

# **Helicopter Industry Association Membership Regulations**

## **TERMS AND DEFINITIONS**

**Association** – a voluntary association of legal entities and individuals, the activities of which are related with the helicopter industry, for the purposes of coordinating their business activities, as well as representing and protecting their common property interests.

**Helicopter Industry (HI)** – production, operational, administrative, informational and other resources and facilities in the helicopter manufacturing area.

**Full Association Members** – legal entities, carrying out activities in the field of the helicopter industry, accepting the objectives of the Association and performing their obligations before the same, having the right to vote at general meetings of Association’s members, having representative rights in the governing bodies of the Association.

**Associated Members of the Association** - legal entities, carrying out activities in the field of the helicopter industry, accepting the objectives of the Association, prepared to promote the activities of the Association and development of the helicopter industry. Associated Members of the Association have no voting rights, have no representative rights in the governing bodies of the Association, may participate in the Association’s events without the right to vote subject to a resolution (upon invitation) of the Management Board.

**Honorary Members of the Association** – representatives of legislative and executive authorities, state institutions, representatives of mass media and other Russian and foreign organizations, that made a significant contribution to the development of the Association’s activity.

**Admission Fee** – Funds transferred to the Association’s account upon joining the Association, the fee amount shall be determined by the General Meeting of Association’s members.

**Membership Fee** – Funds transferred annually by member of the Association for maintenance of administrative personnel, consulting service, achievement of objectives of the Association.

**Target Fee** - Funds transferred by member of the Association meant for financing of particular events and programs.

## **1. GENERAL PROVISIONS**

- 1.1. These Regulations for membership in Helicopter Industry Association (hereinafter - Association) are made on the base of the Articles of Association, approved by the General Meeting of the Association and represent the main document determining the terms of admission to members of the Association, their rights and obligations, procedure for withdrawal from the Association, the amount, form, terms, payment procedure of admission, membership and target fees.

## **2. MEMBERSHIP IN THE ASSOCIATION**

- 2.1. The members of the Association shall be the founding members, as well as persons joining the Association after its state registration and meeting the set requirements to the members of Association according to the Articles of Association and these Regulations.
- 2.2. The Association may include Full Members, Associated Members and Honorary Members.

## **3. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION'S MEMBERS**

### **3.1 Full Association Members**

3.1.1 Full Association Members participate in the realization of constituent objectives of the Association, including through fee payments, provision of property, services and rendering assistance in other form not prohibited by the applicable legislation.

3.1.2. Full Association Members through their authorized representatives shall have the right to:

- participate with a voting right in the procedures of the General Meeting of the Association's members;
- participate in operation of all its bodies, as well as in all events held by the Association, with a voting right;
- discuss any issues in relation to the activity of the Association and make proposals concerning the improvement of its operation;
- receive information on the activity of the Association;
- discuss any issue in relation to their rights and obligations;
- use its services, information resources, promote their activities using the Association's resources – all free of charge.

3.1.3. The powers of representatives of full members of the Association shall be confirmed by the constituent documents, and by powers of attorney issued in accordance with the established procedure.

3.1.4 Full Association Members shall be obliged to:

- pay admission, membership, target and other fees provided for by these Regulations;
- comply with the requirements of the applicable laws of the Russian Federation, Articles of Association, these Regulations and other acts and resolutions adopted by the managing bodies of the Association within their powers;
- not to disclose any confidential information in relation to the activity of the Association and not to provide any information received from the Association to third parties;

- execute the resolutions passed by the General Meeting of the Association’s members;
- participate through their authorized representatives in the procedures of the General Meeting of the Association’s members with a voting right;
- respect the interests of other members, strictly abide by the terms of contracts, agreements and arrangements in relation to the activity of the Association;
- coordinate their actions connected with the activity of the Association with the governing bodies of the Association.

### 3.2. Associated Members of the Association

3.2.1. Associated Members of the Association participate in the realization of constituent objectives of the Association, including through provision of property, services and rendering assistance in other form not prohibited by the applicable legislation

3.2.2 Associated members through their authorized representatives shall have the right to:

- participate in the procedures of the General Meeting of the Association’s members without a voting right;
- upon invitation of the Management Board participate without a voting right in the events held by the Association;
- make proposals concerning the improvement of operation of the Association;
- subject to Resolution of the Management Board receive information on the activity of the Association;

### 3.3. Associated members through their authorized representatives shall have the right to:

3.3.1. attend the General Meeting of the Association’s members and offer their opinions in relation to the issues discussed without participation in the voting;

3.3.2. introduce for consideration of the General Meeting of the Association’s members proposals on issues relating to the activity of the Association by sending the proposals to the Management Board of the Association.

