the voting by correspondence, a message shall be sent to all members of the Association about the proposed agenda, the opportunity to familiarize the members of the Association with all the necessary information and materials before voting, the opportunity to make proposals on the inclusion of additional issues in the agenda, sending a modified agenda to all members of the Association before voting procedure as well as the deadline of the voting procedure shall be indicated.
- 7.15. The minutes of the results of voting by correspondence shall indicate::
 - the date before which the documents (voting ballots) containing information on the voting of the supreme governing body of the Association were accepted;
 - information about the persons who took part in the voting;
 - results of voting on each item on the agenda;
 - information about the persons who carried out the counting of votes;
 - information about the persons who signed the minutes..
- 7.16. The procedure for preparing and holding the General Meeting is established by the internal documents of the Association, approved by the resolution of the General Meeting.

8. SUPERVISORY BOARD OF ASSOCIATION

- 8.1. The Supervisory Board of the Association is a permanent collegial management body, elected by the General Meeting for a period of 10 (Ten) years, and carrying out general management of the activities of the Association between the Meetings.
- 8.2. The Supervisory Board consists of 3 (three) members of the Supervisory Board, who can only be individuals. One of the three members of the Supervisory Board must be independent. An independent member is a person who has no labor relations with the Association and its members.
- 8.3. The Supervisory Board is headed by a Chairman elected at a meeting of the Supervisory Board from among its members.
- 8.4. The Meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board at the initiative of any member of the Supervisory Board. The Chairman of the Supervisory Board shall notify all members of the Supervisory Board of the time and place of the meeting, as well as the proposed agenda of the meeting, no later than 5 (five) days prior to the meeting. The Chairman of the Supervisory Board maintains (organizes the maintenance) and stores (organizes the storage) the minutes of the meetings of the Supervisory Board.
- 8.5. The following issues fall within the competence of the Supervisory Board:
 - 8.5.1. control over the implementation of the resolutions of the Meeting;
 - 8.5.2. development of a plan of activities of the Association for the next year;
 - 8.5.3. approval of the standards and rules of the Association, making changes in them;
 - 8.5.4. creation of the specialized bodies of the Association, approval of provisions on them and rules for their implementation of activities;
 - 8.5.5. raising the issue of the necessity of an audit of the accounting and financial (accounting) statements of the Association to the General Meeting of the Members of the Association, as well as the activities of the executive body of the Association;

- 8.5.6. introduction of a candidate or candidates for appointment to the position of the executive body of the Association to the General Meeting of the members of the Association;
- 8.5.7. approval of the list of candidates who can be proposed as arbitrators for their election by the parties of the disputes considered upon their applications in the arbitration court formed by the Association;
- 8.5.8. approval of the resolution on admission to the Association (on admitting new members to the Association) or on expulsion from the members of the Association on the grounds stipulated by the charter of the Association;
- 8.5.9. determination of the procedure for meetings of the Supervisory Board;
- 8.5.10. preparation and approval of the internal documents of the Association, regulating the issues not related to the competence of the supreme governing body, as well as amendments and additions to them;
- 8.5.11. approval of the seal sketch of the Association;
- 8.5.12. preliminary approval of the following transactions:
 - one or several interconnected transactions for an amount exceeding 500,000 (five hundred thousand) rubles,
 - loan and credit agreements,
 - lease contracts or sale contracts of real estate,
 - issuance of bills of exchange and/ or bails (avals) on them,
 - contracts providing an exclusive right to the other party,
 - not planned transactions in the budget of the Association for the current year.
- 8.5.13. in the case of assigning the Association the status of a self-regulating organization, the appointment of an audit organization to check the accounting and financial (accounting) reporting of the self-regulating organization, making decisions on auditing the activities of the executive body of the self-regulating organization;
- 8.5.14. making a decision by the Association on the use of one of the following methods of ensuring the property liability of the members of the Association to the consumers of the goods (works, services) produced by them:
 - creation of a system of personal and (or) collective insurance;
 - formation of a compensation fund.
- 8.5.15. other issues that are not referred by the present Charter or the law to the competence of other management bodies.
- 8.6. The Supervisory Board is authorized to make decisions if two of the three members of the Supervisory Board are present at its meeting.
- 8.7. Decisions are taken by a simple majority of votes of the members of the Supervisory Board present at the meeting.
- 8.8. The resolutions made at the meeting of the Supervisory Board are executed in the minutes, which are signed by the members present at the meeting.
- 8.9. A meeting of the Supervisory Board can be held by voting by correspondence (by poll). Meetings of the Supervisory Board held in the form of voting by correspondence are eligible if two out of three members of the Supervisory Board participate in it. Such voting can be carried out by exchanging documents by means of postal, telephone, electronic or other communications, ensuring the authenticity of transmitted and received messages and their documentary confirmation.

