

[Document: Non-Commercial Partnership Charter]

**Adopted at the General Assembly, July 1, 2002**

**Protocol No. 1, July 1, 2002**

**President of the Partnership:**

\_\_\_\_\_ **V.V. Galchenko**

## **CHARTER**

### **Non-Commercial Partnership**

### **“Parliamentarians for the Parliamentarian Control” \***

**Moscow  
2002**

\*[Translator’s note:]

Please note that the English name of the Partnership “**Non-Commercial Partnership - Parliamentarians for the Parliamentarian Control**” has been officially registered as such. Therefore, no attempt has been made by this translator to change it. (For the registered English name of the Partnership please see Paragraph 1.8. of the original text of the Charter.)

## **1. GENERAL PROVISIONS**

**1.1. The Non-Commercial Partnership "Parliamentarians for the Parliamentarian Control,"** hereafter referred to as "The Partnership," is a non-commercial organization based on membership. It is founded by the citizens of the Russian Federation – deputies of legislative (representative) bodies of the Russian Federation state, representative bodies of local self-government, and also by persons having had the status of deputies of the said state bodies and local self-government, for the purpose of assisting them in performing activities directed towards the aims stipulated in this Charter. Information on the Partnership founders forms an integral part of the present Charter and can be found in Appendix 1.

**1.2.** The Partnership operates pursuant to provisions of the Constitution of the Russian Federation, the federal law of the Russian Federation No. 7-FZ "*On Non-Commercial Organizations,*" dated January 12, 1996, other legislative acts of the Russian Federation and this Charter.

**1.3.** The Partnership shall operate in the territory of the Russian Federation and for this purpose shall open its affiliates in the constituent subjects of the Russian Federation.

**1.4.** The Partnership acquires the status of a legal entity from the moment of its official registration.

**1.5.** After completion of official registration, the Partnership shall be empowered, pursuant to current legislation of the Russian Federation, to open settlement accounts and other types of accounts at bank branches, have an independent balance sheet, use stamps bearing its name and official emblem (logo), official forms, and other official symbols in proper legal manner.

**1.6.** The Partnership shall not conduct any business activity.

1.7. The full name of the Partnership in the Russian language is:  
**Некоммерческое партнерство «Парламентарии за Парламентский Контроль»**  
**[Nekomercheskoe partnerstvo “Parliamentarii za Parlamentskii Kontrol.”]**

The short name of the Partnership in the Russian language is:  
**НП «ППК» [NP “PPK”].**

1.8. The full name of the Partnership in the English language is:  
**Non-commercial partnership «Parliamentarians for the Parliamentary Control».**

The short name of the Partnership in the English language is:  
**NCP «PPC».**

1.9. The legal address and the main office of the Partnership:  
**141800, Moscow Oblast, City of Dmitrov, 32 Zagorskaya Street,**  
**Apartment 45.**

1.10. The Partnership is being set up without any time limits.

## **2. GOALS, TASKS, AND TYPES OF ACTIVITIES OF THE PARTNERSHIP**

2.1. The goals of the activities of the Partnership are to assist members of the Partnership in carrying out activities directed toward the following societal and state interests:

- create and develop an integrated and highly efficient system of parliamentary control which would allow the introduction of a reliable and comprehensive state control at all levels and stages of the budgeting process;
- create an effective regime of management of state finances and property;
- fight against and prevent infringement of the law in the financial sphere;
- fight against and prevent corruption in the financial sphere;
- develop a law abiding culture.

2.2. In order to achieve the goal outlined in Paragraph 2.1 of the Charter, the Partnership shall carry out the following tasks:

2.2.1. Study, analyze and generalize the practice of conducting financial control by the state control and audit authorities of the Russian Federation, constituent subjects of the Russian Federation, CIS countries and other foreign countries;

2.2.2. Conduct research on issues of legal regulation of the financial control system in the Russian Federation, the CIS countries and other foreign countries, as well as organize the work of integrated research activity in the area of legislation with an aim to identify norms and stipulations that allow corruption and the commitment of offences in the financial sphere;

2.2.3. Gather and generalize legal information on legislation and other normative acts of the Russian Federation, the CIS countries and other foreign countries with respect to the following subject areas: the gathering and generalization of legal information on parliamentary financial control, on information dealing with the prevention of infringement of law in the financial sphere and in the sphere of financial control, and on information dealing with the fight against corruption;

2.2.4. Gather, analyze and generalize court and arbitration practice with respect to the violation of financial discipline, to corruption within bodies of state authority, and to breaches with respect to control and audit measures taken by bodies of state authority in the Russian Federation, the CIS countries, and other foreign countries;

2.2.5. Develop proposals regarding drafting state legislation of the Russian Federation on financial control, including parliamentary financial control, the fight against corruption, and the prevention of infringement of law in the financial sphere.

