

Helicopter Industry Association Membership Regulations

*Approved
by Resolution of General Meeting of members
of Helicopter Industry Association
Minutes No. 13 dated November 17, 2010.*

TERMS AND DEFINITIONS

Association – a voluntary association of legal entities and individuals the activity 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 and individuals registered in the Russian Federation, carrying out their activities in the field of the helicopter industry, accepting the objectives of the Association and performing their obligations, having the right to vote at general meetings of Association's members.

Associated Members of the Association - legal entities and individual entrepreneurs, including foreign entrepreneurs, and other persons, by nature of their activities related with helicopter industry and / or capable of rendering assistance in achievement of the Association's objectives.

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 founding members, as well as persons joining the Association after its state registration, meeting the set requirements to the members of Association according to the Articles of Association and these Regulations for membership, that paid an admission fee and are the members of Association.
- 2.2. Full and associated members may join the Association.
- 2.3. Organizations and individuals registered within the Russian Federation, carrying out their activity in the field of helicopter industry, accepting the objectives and tasks of the Association and fulfill their obligations before the Association, may be full members of the Association.
- 2.4. Legal entities and individual entrepreneurs, including foreign legal entities and entrepreneurs, as well as other persons, by nature of their activities related to helicopter industry and / or capable of rendering assistance in achievement of the Association's objectives, may be associated members of the Association.
- 2.5. Representatives of legislative and executive authorities, public institutions, representatives of mass media and other Russian and foreign organizations, that made a significant contribution to the development of the Association's activity, may be honorary members of the Association. Honorary members shall have the right to consultative vote at the General Meeting of members and shall have the status of associated members of the Association.

3. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION'S MEMBERS

- 3.1. The Association members participate in realization of constituent objectives of the Association, including through fee payments, provision of property, services and rendering assistance in other form, not prohibited by applicable legislation.
- 3.2. Full members of the Association through their authorized representatives shall have the right to:
 - 3.2.1. participate with voting right in activity of the General Meeting of the Association's members;
 - 3.2.2. participate in activity of all its bodies, as well as in all events carried out by the Association;
 - 3.2.3. discuss any issues in relation to the activity of the Association and make proposals concerning the improvement of its work;
 - 3.2.4. obtain information on activity of the Association;
 - 3.2.5. discuss any issue in relation to their rights and obligations;
 - 3.2.6. use its services free of charge;

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

3.3. Full members of the Association shall be obliged to:

3.3.1. pay admission, membership, target and other fees provided by these Regulations;

3.3.2. comply with the requirements of applicable laws of the Russian Federation, Articles of Association, these Regulations, and other acts and resolutions, adopted by the management bodies of the Association within their powers;

3.3.3. not to disclose confidential information in relation to the activity of the Association, and not to provide any information obtained from the Association to third parties;

3.3.4. execute the resolutions made by the General Meeting of the Association's members;

3.3.5. participate through their authorized representatives in the activity of the General Meeting of the Association's members;

3.3.6. respect the interests of other members, strictly abide the terms of contracts, treaties and agreements, in relation to the activity of the Association;

3.3.7. coordinate their actions connected with the activity of the Association with governing bodies of the Association.

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

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

3.4.2. introduce to the General Meeting of the Association's members proposals for issues relating to the activity of the Association, through sending the proposals to the Management Board of Association.

3.4.3. obtain information in relation to the activity of the Association.

3.5. Associated members of the Association shall be obliged to comply with the requirements of the Articles of Association and resolutions of management bodies of the Association, pay admission and membership fees, unless otherwise provided by these Regulations.

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

4.1. In order to join the Helicopter Industry Association as a full member, it is necessary to submit an application to the Board of the Association according to the procedure set by these Regulations. The 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 after making of relevant resolution by the General Meeting of members and admission fee payment by this member.