9. EXECUTIVE DIRECTOR OF ASSOCIATION

- 9.1. The sole executive body of the Association is the Executive Director. The Executive Director is elected by the General Meeting, by a qualified majority of 2/3 of the votes of the members of the Association present at the General Meeting, for a term of 5 (five) years. The Executive Director can be re-elected early.

- 9.2. The Executive Director is controlled by the Supervisory Board
- 9.3. The Executive Director performs legally significant and practical actions on behalf of the Association, with the exception of those referred to the competence of the General Meeting and the Supervisory Board, including:
 - 9.3.1. convenes the reporting Meeting, organizes the reporting and extraordinary Meeting, organizes the maintenance and storage of the minutes of the Meeting;
 - 9.3.2. acts without a power of attorney on behalf of the Association on the issues of representing its interests in relations with individuals and legal entities, as well as with state authorities, including the conclusion of transactions, with the exception of transactions requiring prior approval of the collegial management body;
 - 9.3.3. concludes the transactions requiring prior approval of the collegial management body, subject to such prior approval;
 - 9.3.4. develops a staff schedule recruits staff, issues orders and gives instructions that are binding for employees, concludes employment contracts with them, approves job descriptions and other local acts regulating their labor activity;
 - 9.3.5. organizes current activities, monitors the implementation of decisions of management bodies and compliance with financial discipline;
 - 9.3.6. signs the necessary accounting, financial and other business documents;
 - 9.3.7. performs other actions within the limits of its powers, determined by the present charter and current legislation.
- 9.4. The rights and obligations of the Executive Director to manage the current activity of the Association are determined by the legislation of the Russian Federation, the present Charter, and other internal documents of the Association.

10. SPECIALIZED BODIES.

- 10.1. The specialized bodies of the Association include:
 - 10.1.1. the body controlling the observance of the standards and rules of the Association, the conditions of membership in the Association by the members of the Association is the Control Committee, which consists of 3 people;
 - 10.1.2. the body considering cases on the application of disciplinary measures against the members of the Association is the Disciplinary Committee, which consists of 3 people;
 - 10.1.3. Counselor of the Association.
- 10.2. In addition to the specified specialized bodies of the Association, resolutions of the Supervisory Board of the Association may provide the creation of other specialized bodies on a temporary or permanent basis.
- 10.3. Each specialized body created by the Supervisory Board of the Association acts on the basis of the corresponding provision approved by the Supervisory Board of the Association.
- 10.4. The specialized bodies of the Association carry out their functions independently
- 10.5. Based upon the results of the inspections of the activities of the members of the Association, carried out by the Control Committee, the Disciplinary Committee considers complaints against the actions of the members of the Association, as well as cases of violations of the requirements of standards and rules of the Association by the Association members when implementing their activities.
- 10.6. The Disciplinary Committee sends recommendations to the Supervisory Board of the Association for expulsion from the members of the Association.
- 10.7. The procedure for considering cases on the application of disciplinary measures against the members of the Association is established by the General Meeting of the members of the Association.
- 10.8. The Members of the specialized bodies of the Association are elected by the Supervisory Board of the Association for a period of three years.

- 10.9. The Counselor of the Association's advisor carries out representative functions free of charge. The Counselor of the Association is elected by the Supervisory Board for a period of 5 (five) years and acts on the basis of the Regulation on the Counselor, which is approved by the Supervisory Board of the Association.