**2.3.** In order to achieve the objective and carry out the tasks, as stipulated in Paragraph 2.2. of the Charter, the Partnership shall carry out the following types of activities:

2.3.1. Organize meetings of members of the Partnership, and involve the participation of Russian and foreign experts;

2.3.2. Conduct seminars and conferences on the issues of financial control, and the fight against corruption and against infringements of law in the sphere of finances, as well as their prevention. Involve Russian and foreign specialists with suitable qualifications, as well as other concerned persons;

2.3.3. Carry out the preparation of proposals for improving the legislation of the Russian Federation in the spheres of financial control, the prevention and fight against corruption, and in other infringements of law in the financial sphere;

2.3.4. Submit proposals stipulated in Paragraph 2.3.3. of the Charter to the legislative bodies of the state authorities of the Russian Federation, constituent subjects of the Russian Federation, and bodies of the local self-government;

2.3.5. Carry out the preparation of documents of informational, analytical and legal character, based on the results of the gathering, generalization and analysis of information on the issues of the legal regulation of financial control, the fight against corruption, the norms of current legislation of the Russian Federation, the GIS countries and other foreign countries, and on the relevant legal and judicial practice in these said areas;

2.3.6. Submit the documents specified in Paragraph 2.3.5. to the state authorities of the Russian Federation, to authorities of Russian Federation constituent subjects and to local self-government, as well as to other persons interested in receiving such documents, while complying with the legislation of the Russian Federation regarding state and business secrets;

2.3.7. Take part in seminars, conferences, and meetings, organized by Russian and (or) foreign organizations, either on the territory of the Russian Federation, on the territory of constituent subjects of the Russian Federation, or on the territory of the GIS countries or other foreign countries;

2.3.8. Join, if they choose, inter-regional, all-Russian, and international unions and associations of non-commercial organizations.

### **3. MEMBERS OF THE PARTNERSHIP**

**3.1.** The Partnership is an organization based on membership.

**3.2.** The members of the Partnership may be deputies of legislative (representative) bodies of the state authority of the Russian Federation (including members of the Council of the Federation of the Federal Assembly of the Russian Federation), constituent subjects of the Russian Federation, representative bodies of the local self-government, and also citizens having had the status of deputy of the above listed bodies of state authority or self-government.

**3.3.** Members of the Partnership have the right to:

3.3.1. Participate in the management of the affairs of the Partnership;

3.3.2. Receive information on activities of the Partnership;

3.3.3. Cancel membership in the Partnership if they wish to do so;

3.3.4. Transfer property to the ownership of the Partnership or lend property for temporary use;

3.3.5. Enjoy other rights, conferred by the federal laws of the Russian Federation.

**3.4.** Member rights in the Partnership are not transferable to a third party.

**3.5.** Members of the Partnership have the following obligations:

3.5.1. To comply with the requirements of the current legislation of the Russian Federation, the norms of the current Charter and the decisions of the General Assembly of the Partnership members, as well as the decisions and orders of the President of the Partnership, and his Vice-Presidents, within the scope of their authority;

3.5.2. To participate in the activities of the Partnership;

3.5.3. To conscientiously fulfil accepted obligations with respect to the Partnership, regarding the realization of activities defined in the Charter;

3.5.4. To provide information necessary for carrying out the activities of the Partnership.

**3.6.** Admission of a new member of the Partnership shall be decided by the General Assembly on the basis of an application submitted by the applicant to the President of the Partnership.

**3.7.** Any member of the Partnership may freely cancel his membership by submitting a written statement addressed personally to the President of the Partnership.

**3.8.** The decision to cancel the membership of an applicant shall be made by a General Assembly of Members of the Partnership.

**3.9.** The Partnership must resolve all issues related to the cancellation of a membership in the Partnership no later than two (2) months after the submission of the member's application to cancel membership.