3.3.3. receive information on the activity of the Association.

## **4. TERMS AND PROCEDURE FOR ADMISSION TO MEMBERSHIP OF THE ASSOCIATION**

4.1. In order to join the Helicopter Industry Association as a Member, it is necessary to submit an application to the Management Board of the Association according to the procedure set by these Regulations. The Management Board of the Association presents its recommendations to the General Meeting of members concerning the admission of new member to the Helicopter Industry Association. The applicant shall be considered as accepted to the Helicopter Industry Association as a member after the relevant resolution has been passed by the General Meeting of members and an admission fee has been paid by such member.

4.2. In order to join the Association the applicant shall submit to the Management Board of the Association the following documents:

4.2.1. For Full Members of the HIA:

- Application for admission to the Association addressed to the Chairman of the Associations' Management Board (Appendix No.1) signed by the applicant (signed by head of legal entity and bearing the organization's seal);
- Candidate inquiry form in the established form (Appendix No.2) signed by the applicant (signed by head of legal entity and bearing the organization's seal);
- Certificate of state registration of legal entity;
- Certificate of registration with the tax inspectorate;
- Document confirming the head's powers.

#### 4.2.2 For Associated Members of the HIA:

- Application for admission to the Association addressed to the Chairman of the Associations' Management Board (Appendix No.3) signed by the applicant (signed by head of legal entity and bearing the organization's seal).
- Candidate inquiry form in the established form (Appendix No.4) signed by the applicant (signed by head of legal entity and bearing the organization's seal);
- Certificate of state registration of legal entity;

- 4.3. Applications for admission are reviewed by the Association's Management Board within one month. The Management Board of the Association informs the applicant of the decision made within 10 days.
- 4.4. In case of negative decision of the Management Board in relation to admission of any of the candidates, the latter may object to this decision by submitting an application addressed to the General Meeting of the Association's members and requesting the Chairman of the Management Board to include this issue to the agenda of the General Meeting of members. The decision on admission of such candidate to the Association shall be made by the General Meeting of the Association's members by a simple majority of votes.

## **5. FEES**

- 5.1. The Association is generally financed by the Association's members through payment of admission, membership, target fees.

### 5.2. Admission fees:

5.2.1. The amount of the admission fee shall be 5000 roubles for Full Members and Associated Members of the Association;

5.2.2. Payment of the admission fee by Full Members shall be made within one month from the date of passing of the corresponding resolution by the General Meeting of members.

### 5.3. Membership fees:

5.3.1. The amount of annual membership fee for Full Members shall be set depending on annual revenue turnover of legal entity.

<b>Annual turnover, million roubles</b>	<b>Fee, roubles per year</b>
Less than 1 million roubles	10 000
1-5 million roubles	15 000
5-20 million roubles	20 000
20-50 million roubles	80 000
50-100 million roubles	160 000
100-500 million roubles	240 000
500-1 000 million roubles	320 000
1 000-3 000 million roubles	400 000
More than 3 000 million roubles	600 000

5.3.2. Payment of membership fees by Full Members of the Association shall be made annually. A Full Member may pay a membership fee on a quarter-by-quarter basis. The payment shall be made before the period, for which the fee is paid. In case of payment of a membership fee from January 1 to June 30 of the year, for which the fee is paid, a multiplying ratio of 1.1 shall be applied to the fee amount. In case of payment of a membership fee from July 1 to December 31 of the year, for which the fee is paid, a ratio of 1.2 shall be applied to the fee amount.

5.3.3. In the event of failure to pay the membership fee for the current calendar year before January 15 of the following year, the Full Member of the Association shall be notified of the existing debt by the corresponding letter of the Management Board.

5.3.4. If the membership fee debt is not paid up by March 15 of the following year, the HIA member's status is changed from "Full" to "Associated". The Management Board of the HIA shall be obliged to notify such HIA member of the change in his status and effect the corresponding changes by April 15.

5.4. Admission and membership fees shall be paid in monetary form.

5.5. Admission and membership fees are used for the upkeep of the management structures, achievement of objectives of the Association.