- 4.2. In order to join the Association as a full member, the applicant shall submit to the Board of the Association the following documents:
- 4.2.1. Association admission application in the name of the Chairman of the Association Board (Appendix No.1), signed by the applicant (for legal entities – signed by the director, affixed with the seal of organization).
 - 4.2.2. Application in set form (Appendix No.2), signed by the applicant (for legal entities – signed by the director, affixed with the seal of organization).
 - 4.2.3. Copies of documents confirming registration of entities and passports of representatives, and other documents confirming their legal status.
 - 4.2.4. For individuals, representatives of state organizations, letter from represented state organization signed by the director, affixed with the seal of organization.
- 4.3. Application are examined by the Association Board within a month. The Board of the Association informs the applicant on the decision made within 10 days.
- 4.4. In case of negative decision of the Board in relation to admission any of the applicants, the latter may contest this decision by submitting an application in the name of the General Meeting of the Association's members, requiring the Board Chairman to include the issue to the agenda of the General Meeting of members. Decision on admission of such member 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 financed generally by the members through payments of admission, membership, target fees.
- 5.2. Admission fees:
- 5.2.1. The amount of admission fees is:
 - 5 000 rubles for Full Members of the Association
 - 100 rubles for Associated Members
 - 100 rubles for Honorary Members (representatives of legislative and executive authorities)
 - 5.2.2. Payment of admission fees shall be made by the candidate member within one month from the date of relevant decision making by the General Meeting of members.
- 5.3. Membership fees:
- 5.3.1. The amount of membership fees for Full Members shall be set depending on annual proceeds turnover of legal entity.

Annual turnover, million rubles.	Fee, rubles per year.
Less than 1 million rubles	10 000
1-5 million rubles	15 000
5-20 million rubles	20 000
20-50 million rubles	80 000
50-100 million rubles	160 000
100-500 million rubles	240 000
500-1 000 million rubles	320 000
1 000-3 000 million rubles	400 000
More than 3 000 million rubles	600 000

5.3.2. Payment of membership fees by the Full Members of the Association shall be made annually. Full member shall be entitled to 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 membership fee from January 1 to June 30 of the year, for which the fee is paid, a multiplying ratio equal to 1.1 shall be applied. In case of payment of membership fee from July 1 to December 31 of the year, for which the fee is paid, the ratio equal to 1.2 shall be applied to the fee amount.

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

5.5. Admission and membership fees are used for maintenance of administrative personnel, consulting service, achievement of objectives of the Association.

5.6. Target fees meant 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 resources necessary to the Association for calendar year in order to execute particular events and programs per year.

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

6.1. Full member of the Association shall be entitled at its own discretion to withdraw from the Association upon termination of the financial year. In this case, it shall bear subsidiary responsibility for obligations of the Association proportionally to its admission fee within 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 perform settlements with retiring member for contracts concluded with the Association.

6.3. After solution of above questions, at the next meeting of the Association Board resolution on withdrawal from the Association shall be approved.

6.4. A member of the Association may be expelled from the Association by decision of remaining members in case of regular non-performance of its obligations, or violation of obligations assumed to the Association, as well as if it prevents the Association by its actions or omissions from normal work. In relation to responsibility of the expelled member, the rules connected with the withdrawal from Association shall apply. In case of

exclusion of a member from the Association, the General Meeting of members based on preliminary decision of the Association Board shall make a written resolution in relation to this issue with indication of particular reasons that resulted in exclusion.

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 Board for the term not exceeding 6 months from the date of making a relevant decision by the Board.

6.7. Grounds for membership suspension are:

- voluntary membership suspension;
- 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;
- non-payment of membership fee in accordance with the established procedure.

6.8. Membership in the Association may be restored by decision of the Association Board based on the application of the member of the Association, in relation to which the membership was suspended, and 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 Board and shall become effective from the date of their approval by the General Meeting of the Association's members.

Translated from Russian into English by translator Dubinina Alexandra Igorevna at the «Bureau-credo» LLC translation bureau. This is an accurate translation of the original document.

Dated this 23 day of March, 2011

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