

APPROVED

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HR ASSOCIATION Human Resources Management
Non Governmental Organization
Statutory Meeting Resolution
May 12, 2010

Consists of 9 pages (including the Annex)

REGISTERED

President of Organization

RA State Legal Entity
Register Agency
Central Authority

Date of Registration: May 19, 2010

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Head of RA State Legal Entity Register Agency

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**“HR ASSOCIATION”
HUMAN RESOURCES MANAGEMENT
NON GOVERNMENTAL ORGANIZATION**

CHARTER

Yerevan – 2010

1. GENERAL PROVISIONS

- 1.1. “HR Association” Human Resources Management Non-governmental Organization (hereinafter the Organization) is a non-profit organization. The Organization does not distribute the profit among the participants. It unites in due order natural persons – citizens of Republic of Armenia or foreign countries or stateless, acting in their common interest and intending to satisfy their non religious, mental and other non material needs, to protect their and other parties’ rights and interests, to provide material and non material assistance to the society and specific groups thereof and to perform other socially useful activities.
- 1.2. The Organization obtains the status of a legal entity from the date of state registration in compliance with the RA Law on State Registration of Legal Entities and the RA Law on Non Governmental Organizations.
- 1.3. The Organization is Armenia based and acts under the RA Constitution, the existing RA laws, the RA International Treaties and this Charter.
- 1.4. The Organization has a round seal bearing Armenian and English wording, a logotype, letterheads and current bank accounts for AMD and foreign currency.
- 1.5. The title of the Organization is:

Full name in Armenian: «ՄՌ Ասոցիացիա» Մարդկային Ռեսուրսների Կառավարման Հասարակական Կազմակերպություն
Short name in Armenian: «ՄՌ Ասոցիացիա» ՀԿ

Full name in English: “HR Association” Human Resources Management Non Governmental Organization
Short name in English: “HR Association” NGO

Full name in Russian: “HR Ассоциация” Общественная Организация Управления Человеческими Ресурсами
Short name in Russian: “HR Ассоциация” ОО

- 1.6. The logotype of the Organization contains wording in English “HR Club Armenia” in blue and orange color combination (Annex 1).
- 1.7. The legal address of the Organization is: apt. 29, Vardanants 14/1, Yerevan, Armenia.

2. PRINCIPLES OF OPERATION

- 2.1. The Organization adheres to the principles of lawfulness, humaneness, publicity, voluntary membership, equality of members, self-management and collegial governance.
The Organization enjoys equal rights to other non governmental organizations.
- 2.2. The Organization independently establishes its organizational structure, and areas, objectives and forms of activities.
- 2.3. The Organization can conduct business activities only through establishment of or participation in business enterprises.

3. EXTERNAL RELATIONS OF ORGANIZATION

3.1. GOVERNMENT AND ORGANIZATION

- 3.1.1. The Government ensures the protection of the rights and legal interests of the Organization in due order.
- 3.1.2. The Government assists and supports the Organization in cases and in the manner established under the laws and bylaws.

- 3.1.3. The Organization can on its own initiative or on the initiative of central or local government, and on contractual basis or in other forms of mutual agreement, fully implement or participate in the central and local governments' social, healthcare, education, cultural, sport and other projects, events and tenders of public importance.

3.2. INTERANATIONAL RELATIONS OF ORGANIZATION

- 3.2.1. Under the Charter, the laws and bylaws and international treaties, the Organization can cooperate with and be a member to international and foreign non governmental, non commercial organizations and establish other international relationship.
- 3.2.2. Under the Charter the Organization can establish independent units in foreign countries in compliance with the laws of those countries, unless otherwise specified under the international treaties of the Republic of Armenia.

4. GOALS AND SUBJECT OF ACTIVITIES OF ORGANIZATION

- 4.1. The primary goal of the Organization is the establishment of a professional HR management community in the Republic of Armenia, which through introduction of modern Human Resource Management technologies will promote the development of an efficient HR system through harmonization of the best international practices and the national specifics.

