

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 a member of the Association for maintenance of administrative personnel, consulting service, achievement of objectives of the Association.

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 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 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 at 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 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;

3.2.3. Associated members of the Association shall be obliged:

- to comply with the requirements of the current legislation of the Russian Federation, the Charter of the Association, these Regulations, as well as other acts and decisions adopted by the management bodies of the Association within their powers;
- not to disclose confidential information related to the activities of Association, as well as not to provide third parties with information received from the Association;
- to fulfil the decisions taken by the General Meeting of the Association members and/or other management bodies of the Association, and, if requested to do so, cooperate with the management bodies of the Association on issues related to the promotion of the activities of Association and development of the helicopter industry market in the Russian Federation;
- to respect the interests of other members, strictly observe the terms of contracts and agreements concerning the activities of Association, coordinate their actions concerning the activities of Association with the governing bodies of the Association;
- periodically, but not less than once every 3 years, confirm their intentions to continue their activities in the Association on the terms of associate membership.

3.3. Honorary members of the Association 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 procedure;

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 OF MEMBERSHIP IN 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 a 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 is passed by the General Meeting of members and an admission fee is 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 filing in the tax authority;
- 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;
- Certificate of filing in the tax authority;
- Document confirming the Head's powers.

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 its decision within 10 days.

4.3.1. Based on the results of review of candidate's application, the Association's Management Board may make one of the following decisions:

4.3.1.1. about approval of a candidate and inclusion of the issue of its admission to the members of the Association in the agenda of the next General Meeting of the Members of the Association;

4.3.1.2. about approval of a candidate and taking the decision by the Association's Management Board on its inclusion in the membership of the Association in the special procedure, in accordance with clause 4.6 of the Charter of the Association and clause 4.5 of these Regulations on membership in the Association;

4.3.1.3. about rejection of candidate's application and refusal to admit into the Association.

4.3.2. Applicant shall be notified of the decision by the Association's Management Board within 10 working days.

4.4. In case of negative decision of the Management Board in relation to admission of any of the candidates, the latter may contest 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.

4.5. The special procedure for admission to membership in the Association:

- 4.5.1. The Association's Management Board has the right to make a decision on admitting a new member of the Association in the special procedure, without bringing the issue to the General Meeting of the members of the Association, in the following cases:
- 4.5.1.1. if a legal entity joining the Association is a legal successor of a member of the Association, reorganized in accordance with the current legislation;
- 4.5.1.2. in case of a legal entity joining the Association, instead of a retiring member of the Association, to which the representative functions have been transferred, in accordance with the decision of a company (holding or group of companies, etc.) represented in the Association.
- 4.6. The Association's Management Board shall notify the members of the Association at a next General Meeting of the members of the Association about admission of a candidate for membership in the Association in the special procedure.

5. FEES

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

Annual turnover, million roubles	Fee, roubles per year
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 until 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 by 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. By the resolution of the General Meeting of Association's Members or the Management Board of the Association, the Association may accept from the Members of Association or from other persons voluntary property fees and donations designated to finance any specific events, programs or activities of the Association aimed at achieving the objectives thereof.
- 5.7.1. The amount of the voluntary property fees and donations is not limited and is determined based on the Association's needs for financing any specific events, programs or activities of the Association aimed at achieving the objectives thereof.
- 5.7.2. Voluntary property fees and donations shall be made on a voluntary basis only by the Members of Association or by non-members who have stated their willingness to make such fees and donations.
- 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 Regulations 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 about 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 is 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, or data on revenues specified in the HIA Candidate Inquiry Form.
- 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, or the HIA Candidate Inquiry Form must be sent to the Association's Management Board by January 31 of the current year. If the documents requesting re-determination of the membership fee are sent later than January 31, 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.

In the event of an increase in the membership fee according to the letter of the Head of the entity or data on the annual turnover provided in the HIA Candidate Inquiry Form received prior to January 31 of the current year, the increasing coefficients (under clause 5.3.2) are not charged.

- 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.

- 5.10. The Management Board of the Association has the right to decide on offset of the admission and/or membership fee paid by a retired/expelled member of the Association against fulfillment of the obligations to pay the admission and/or membership fee of a member of the Association admitted to the Association in the special procedure, in the cases provided for in the clauses 4.5.1.1 and 4.5.1.2 of these Regulations.