**3.10.** Members of the Partnership, systematically failing to fulfil their obligations, which are specified in Paragraph 3.5. of the current Charter, may be expelled

from the Partnership on the basis of a decision of the General Assembly of Members of the Partnership, adopted by a qualified majority of votes, out of the total overall number of members of the Partnership.

#### **4. GOVERNING BODIES OF THE PARTNERSHIP**

**4.1.** The supreme managing body of the Partnership is the General Assembly of the Partnership Members, hereinafter referred to as the General Assembly.

**4.2.** The General Assembly is empowered to examine any issue regarding the activity of the Partnership.

**4.3.** Within exclusive authority of the General Assembly are the following issues:

4.3.1. The introduction of amendments and additions to the Partnership Charter;

4.3.2. Approval of and termination of the membership of the Partnership members;

4.3.3. Election of the President of the Partnership and his three Vice-Presidents;

4.3.4. Passing a decision on discontinuation of the Partnership activity, on the appointment of the Liquidation Committee, and on the approval of the Liquidation Balance Sheet;

4.3.5. Passing decisions on the reorganization of the Partnership;

4.3.6. Electing the Auditor of the Partnership and examining the Auditor's Review Report on Managerial and Financial Activity of the Partnership;

4.3.7. Decision-making on setting up affiliates of the Partnership.

**4.4.** The General Assembly will pass decisions on issues included in its exclusive authority and also on other issues submitted for its consideration.

**4.5.** Adopted decisions shall be recorded in the Minutes of the General Assembly of the Partnership and it shall not be necessary for them to be recorded in any

other formal manner. The Minutes shall be signed by the President of the Partnership and by the Secretary of the General Assembly.

**4.6.** The regular General Assembly meeting shall be held no less than once a year.

**4.7.** Special General Assembly meetings shall be convened whenever the interests of the Partnership require. Such meetings may be convened by a decision of the General Assembly itself, passed at the regular General Assembly meeting, as well as by request of the President of the Partnership, Vice-Presidents of the Partnership, or the Auditor of the Partnership, or by request of no less than one half of the total overall number of members of the Partnership.

**4.8.** The General Assembly shall hold authority if half of the members of the Partnership are present.

**4.9.** The decisions of the General Assembly are passed by a simple majority of the total number of members of the Partnership present at the meeting or participating in absentee voting. The decisions on issues specified in Paragraphs 4.3.4. and 4.3.5. of the current Charter, shall be adopted only if there is a qualified majority of votes.

**4.10.** Voting at the General Assembly shall be organized on the principle: “One Partnership member equals one vote.”

**4.11.** In cases where a member of the Partnership is not able to participate in a regular or special General Assembly for a valid reason, he will have the right to vote by proxy through another member of the Partnership by applying in writing to the President of the Partnership.

**4.12.** General Assemblies (either regular or special) may be conducted by absentee voting.

**4.13.** The General Assembly is conducted by absentee voting if the voting of the Partnership members on items in the agenda of the General Assembly is



carried out without gathering of the Partnership members for the purpose of discussing the items on the agenda and passing decisions on items brought forward for voting.

**4.14.** No decisions regarding the issue specified in Paragraph 4.3.4 of the current Charter shall be allowed at the General Assembly which is conducted by absentee voting.

**4.15.** Voting on agenda items at the General Assembly, which is conducted by absentee voting, is carried out by way of absentee ballots.

**4.16.** The absentee ballot shall contain a formulation of all issues put to vote, and the voting choice for each item put to vote shall be formulated as “For,” “Against,” and “Abstained”, and it shall also contain the instruction that the absentee ballot must be signed by the Partnership member.

**4.17.** Absentee ballots shall be mailed to the Partnership members. Along with the absentee ballots, all necessary information on the issues on the agenda for the General Assembly shall be mailed.

Each Partnership member shall receive one copy of the absentee ballot on all issues or one copy of each of the two or more separate absentee ballots on different issues.

**4.18.** In counting the results of the voting, the votes shall be counted as valid only if the ballot of a voting member records one mark from the choice of possible variants. Ballots that violate the above requirement shall be declared invalid and the votes on the items contained in them shall not be counted.

In cases where the absentee ballots contain several items to be voted on, non-compliance with the above requirement with respect to one or several items shall not result in declaring the absentee ballots to be invalid as a whole.

**4.19.** The decision of the General Assembly on each item of the agenda, adopted on the basis of absentee voting, shall be considered valid if no less than half of the Partnership members took part.