In addition the non governmental organization aims to achieve the following sub-goals:

1. Study and sharing of the advanced HR management practices in Armenia and foreign countries;
2. Drafting, introduction and development of Professional Code of Ethics for HR managers in Armenia;
3. Design and implementation of projects intended for development of HR managers and general HR potential in Armenia.

To realize the aforementioned targets the Organization intends to implement the following projects in due order:

1. Initiation, organization and implementation, as well as assistance in organization of HR related competitions, career days, conferences, workshops and training courses;
2. Cooperation with employment centers, research of labor market in Armenia, development of forms and methods of promotion of reforms in the labor market;
3. Arrangement of annual competitions in Armenia: "The Best Employer," "HR Brand;"
4. Provision of career monitoring of Association members, their legal and social protection;
5. Organization of other HR related events.

- 4.2. The subject of activities of the Organization is:

To ensure the efficient implementation of statutory goals and objectives the Organization can in legally defined order arrange and provide professional consulting, research, educational and training courses, workshops, social surveys, roundtable discussions, meetings, events, exhibitions, promotion, advocacy and any other activities permitted under the RA laws and this Charter.

5. STRUCTURE AND MANAGEMENT OF ORGANIZATION

5.1. GENERAL MEETING OF ORGANIZATION

- 5.1.1. The General Meeting is the supreme governing body of the Organization and is empowered to solve any issue relating to the operation and provides the supervision over the activities of the Organization.

- 5.1.2. The General Meeting is called by the Board of the Organization regularly, once in two years. The Board determines the procedure, agenda, date and place of the General Meeting, and notifies the participants at least 14 days in advance.
- 5.1.3. The General Meeting is deemed valid if at least more than half of the members of the Organization or their delegates attend the Meeting. The Meeting can be attended by proxy or in person or via conference call. The documents are recorded and distributed to the participants of the Meeting in due order, so that the author of the particular document can be identified precisely. Should the number of members of the Organization exceed 50, they can delegate their representatives to attend the Meeting by the decision of the Board.
- 5.1.4. The exclusive powers of the General Meeting include:
 - a) Make amendments to the Charter of the Organization and approve the restated Charter;
 - b) Elect the members and Chairman of the Board for 2-year term, early terminate their powers and make changes in the composition of the Board;
 - c) Approve the managerial reports on the performance and the assets management of the Organization
 - d) Take decisions on reorganization and liquidation of the Organization.
- 5.1.5. The powers of the General Meeting cannot be delegated to other authorities.
- 5.1.6. The extraordinary General Meeting is called at the request of 1/3 of members of the Organization according to the procedure established for convocation of the regular General Meeting. The participants are notified about the extraordinary General Meeting at least 3 days in advance.
- 5.1.7. Any participant or delegate to the General Meeting has one vote.
- 5.1.8. The decisions of the General Meeting are made by more than half of votes of members or delegates.

5.2. BOARD OF ORGANIZATION

- 5.2.1. The Board is the executive authority of the Organization and is elected by the General Meeting for 2-year term. It exercises the managerial powers of the Organization in periods between the regular General Meetings.
- 5.2.2. The General Meeting of the Organization determines the quantitative composition and elects the members of the Board.
- 5.2.3. The Board of the Organization is a collegial body, and the decisions are made collectively by the majority vote of members.
- 5.2.4. The Board meetings are deemed valid if more than half of the Board members attend the Meeting.
- 5.2.5. The Board determines its operating procedures independently.
- 5.2.6. The Board can create positions and structural units to perform specific functions, ad hoc committees and work groups and define their regulations and operating procedures.
- 5.2.7. Each Board member has one vote.
- 5.2.8. The Board of the Organization:
 - a) Establishes its operating procedures;
 - b) Decides on establishment of business enterprises or membership thereto;
 - c) Decides on establishment and liquidation of independent units of the Organization – branches, representation offices and institutes; approves their charters, regulations and operating procedures and annual performance statements;
 - d) Makes recommendations to the President of the Organization on the staff list and payroll of the Organization;
 - e) Decides on the procedure, agenda, place, date and time of General Meeting;
 - f) Decides on membership to and resignation from the Organization, the admittance and membership fees and procedure of payment;
 - g) Makes decisions in cases specified in the Charter on issues not reserved to the powers of other managerial authorities of the Organization.