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

- 6.1. A member of the Association may at its own discretion at any time withdraw from the Association.
- 6.2. For the purpose of withdrawal, a Member of the Association should submit a formal application on his intention to withdraw from the Members of Association via e-mail.
- 6.3. Within three months upon receipt of the application for withdrawal from the member of Association, the Association's Management Board shall approve the resolution on withdrawal of the applicant from the Association.

The member of the Association shall be informed on the resolution adopted by an electronic notice sent by the Association to the member's e-mail, and, if the Association has no e-mail of

the Member, by sending the notice to the location address of the Association's member contained in the ESRLE.

6.4. A member of the Association may be expelled from the Association by decision of the General Meeting of Association's members or by the Association's Management Board as advised by the Chairman on the following ground:

6.4.1. for failure to comply with the Articles of Association of the Association, these Regulations, failure to execute the decisions of the Association's governing bodies which are binding upon the Members of the Association, or for violation of the legislation of the Russian Federation.

6.4.2. for non-payment of the membership fee in the amount corresponding to the membership category chosen by it, within the time limits specified in clause 5.3. hereof.

6.4.3. for disclosure of the confidential information that became known to it during interaction with the Association, in the event a trade secret non-disclosure agreement was concluded to obtain such information.

6.4.4. in case of establishment of a fact of cessation of business, including by way of reorganization, liquidation or bankruptcy of a company being a member of the Association;

6.4.5. 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;

6.4.6. if the member of the Association fails to eliminate the causes that have given rise to suspension of its membership within the deadline provided for by clause 6.10 of these Regulations;

6.4.7. in case of loss of contact with the Association and/or termination of activities related to the helicopter industry market, including on the territory of the Russian Federation.

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.

The expelled member of the Association shall be informed on the resolution taken by electronic notice of the Association sent to the e-mail of the member, and, if the Association has no e-mail of the expelled member, to the location address of the expelled member of the Association contained in the USRLE.

6.5. Unless otherwise provided in these Regulations, 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:

6.7.1 voluntary suspension of membership;

6.7.2 establishment of a fact of violation of professional activity rules and other norms of professional activity regulations adopted by the Association;

- 6.7.3 non-conformity of a member of the Association to the membership requirements;
 - 6.7.4 failure to pay a membership fee in accordance with the established procedure.
 - 6.7.5 failure to fulfil the duties of a member of the Association stipulated by these Regulations.
- 6.8. If the Management Board takes a resolution on suspension of membership in the Association, a relevant notice of membership suspension shall be forwarded to the member of the Association whose membership is suspended. The said notice shall be sent to the member of the Association in the electronic form to its e-mail address, and, if the Association has no e-mail of the member, to the location address of the member of the Association contained in the USRLE.
- 6.9. 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.
- 6.10. If the grounds that caused suspension of membership in the Association have failed to be eliminated within 6 months from the date of taking by the Management Board of the relevant decision, the member of the Association shall be subject to expulsion from the Association.

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: _____

Contract telephone: _____

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

_____ hereby request(s) 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 _____
(Full name)

Name of Head's position _____

Signature _____

Stamp here

Date _____

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

of candidate for Full Membership in the Helicopter Industry Association

1	Full and short name <i>(in Russian in accordance with constituent documents)</i>	
2	Name in English	
3	Legal address	
4	Actual address	
5	Postal Address (including postal code)	
6	Head's position	
7	Head's surname, name, patronymic name	
8	Primary State Reg. No. (OGRN) and date of assignment of the OGRN	
9	Taxpayer Id. No. (INN) Tax Reg. Reason Code (KPP)	
10	General classifier of enterprises and organizations (OKPO) National classifier of administrative territorial entities (OKATO) Russian National Classifier of Economic Activities (OKVED)	
11	Servicing bank	
12	Settlement account (in roubles)	
13	Bank's Correspondent account	
14	Bank's BIC	
15	Chief Accountant	
16	Phone at reception	
17	Accounting Department's phone	
18	Fax	
19	E-mail address	
20	Website	
21	Annual revenue turnover <i>(see clause 5.3.1 of Membership Regulations)</i>	

(name of Head's position)
Stamp here

(signature)

(printed name)

Appendix No. 3

to Helicopter Industry Association MEMBERSHIP REGULATIONS

To Chairman of the Management Board
of the Helicopter Industry Association

From _____

Address: _____

Contract telephone: _____

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

_____ hereby request(s) 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 _____
(Full name)

Name of Head's position _____

Signature _____

Stamp here

Date _____

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

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

(name of Head's position)
Stamp here

(signature)

(printed name)