5.6. Target fees intended for financing of particular events and programs, as well as other fees, may be set in the Association.

5.6.1. The amount of target fees to be paid shall be set based on the funds necessary to the Association for a calendar year in order to hold particular events and complete particular programs during the year.

5.6.2. The target fees shall only be paid voluntarily by companies other than members or Members of the Association willing to contribute to the Target Fund. The fact of contribution of an Association's Member to the Target Fund is evidenced by the corresponding application.

5.7. Reinstatement of the status of Full Member of the HIA shall be performed subject to resolution of the Management Board within one month after payment of the membership fee debt.

5.8. The procedure of determination and accrual of membership fees:

5.8.1. The amount of membership fee for Full Association Members shall be set forth in clause 5.3.1 of these Regulations.

5.8.2. The amount of membership fee for each newly admitted HIA member shall be set based on clause 5.3.1. of these Regulation and clause 21 of the Candidate Inquiry Form signed by the Head of the legal entity joining the Association.

5.8.3. The basis for determining the specific amount of membership fee for each Full Member of the HIA shall be the legal entity's annual turnover stated either in the Candidate Inquiry Form or in a letter on a corporate blank form of the legal entity and signed by the legal entity's Head.

5.8.4. The ground for payment of the membership fees shall be an information letter from the Association's Management Board signed by the Chairman of the Management Board or his Deputy. The information letter regarding the payment of fees must contain information on the basis used for determination of the fee amount, including the name and date of execution of the document confirming the annual turnover of the legal entity, as well as the period, for which the membership fee was accrued.

5.8.5. The ground for re-determination of a membership fee shall either be amendment of these Regulations or a letter from the Head of a legal entity requesting re-determination due to a change in the annual turnover of the legal entity.

5.8.6. The letter of the Head of a legal entity requesting re-determination of the membership fee due to a change in annual turnover of a legal entity must be sent to the Association's Management Board by January 15 of the current year. If the letter requesting re-determination of the membership fee is sent later than January 15, the amount of membership fee for the current year may not be changed. On the basis of the letter the membership fee may be changed in the year following the year, in which such letter was submitted.

5.8.7. The letter informing of the resolution made regarding re-determination of the membership fee shall be sent to the Full Member of the HIA and signed by the Chairman of the Management Board or his deputy.

#### 5.9. Procedure of writing-off debts:

5.9.1 In the Association the writing-off of financial, property debts and other liabilities shall be conducted in accordance with the legislation of the Russian Federation and adopted by a Resolution of the General Meeting of members of the HIA.

### **6. PROCEDURE AND TERMS OF TERMINATION, SUSPENSION OF MEMBERSHIP IN THE ASSOCIATION**

6.1. A member of the Association may at its own discretion withdraw from the Association upon termination of the financial year. In this case, it shall bear subsidiary liability for obligations of the Association proportionally to its admission fee for two years from the date of withdrawal.

6.2. Not later than three months after submission by the member of application on withdrawal from the Association, the Association shall be obliged to make settlements with the withdrawing member under contracts concluded with the Association.

- 6.3. After the resolution of abovementioned issues, at the next meeting of the Association's Management Board the resolution on withdrawal of the applicant from the Association is approved.
- 6.4. A member of the Association may be expelled from the Association by decision of remaining members, if it repeatedly fails to perform its obligations or violates any obligations undertaken by it before the Association, and also if it prevents the Association from normal operation by its actions or omissions of actions. In relation to responsibility of the expelled member, the rules connected with the withdrawal from Association shall apply. In case of expulsion of a member from the Association, the General Meeting of members based on preliminary decision of the Association's Management Board shall make a written resolution in relation to this issue with indication of particular reasons that resulted in the expulsion.
- 6.5. In case of membership loss, the fees of members are not subject to repayment.
- 6.6. Membership in the Association may be suspended by decision of the Association's Management Board for the term not exceeding 6 months from the date of making a relevant decision by the Management Board.
- 6.7. Grounds for suspension of membership shall be:
- voluntary suspension of membership;
  - establishment of a fact of violation of professional activity rules and other norms of professional activity regulations adopted by the Association;
  - non-conformity of a member of the Association to the membership requirements;
  - failure to pay a membership fee in accordance with the established procedure.
- 6.8. Membership in the Association may be restored by decision of the Association's Management Board based on application of the member of the Association, in respect of which the membership was suspended, and upon recommendations of the General Meeting of the Association's members.

