

Approved by  
Resolution of General Meeting of Partnership Founders  
Amendments approved  
Minutes No. 1 of 7 July, 2010  
Resolution of General Meeting of Partnership  
Minutes No. 2-2013 of 19 July 2013

## **STATUTES**

OF NON-PROFIT PARTNERSHIP  
“CENTRE FOR DEVELOPMENT OF FOREST CERTIFICATION”

Moscow Region  
Pushkino  
2013

1.1. Non-profit Partnership "CENTRE FOR DEVELOPMENT OF FOREST CERTIFICATION" hereinafter referred to as "Partnership" is a member non-profit organization constituted by citizens and legal entities to support its members in activities aimed to achieve the statutory goals.

1.2. The full Russian name of Partnership is Некоммерческое партнерство «ЦЕНТР РАЗВИТИЯ ЛЕСНОЙ СЕРТИФИКАЦИИ»; the short Russian name is НП «ЦРЛС».

The full English name of Partnership is Non-profit Partnership «CENTRE FOR DEVELOPMENT OF FOREST CERTIFICATION»; the short English name is "PEFC Russia".

1.3. Partnership shall be entitled to open in due manner current, foreign currency and other bank accounts in and out of the Russian Federation.

1.4. Location of Partnership:

Russia, Moscow region, Pushkino, Nadsonovskaya ul., 24, bldg 12, (room 71 and 72)

1.5. The Partnership shall be considered constituted as a legal entity from the date of its state registration according to the procedure established by the federal legislation.

1.6. The Partnership shall have an unlimited duration.

1.7. The Partnership may sue and be sued in courts of general jurisdiction, arbitration or commercial courts, acquire and exercise on its behalf property and non-property rights following the purposes of Partnership activities provided for by the Statutes of the Partnership and bears responsibilities related to such activities.

1.8. The Partnership shall have a round seal bearing the full name in Russian, stamps and letterheads with its name.

1.9. Requirements of the Statutes of the Partnership shall be binding on all Partnership bodies and members.

1.10. The Partnership shall bear no responsibility for any debts of its members. The Partnership shall bear no responsibility for any debts of the government and its bodies, and the government and its bodies shall bear no responsibility for any debts of the Partnership.

1.11. The Partnership shall be solely responsible for its debts guaranteed by the assets which may be repossessed by the government according to the law of the Russian Federation.

## 2. PURPOSE, OBJECT, TYPES OF ACTIVITIES

2.1. The purpose of the Partnership is to provide assistance to Partnership members in performing their activity aimed to achieve the international endorsement of the forest certification system by accredited Programme for the Endorsement of Forest Certification – PEFC.

2.2. The object of Partnership's activities is to develop internationally endorsed system of voluntary forest certification of PEFC Russia.

2.3. The Partnership may perform several types of activities:

- development of international endorsement of the national forest certification system;
- collaboration with national, foreign and international companies in the field of certification;
- representation of interests in international institutes of forest certification;
- informational and publishing and advertizing activity in the sphere of forest certification;
- assistance to Partnership members in forest certification through oral consulting and written advice and explanations;
- support in organization of specialists training in forest certification;
- other types of activities which are not in conflict with the legislation of the Russian Federation and goals of the Partnership.

2.4. Certain types of activities may only be performed by the Partnership on the basis of special permits (licences). The list of such activities is determined by the law.

2.5. The Partnership may perform entrepreneurial activities to the extent they serve the purposes of the Partnership and compliance with the law. These activities include profitable production of goods and services meeting the goals of the Partnership, acquisition and sale of securities, property or non-property rights, and participation in business organizations and limited partnerships as a stakeholder.

2.6. For the purpose of entrepreneurial activity, the Partnership may constitute or participate in a business organization.

2.7. For its purpose, the Partnership may create other non-profit organizations and join associations and unions.

2.8. Interference with business and other activities of the Partnership on the part of governmental and other organizations is not permitted, unless it is justified by their right to supervise the activities of the Partnership.

### 3. PARTNERSHIP MEMBERS. REQUIREMENTS FOR MEMBERSHIP AND PROCEDURE FOR MEMBERSHIP AND RESIGNATION

3.1. Partnership members may be fully capable individuals and legal entities. Partnership members are founders and new fully capable individuals and legal entities observing the provisions of these Statutes.