5.3. President of Organization

- 5.3.1. The President of the Organization is elected by the General Meeting for 2-year term.
- 5.3.2. The President:
- a) Coordinates the current activities of the Organization;
 - b) Provides the implementation of decision of the General Meeting and the Board;
 - c) Acts in the name of the Organization, represents the same in the Republic of Armenia and abroad, with central and local government bodies and other organizations and at official meetings, without power of attorney;
 - d) Approves the staff list and payroll of the Organization upon the recommendation of the Board;
 - e) Executes transactions, agreements and contracts and ratifies other documents on behalf of the Organization upon the recommendation of the Board and independently;
 - f) Coordinates the work of the structural and independent units of the Organization;
 - g) Attends the General Meetings and the Board meetings with a voting right;
 - h) Signs the documents approved by the General Meeting and the Board;
 - i) Issues powers of attorney;
 - j) Calls extraordinary Board meetings;
 - k) Can submit request to the Board on calling of extraordinary General Meeting;
 - l) Takes decisions on current operational issues unless such issues are reserved to the powers of the General Meeting and the Board; issues orders, instructions and takes decisions within the scope of his/her powers;
 - m) Disposes the assets and resources of the Organization in any kind and amount in compliance with the law, the Charter and the Board decisions;
 - n) Submits performance reports to the General Meeting and the Board, approves the annual reports of the Organization and discloses the same to the government authorities and organizations;
 - o) Exercises other rights reserved thereto by the Charter, the General Meeting and the Board;
 - p) Takes individual decisions within the powers reserved thereto.

5.4. MEMBERSHIP TO ORGANIZATION: ADMITTANCE AND RESIGNATION

- 5.4.1. Any individual above the age of 16, being the citizen of the Republic of Armenia or a foreign country or stateless, who has applied for membership and has agreed to act in compliance with the RA laws, this Charter and the business principles of the Organization can become a member of the Organization.
- 5.4.2. Any person willing to become the member of the Organization has to submit a written request to the Board. The Board takes a decision on the membership of the particular person.
- 5.4.3. The members can resign the membership based on their written request. The membership can also be cancelled through dismissal of the particular member based on the decision of the Board.

5.5. RIGHTS AND RESPONSIBILITIES OF MEMBERS OF ORGANIZATION

- 5.5.1. The member of the Organization is entitled to:
- a) Elect and be elected in the managerial bodies of the Organization;
 - b) Participate in the General Meeting by a casting vote;
 - c) Participate in the events arranged by the Organization;
 - d) Make recommendations and comments on the performance and projects of the Organization, and submit business projects to the managerial bodies of the Organization for consideration;
 - e) Express own standpoint freely;
 - f) Get information on the activities of the Organization and the management decisions;
 - g) Appeal the management decisions to the superior authorities;

- h) Resign the Organization unimpeded;
 - i) Exercise other rights reserved thereto under the RA laws and the Charter.
- 5.5.2. The member of the Organization has to:
- a) Comply with the requirements of the Charter and the management decisions;
 - b) Contribute to the implementation of goals and objectives of the Organization;
 - c) Assist in the activities of the Organization;
 - d) Participate in the works and events of the Organization;
 - e) Guard the good name of the Organization;
 - f) Pay membership fees;
 - g) Perform other responsibilities under the RA laws and this Charter.
- 5.5.3. The membership to the Organization can be cancelled by the decision of the Board where the member has failed to comply with the Charter and the management decisions or to get actively involved in the works of the Organization or to perform fully or adequately the responsibilities assumed toward the Organization or to pay the membership fee regularly.

6. RIGHTS, DUTIES AND RESPONSIBILITIES OF ORGANIZATION

6.1. RIGHTS OF ORGANIZATION

- 6.1.1. To implement the set goals under the Charter, the Organization is legally entitled to:
- a) Disseminate information about its activities;
 - b) Organize and hold peaceful and unarmed assemblies, meetings, marches and demonstrations;
 - c) Represent and protect in due order the rights and legal interests of the Organization and its members against other organizations, at the court and with central and local government authorities;
 - d) Cooperate with non-commercial organizations, including international and foreign non governmental and non commercial organizations, as well as together with those organizations establish independent units – branches, representation offices and institutes to represent and protect common interests;
 - e) Establish and participate in commercial organizations.
- 6.1.2. The Organization can exercise other rights under the law.