11. FINANCIAL AND ECONOMIC ACTIVITY OF ASSOCIATION

- 11.1. The Association maintains administrative accounting, bookkeeping and statistical accounting in the manner provided by the legislation of the Russian Federation.
- 11.2. The Association, in accordance with the established procedure, is responsible for the safety of management and financial and economic documents, staff documents, and other documents.
- 11.3. Control over the financial and economic activity of the Association is carried out by the Auditor, elected by the General Meeting for a term of 5 (five) years.
- 11.4. As part of his activities, the Auditor performs the following functions:
- 11.4.1. checks the financial and economic activity of the Association based on the results of activities for the year;
 - 11.4.2. requests documents on financial and economic activity from the executive bodies of the Association;
 - 11.4.3. draws up a conclusion based on the results of the audit of financial and economic activity, which shall contain:
 - confirmation of the reliability of the data contained in the reports and other financial documents of the Association,
 - information on the facts of violation of the procedure of maintaining accounting records and submission of financial statements established by the legal enactments, as well as on the facts of other violations of legal enactments in the course of financial and economic activity.
- 11.5. The procedure of activity of the Auditor is determined by the relevant Rules approved by the Supervisory Board.

12. MEASURES FOR PREVENTING OR SETTLEMENT OF CONFLICT OF INTERESTS

- 12.1. Interested parties are members of the Association, entities who are members of the governing bodies of the Association, its employees, acting on the basis of an employment contract or a civil law contract.
- 12.2. The personal interest of the parties specified in cl. 12.1 of the Charter means material or other interest that affects or may affect the provision of the rights and legitimate interests of the Association and (or) its members.
- 12.3. A conflict of interest is understood as a situation in which the personal interest of the entity specified in cl. 12.1 of the Charter affects or may affect the performance of their professional duties and (or) results in a contradiction between such personal interest and the legitimate interests of the Association or the threat of a contradiction that can lead to harm to the legitimate interests of the Association.
- 12.4. The Association has the right to take the following measures to prevent or resolve conflicts of interest:
- warning against taking certain actions by interested parties;
 - the requirement for the interested parties to eliminate the circumstances that led to the conflict of interest
 - an appeal with a proposal to convene a meeting of the Supervisory Board of the Association and to make a decision eliminating a conflict of interest within the powers of the Supervisory Board;
 - an appeal to the members of the Association with a proposal to convene a General Meeting of the members of the Association and to make decisions eliminating a conflict of interest within the powers of the meeting..

13. INTRODUCTIONS OF AMENDMENTS TO CHARTER

- 13.1. The present Charter can be amended by the General Meeting of the members of the Association. Amendments to the Charter are approved by the General Meeting by a qualified majority of 2/3 votes of the members of the Association present at the General Meeting.
- 13.2. The Charter of the Association with the approved amendments is subject to state registration in accordance with the procedure established by law and acquires legal force from the moment of such registration.

14. PROCEDURE FOR REORGANIZATION AND LIQUIDATION OF ASSOCIATION

- 14.1. The reorganization of the Association is carried out in the manner provided by the legislation of the Russian Federation. The reorganization of the Association can be carried out in the form of merger, separation, division, affiliation and transformation in the manner determined by the current legislation.
- 14.2. The Association has the right to transform itself into a public organization, an autonomous non-profit organization or a foundation in the manner provided by the current legislation.
- 14.3. The liquidation of the Association is carried out:
 - following the resolution of the General Meeting;
 - by a court decision in cases provided by the current legislation.
- 14.4. When making a decision on the liquidation of the Association, the General Meeting appoints a liquidation commission, to which the powers of the sole executive body for management of the Association are transferred.
- 14.5. The liquidation commission publishes a message on the liquidation of the Association in the mass media, as well as on the procedure and terms for filing claims by its creditors. This period cannot be less than two months from the date of publication of the notice of liquidation.
- 14.6. The Liquidation Commission takes measures to identify creditors and collect receivables, and also notifies creditors in writing about the liquidation of the Association.
- 14.7. Upon the expiration of the term for the presentation of claims by creditors, the liquidation commission draws up an interim liquidation balance sheet, which contains information on the composition of the Association's property, a list of claims presented by creditors, the results of their consideration, as well as a list of claims satisfied by a court decision that has entered into legal force, regardless of whether such claims were accepted by the liquidation commission.
- 14.8. Based on the interim liquidation balance sheet, the liquidation commission makes settlements with creditors
- 14.9. After completion of settlements with creditors, the liquidation commission draws up the final liquidation balance sheet, which is approved by the supreme governing body.
- 14.10. When the Association is liquidated, the property remaining after all creditors' claims have been satisfied is directed to the purposes for which it was created and/ or to charitable purposes.
- 14.11. The Association is recognized as ceased to exist from the moment of making an entry about this in the Unified State Register of Legal Entities.