3.2. Admission to membership of the Partnership is based on the Application of the applicant and a reference letter of one of Partnership members which are submitted to the director of the Partnership

3.3. The applicant is admitted to membership within three months from the date of submission of application to the Director of Partnership as agreed by Partnership members at the General meeting of Partnership members. A member is deemed admitted starting from the date of the relevant resolution taken by the general meeting of Partnership.

3.4. The reason for quitting the Partnership (resignation from membership) is the Application of the resigning member submitted to the director of the Partnership.

Partnership members may be dismissed by the decision of the remaining members in case of breach of the requirements of the law on non-profit organizations, Statutes, resolutions of Partnership bodies at the general meeting of Partnership.

3.5. The dismissal from Partnership (termination of membership) shall occur within 6 months from the date of submission of necessary documents based on the decision of the remaining Partnership members taken at the general meeting of the Partnership.

### 4. RIGHTS AND OBLIGATIONS OF PARTNERSHIP MEMBERS

4.1. Partnership members are entitled to:

- participate in governing the activities of the Partnership;
- receive information about activities of the Partnership in the manner set forth by the constitutive documents;
- resign at its discretion from Partnership;
- receive at resignation from Partnership a part of its property or the value thereof limited by the value of the property transferred by Partnership members to him, except membership fees, in the manner provided for by Article 4.2 of the Statutes;
- receive, in case of liquidation of the Partnership, part of its property which remained after settlements with creditors or the value of this property limited by the value of the property transferred to him, unless otherwise provided by the federal law;
- use its services free of charge;
- transfer to the Partnership property or use rights for property, non-property rights.

4.2. A Partnership member may at his/her discretion, resign from the Partnership.

Based on the written Application of the residing member, the Partnership shall within six months of filing of the application:

- determine the date of return of property handed over by that member to the Partnership for use under acceptance contracts (certificates);
- define the procedure for performing obligations to other members and Partnership as a whole undertaken earlier by the resigning member;
- decide other issues related to the resignation of the member.

Constitutive, entrance, regular and target fees shall not be reimbursed.

4.3. Partnership members must:

- follow the provisions of the Partnership Statutes, other regulatory acts of the Partnership and execute decisions of the managerial bodies of the Partnership;
- participate in the activities of the Partnership;
- perform on time and in full all obligations to the Partnership;
- provide information necessary to decide issues related to the activities of the Partnership;
- support the Partnership's activities.

4.5. Partnership members may have other rights and fulfill other obligations in accordance with current legislation of the Russian Federation, other regulatory documents of the Partnership, and contracts with the Partnership.

4.6. In case of dismissal from the Partnership, the dismissed member shall not be entitled to receive a part of his property transferred to the ownership of Partnership or the value of this property as well as require the reimbursement of the paid membership fees.

### 5. PROCEDURE FOR BUSINESS MANAGEMENT OF PARTNERSHIP. GOVERNING BODIES OF PARTNERSHIP.

5.1. The general meeting of Partnership members is the supreme governing body of the Partnership.

A director of the Partnership is elected. The Director shall be the sole executive body of the Partnership.

5.2. The main function of the general meeting is to ensure the achievement of the goals of the Partnership, for which it was constituted.

5.3. The matters reserved for the general meeting are:

- 1) change of the Statutes of the Partnership;
- 2) defining the mainstreams of the Partnership activities, principles of establishment and use of its assets;
- 3) establishment of the Executive Body of the Partnership and early termination of its powers;
- 4) approval of annual statement and balance sheet;
- 5) approval and amendment of financial plan of the Partnership;
- 6) creation of subsidiaries and opening representation offices of the Partnership;
- 7) participation in other organizations;
- 8) reorganization and liquidation of the Partnership;
- 9) approval of internal rules and regulations of the Partnership;
- 10) admission of new members and dismissal of members;
- 11) appointment and dismissal of Partnership Auditor.

Matters as provided in par. 2-4 and 8 of this clause shall fall under the exclusive competence of the general meeting of the Partnership.

5.4. General meeting shall be called as may be required but not less than once a year. The general meeting shall be called and held by the director.

5.5. The general meeting of members of the Partnership shall be considered qualified if attended by more than half of its members.

5.6. The resolution of the general meeting shall be taken by a majority of votes of attending members.

5.7. The resolution of the general meeting on reorganization of the Partnership shall be taken unanimously. All other reserved issued of the general meeting shall be decided by the two thirds of the votes.