6.2. DUTIES AND RESPONSIBILITIES OF ORGANIZATION

- 6.2.1. The Organization has to:
- a) Allow any natural person to review the Charter at their request and within a reasonable period, however no more than 7 business days;
 - b) Keep records and accounting in legally defined order;
 - c) Keep records of the members;
 - d) Submit the performance and asset utilization reports to the General Meeting for approval at least once in two years and provide the public accessibility of the same;
 - e) Disclose information and statements to the state authorities in legally defined cases and order;
 - f) At the valid request of the state justice authority of the Republic of Armenia disclose the latter in reasonable timing the copies of the decisions of the managerial bodies of the Organization and other documents relating to the activities of the Organization, and allow the representatives thereof to attend the General Meeting of the Organization;
 - g) Upon taking a decision on establishment or liquidation of an independent unit or enterprise, apply to the state authority in 1-month period for due registration or cancellation of registration of such units;
 - h) Upon change in the location of the official representative of the Organization (acting without power of attorney) or the Organization, disclose the information about the new passport date

of the official or the new location of the Organization to the state registry within 14 calendar days.

6.2.2. Any other responsibilities can be established for the Organization under the law.

6.2.3. The Organization and its officials bear legal liability for the unlawful actions.

7. OWNERSHIP OF ORGANIZATION

7.1. The assets of the Organization generate from membership fees, grants, donations, lawful activities and legal sources including from foreign organizations.

7.2. The assets owned by the founders and members of the Organization as well as other assets transferred to the Organization are deemed the ownership of the Organization.

The Organization disposes of, uses and manages the assets owned thereby for the purpose of and in compliance with the goals set under the Charter and the law.

The founders and members of the Organization shall not exercise any rights to the assets (including the membership fees) transferred to the ownership of the Organization. They shall not assume responsibility for the liabilities of the Organization, and the Organizations shall not assume responsibility for the liabilities of its members and founders.

7.3. The assets of the Organization cannot be distributed to its founders and members.

8. REORGANIZATION AND LIQUIDATION OF ORGANIZATION

8.1. REORGANIZATION

8.1.1. The reorganization (merger, consolidation, split-up, separation, restructuring) of the Organization is executed by the decision of the General Meeting. The reorganization can be executed in court order only in cases and order specified by the law.

8.1.2. The Organization can merge with other organization(s).

8.1.3. The Organization can consolidate with other organization(s).

8.1.4. Any other organization(s) can consolidate with the Organization.

8.1.5. The Organization can split up to several organizations.

8.1.6. Any organization(s) can be separated from the Organization.

8.1.7. The Organization can be reorganized into a public union of any organizational/legal type or into a foundation.

8.1.8. Any amendments to the charter or termination of operation of the Organizations due to reorganization, as well as the newly established legal entities have to be registered by the state authority in due order.

8.2. LIQUIDATION

8.2.1. The liquidation of the Organization causes the termination of operation without the transfer of its rights and responsibilities to any third party by succession.

The Organization is deemed liquidated and its operation ceased from the date of registration of closure.

8.2.2. The decision on voluntary liquidation of the Organization can be made by the General Meeting due to the achievement of the goal for which it has been established.

8.2.3. The decision on involuntary liquidation of the Organization can be made only by the court and only on the grounds and terms established by the law.

8.2.4. The liquidation of the Organization is executed in compliance with the terms and conditions of legal entity liquidation laws.

- 8.2.5. Upon liquidation of the Organization, the assets remaining after the satisfaction of creditor claims are used for the purposes of the Organization as stated in the Charter, or otherwise allocated to the state budget.
- 8.2.6. The state registration of liquidation of the Organization is executed in compliance with the laws on state registration of legal entity liquidation.