**4.20.** The General Assembly selects the President and his Vice-Presidents from the overall number of members of the Partnership. A decision on the necessity of an

election and on the overall number of Vice-Presidents shall be taken by the General Assembly.

**4.21.** The Partnership President manages the activity of the Partnership and acts at the same time as the Chairman of the General Assembly.

**4.22.** The issues that pursuant to the current Charter fall under the exclusive competence of the General Assembly are excluded from the competence of the President.

**4.23.** The President of the Partnership shall:

4.23.1. Chair sessions of the General Assembly;

4.23.2. Carry out general managing of the Partnership activity;

4.23.4. Represent, without the power of attorney, the Partnership, in its relations with state authorities of the Russian Federation and constituent subjects of the Russian Federation, and with bodies of the local self-government, as well as citizens, and organizations of all forms of ownership;

4.23.5. Represent, without the power of attorney, the Partnership in its relations with foreign and international organizations.

4.23.6. Make decisions and give orders regarding issues under his authority.

4.23.7. Delegate tasks to his Vice-Presidents.

4.23.8. Receive and examine applications and requests made by members of the Partnership on issues related to the Partnership activities outlined in the current Charter, as well as receive and examine applications of other persons who express interest in becoming members of the Partnership.

4.23.9. Carry out other functions which are within his authority, as stipulated in the current Charter.

**4.24.** The Vice-Presidents elected at the General Assembly shall replace the President in his absence and, on his order, attend to one or more issues under the authority of the President, while carrying out other functions in accordance with the duties assigned to them.

## **5. AUDITOR OF THE PARTNERSHIP**

**5.1.** Control over the financial activity of the Partnership, is carried out by an Auditor who is elected by the General Assembly from among the members of the Partnership for a period of one (1) year.

**5.2.** The Auditor carries out a general audit of the financial and economic activity of the "Partnership," and prepares a summary of results in oral or written form to be presented to the General Assembly.

**5.3.** The Auditor carries out an overall audit of financial and economic activity no less than once a year.

## **6. STRUCTURE OF THE PARTNERSHIP**

**6.1.** In order to carry out the Charter activity of the Partnership, affiliates shall be set up on a basis of the General Assembly resolution, and these affiliates will, in fact, be separate subdivisions located outside the main headquarters of the Partnership. They will fulfill all functions of the Partnership, including the function of its representation.

**6.2.** The affiliates of the Partnership do not form legal entities, they will operate on behalf of the Partnership.

**6.3.** The Directors of the affiliates shall be appointed by the General Assembly and operate on the basis of the power of attorney issued by the Partnership.

**6.4.** Other issues related to the activity of the Partnership affiliates shall be governed by the regulations regarding affiliates.

## **7. PROPERTY OF THE PARTNERSHIP**

**7.1.** The property of the Partnership shall be accumulated in monetary and other forms.

**7.2.** The sources of the formation of the Partnership's property are:

**7.2.1.** Voluntary property contributions by members of the Partnership;

7.2.2. Voluntary property contributions and donations by persons other than members of the Partnership;

7.2.3. Other takings and incomings are allowed under the legislation of the Russian Federation.

## **8. ORDER OF REORGANIZATION AND LIQUIDATION**

**8.1.** Reorganization of the Partnership shall be carried out in a manner stipulated in the existing legislation of the Russian Federation.

The Partnership may be reorganized into a public social organization, association, fund, or autonomous non-commercial organization.

**8.2.** Liquidation of the Partnership is made under the decision of the General Assembly, or by the judicial or other authorized bodies.

**8.3.** The General Assembly that passes a resolution on liquidation shall appoint, after receiving approval of the authority that executed the state registration of the Partnership, a liquidation committee and shall set up conditions and terms of the liquidation.

**8.4.** From the moment of appointing the liquidation committee, all managerial powers shall be transferred to it.

**8.5.** All documents related to liquidation of the Partnership (management, financial and economic, personnel documentation, etc.) shall, in accordance with current regulations, be delivered for official storage to the “Mosgorarkhiv” [Moscow City Archives].

**8.6.** Liquidation of the Partnership shall be deemed concluded when an entry is made in the Unified State Register of the Legal Entities.

Signatures of founders:

\_\_\_\_\_ V.V. Galchenko

\_\_\_\_\_ L.M. Krasnenkova

\_\_\_\_\_ S.V. Surkov

\_\_\_\_\_ S.A. Agapstov

\_\_\_\_\_ V.B. Podmasko