5.8. General meetings shall be recorded in the minutes.

## 6. DIRECTOR

6.1. The Director shall be elected by general meeting of the Partnership for a three-year term.

6.2. The Director may only be elected out of Partnership members.

6.3. Persons nominated to the position of the director shall have impeccable reputation and shall be nominated on Representation (submitted to the general meeting) of a Partnership member.

6.4. Director may be engaged in activities other than operational management of the Partnership.

6.5. Rights and obligations of the Director are set forth by the legal acts of the Russian Federation and labor agreement.

6.6. Director's competence includes all matters not falling under the exclusive competence of the general meeting of the Partnership.

6.7. The Director shall ensure the fulfillment of statutory objectives of the Partnership and sustainable development of the Partnership itself.

6.8. The Director acts on behalf of the Partnership without Power of Attorney.

6.9. The Director of the Partnership:

- manages the activity of the Partnership at his/her discretion taking into account the legal requirements, resolutions of the general meeting, financial plan, and bears sole responsibility for the consequences of the decisions taken, safety and effective use of the property of the enterprise, and financial and economic results of its activities;

- ensures fulfillment of the resolutions of the general meeting;

- concludes deals and disposes of the property of Partnership within the limits set by the Statutes of the Partnership and current legislation;

- approves the rules, procedures and other internal documents of the Partnership except documents approved by the general meeting, or auditor of the Partnership;

- determines the organizational structure, personnel list of Partnership, approves official salaries;

- approves job descriptions, occupational safety instructions;

- hires and dismisses employees, including its deputies and chief accountant;

- concludes labor agreements with the employees of the Partnership;

- awards rewards and imposes punishments on employees in accordance with the procedure established by the legislation, Statutes of the Partnership and general meeting;
- ensures favorable and safe labor conditions for employees of the Partnership;
- promptly notifies employees about decisions affecting labor conditions;
- ensures the preparation, execution and fulfillment of labor agreements;
- opens current, foreign currency and other accounts of the Partnership, concludes contracts and other deals on behalf of the Partnership;
- guarantees fulfillment of Partnership's obligations to the budget and counterparties under economic contracts;
- makes decisions on initiating on behalf of the Partnership claims and suits against legal and physical persons and satisfaction of claims made against the Partnership;
- organizes accounting and reporting;
- reports its activities in the manner prescribed by the general meeting;
- for the purpose of making justified managerial decisions, organizes a system of collection, processing and submission of credible information about the activities of the Partnership;
- takes relevant measures to protect confidential information;
- supervises the development and representation of the annual statement and accounting balance sheet;
- ensures preparation and holding of general meeting meetings;
- controls the rational and economical use of material, labor and financial resources;
- ensures the legality of Partnership activities within his/her authority;
- issues powers of attorney;
- decides other issues relating to the operation of the Partnership.

6.10. The Director entrusts his/her deputies and heads of divisions with the deciding certain issues reserved for the Director.

6.11. The Director shall bear personal responsibility for the state of affairs and activities of the Partnership.

6.12. The Deputy Director shall be appointed by the Director and coordinate the work streams in accordance with the distributed powers approved by the Directors.

6.13. The Deputy Director shall act on the Power of Attorney issued by the Director. In the absence of the latter, and in other cases when the Director is unable to perform his/her duties, his/her functions are performed by the deputy.

6.14. The Director must act reasonably and fairly in the interests of the Partnership.

6.15. The Director may not constitute organizations unless permitted by the general meeting.

6.16. For the purpose of effective operation of the Partnership, the Director in his/her activity shall take into account interests of third persons including counterparties of the Partnership, government and municipalities, where Partnership is located.

6.17. Should any actual or potential conflict of the Partnership's activity with the personal interests of the Director arise, the latter shall immediately notify the general meeting of that. The Director abstains from acts, which may inflict a conflict between his/her interests and the interests of the Partnership until the decision of the general meeting.

## 7. DOCUMENTATION. CONTROL OVER PARTNERSHIP ACTIVITIES

7.1. The Partnership maintains accounting records and statistical reporting in the manner prescribed by the law of the Russian Federation.

7.2. The Partnership provides information about its activities to the state statistics and tax authorities, Partnership members and other persons in accordance with the law of the Russian Federation.