## **7. FINAL PROVISIONS**

- 7.1. These Regulations shall become effective from the date of their approval by the General Meeting of the Association's members.
- 7.2. Changes and additions to these Regulations shall be approved by the Association's Management Board and shall become effective from the date of their approval by the General Meeting of the Association's members.

**Appendix No. 1**  
to Helicopter Industry Association MEMBERSHIP REGULATIONS

To Chairman of the Management Board  
of the Helicopter Industry Association

From \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Contact telephone: \_\_\_\_\_

**APPLICATION**  
**for admission to the Helicopter Industry Association as a Full Member**

\_\_\_\_\_ hereby request(s) you to admit our organization to the Helicopter Industry Association as a **Full Member**. We have familiarized ourselves and agree to the provisions of the Articles of Association and the Association Membership Regulations.

We hereby guarantee the payment of an admission fee.

Head \_\_\_\_\_  
(surname, name, patronymic)

Name of Head's position \_\_\_\_\_

Signature \_\_\_\_\_

L. S.

Date \_\_\_\_\_



**Appendix No. 2 to HIA MEMBERSHIP REGULATIONS**

**INQUIRY FORM  
of candidate for Full Membership in the Helicopter Industry Association**

1	<b>Full name</b> ( <i>in Russian in accordance with constituent documents</i> )	
2	<b>Name in English</b>	
3	<b>Legal address</b>	
4	<b>Actual address</b>	
5	<b>Postal address (including postal code)</b>	
6	<b>Position of Head</b>	
7	<b>Surname, name, patronymic of Head</b>	
8	<b>Primary State Reg. No. (OGRN) and date of assignment of the OGRN</b>	
9	<b>Taxpayer Id. No. (INN) Tax Reg. Reason Code (KPP)</b>	
10	<b>Code per Russian National Nomenclature of Businesses and Organizations (OKPO) Code per Russian National Nomenclature of Political Subdivisions (OKATO) Code per Russian National Nomenclature of Types of Economic Activities (OKVED)</b>	
11	<b>Servicing bank</b>	
12	<b>Settlement account (in roubles)</b>	
13	<b>Bank's Correspondent account</b>	
14	<b>Bank's BIC</b>	
15	<b>Chief Accountant</b>	
16	<b>Phone at reception</b>	
17	<b>Accounting department's phone</b>	
18	<b>Fax</b>	
19	<b>E-mail address</b>	
20	<b>Website</b>	
21	<b>Annual revenue turnover</b> <i>(see cl. 5.3.1 of Membership Regulations)</i>	

\_\_\_\_\_

*(name of Head's position)*

\_\_\_\_\_

*(signature)*

\_\_\_\_\_

*(print name)*

L. S.

**Appendix No. 3**  
to Helicopter Industry Association MEMBERSHIP REGULATIONS

To Chairman of the Management Board  
of the Helicopter Industry Association

From \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Contact telephone: \_\_\_\_\_

**APPLICATION**  
**for admission to the Helicopter Industry Association as an Associated Member**

\_\_\_\_\_ hereby request(s) you to admit our organization to the Helicopter Industry Association as an **Associated Member**. We have familiarized ourselves and agree to the provisions of the Articles of Association and the Association Membership Regulations.

Head \_\_\_\_\_  
(surname, name, patronymic)

Name of Head's position \_\_\_\_\_

Signature \_\_\_\_\_

L. S.

Date \_\_\_\_\_

**INQUIRY FORM**  
**of candidate for Associated Membership in the Helicopter Industry Association**

1	<b>Full name</b> ( <i>in Russian in accordance with constituent documents</i> )	
2	<b>Name in English</b>	
3	<b>Legal address</b>	
4	<b>Actual address</b>	
5	<b>Postal address (including postal code)</b>	
6	<b>Position of Head</b>	
7	<b>Surname, name, patronymic of Head</b>	
8	<b>Primary State Reg. No. (OGRN) and date of assignment of the OGRN</b>	
9	<b>Taxpayer Id. No. (INN)</b> <b>Tax Reg. Reason Code (KPP)</b>	
10	<b>Phone at reception</b>	
11	<b>Fax</b>	
12	<b>E-mail address</b>	
13	<b>Website</b>	

\_\_\_\_\_

*(name of Head's position)*

\_\_\_\_\_

*(signature)*

\_\_\_\_\_

*(print name)*

L. S.