7.3. Director shall be liable for organization, condition and credibility of accounting of the Partnership, timely submission of the annual statement and other financial reports to the corresponding bodies and information about Partnership activities provided to Partnership members, creditors and the mass media.

7.4. The Partnership shall keep the following documents:

- Memorandum of Association of the Partnership;
- Statutes of the Partnership, amendments and addenda introduced into the Statutes of the Partnership, registered in due manner, a decision on creation of the Partnership, a state registration certificate of the Partnership;
- documents proving the title of Partnership to the property being on the books of the Partnership;
- internal documents of the Partnership;
- annual statement;
- accounting documents;

- accounting reports;
- minutes of general meetings, the auditor of the Partnership;
- reports of Partnership's auditor, state and municipal financial control bodies;
- other documents, prescribed by the federal law;
- other documents, prescribed by the internal documents of the Partnership, decisions of the General meeting, and documents prescribed by the legal acts of the Russian Federation.

The Partnership must provide access to abovementioned documents for Partnership members.

7.5. An auditor shall be elected for a three-year term to enable the general meeting to control financial and economic activity of the Partnership.

7.6. The authorities reserved for the auditor of the Partnership are as follows:

- check (audit) of financial and economic activity of the Partnership at the end of the year and at any time on request of the member of the auditor, resolution of the general meeting or on request of a Partnership member;

- requesting financial and economic documents from the regulating bodies of the Partnership;
- call of the general meeting;
- making a report based on the results of financial and economic audit specifying:
- confirmation of credibility of the data contained in the reports and other financial documents of the Partnership;

- information about the violations of the accounting and financial reporting procedures established by legal acts of the Russian Federation, as well as violations of legal acts of the Russian Federation in the course of financial and economic activities.

7.7. Operating procedures of the auditor of the Partnership shall be determined by the internal rules approved by the general meeting.

## 8. PROPERTY OF PARTNERSHIP

8.1. Partnership may own buildings, structures, residential buildings, equipment, инвентарь, monetary funds in rubles and foreign currency, securities and other property. The Partnership may own or lease land areas in accordance with the law of the Russian Federation.

8.2. Sources of Partnership assets established in monetary and other forms are:

- entrance fees of Partnership members;
- long-term and short-term credits, loans;
- regular and one-time contributions from Partnership members;
- voluntary assets contributions and donations;
- income from sale of goods, works, services;
- income brought by Partnership assets;
- other inputs which are not prohibited by the law.

The laws may limit the sources of income of the Partnership.

8.3. The procedure for regular and one-time contributions shall be established by the general meeting of the partnership.

8.4. The profit obtained by the Partnership shall not be distributed among the members of the Partnership.

8.5. The Partnership may not pay remuneration to members for participation in the general meeting except for the compensation for expenses directly related to the participation in the general meeting.

8.6. The Partnership established the following endowments based on the target fees of members and profits:

- capital investments;
- payroll;
- representation, reserve, etc. – on decision of the general meeting of members of the Partnership.

The composition, purpose, size and procedure for establishment and use of relevant funds shall be determined by the resolution of the general meeting of members of the Partnership.

8.7. The size of target fees and the payment procedure for members shall be determined by the resolution of the general meeting of the Partnership.

## 9. REORGANIZATION AND LIQUIDATION

9.1. The Partnership may be voluntarily reorganized and/or liquidated in accordance with the procedure established by the law of the Russian Federation.

9.2. The Partnership may be reorganized into a fund, autonomous non-commercial organization, business entity.

9.3. The Partnership may be liquidated by the court judgment for reasons stipulated by the law of the Russian Federation.

9.4. The liquidation commission gets powers to manage activities of the Partnership from the date of its appointment.

9.5. In case of Partnership liquidation (in absence of successor) all documents (финансовоfinancial and economic, governing, personnel, etc.) shall be handed in due manner to the government for storage.

9.6. During the liquidation of the Partnership, the property remaining after settlements with the creditors shall be used to achieve goals for which it was established and (or) for charity purposes in the manner set out by the general meeting of the Partnership, unless otherwise prescribed by the law of the Russian Federation.

9.7. During the liquidation of the Partnership, the property remaining after settlements with the creditors shall be distributed among its members proportionate to their asset contribution the size of such share not exceeding the size of their asset contributions unless otherwise prescribed by the law of the Russian Federation.

9.8. If the assets of the liquidated Partnership may not be used in accordance with its constitutive documents, they shall become the government revenue.