

Translation from Ukrainian into English

Registered by the decision of
Executive Committee of Leninskiy
Regional Council of Deputies
№ 82 of April 22, 1997

Sealed by
The executive committee
of people's deputies council
of Leninskiy District
city of Lugansk
in Lugansk region

Reregistered by the Ministry of
Justice In Lugansk region on the
March 15, 1999, № 74

Head of the Board of Justice
L.I. Pavlova

Signed
Sealed by
Ministry of Justice of Ukraine
Lugansk Regional Board of
Justice

Approved during the General Open
Meeting of "Teenager" Foundation
on November 20, 1997

Head of meeting V.L. Goncharov
Signed
Secretary O.O. Gizay
Signed

The new edition is approved during
the General Open Meeting of
"Teenager" Foundation on March
21, 2003, protocol № 1 of
March 21, 2003

**Statute
of Lugansk Regional Charitable Foundation
"Teenager"**

Worked out in accordance with the Law of Ukraine "Of Charity and Charitable
Organizations"

Registered in Lugansk
Regional Statistics Department
code 24046337
of January 22, 1999.
Signed

Sealed by
State Committee of Statistics of Ukraine
Lugansk Regional Board of Statistics

legal address:
Kotelnikova street 17, room 37
Lugansk

Lugansk

Statute

1. Introduction

- 1.1 Lugansk Regional Charitable Foundation "Teenager" ("Foundation") is a charitable organization that was founded on November 11, 1997 during the open meeting of its founders with the purpose of performing charitable actions.
- 1.2 The creation and the actions of the Foundation are based on good will, legality, humanism, common interests and equality of all its participants, freedom of speech and self-government.
- 1.3 The actions of the Foundation are regulated by the constitution of Ukraine, The Law of Ukraine "Of Charity and Charitable Organizations", other legislations that regulate charity and charitable actions, as well as by this Statute.
- 1.4 The Foundation is a juridical person from the moment of its registration, has its own balance, current and other accounts, round stamp, rectangular stamp and other symbols of a juridical person.
- 1.5 The Foundation can gain rights of ownership on its own behalf as well as other rights, has its obligations, can истец or ответчик during judicial trial.
- 1.6 From the organizational point of view the Foundation acts on the territorial basis in Lugansk region.
- 1.7 The Foundation and the sponsors act together which does not exclude their cooperation with the bodies of State government and does not prohibit receiving assistance from it.
- 1.8 The address of the Foundation is: 91022, Lugansk, kv. Schevchenko, 48/1, tel. +38(0642) 63-80-58, fax: +38(0642) 63-80-58.

2. Objects, goals, tasks, main directions of the Foundation's actions and the forms of their implementation

- 2.1 The object of the activities that the Foundation carries out is providing free of charge help to those in need, such as material, financial, organizational and other charity help, carrying out social projects and programs.
- 2.2 The main goal of the Foundation is developing social society: legal and social protection of families from high-risk groups.
- 2.3 The task of the Foundation is to make the financial situation of the families that require charity assistance better, protection of children's rights.
- 2.4 The main directions of the activities are the following:
 - promotion of protection of motherhood and childhood, giving help to families with greater number of children, charity actions towards orphans and disabled children.
 - promotion of social rehabilitation for families with greater number of children, families, where orphans, disabled children and other children that require special attention are brought up; giving help to persons that due to physical or any other limitations have problems with realization of their civil rights;
 - preserving social and cultural legacy, historical and cultural surroundings, memorable places, etc.
 - promotion of cultural development by realizing programs of national and cultural development, providing access for children from high-risk group families to cultural values;
 - implementing measures that are required to alleviate existing ecological problems in the region with help of teenagers;
 - promotion of healthful life-style among teenagers;

- participation in practical implementation of the programs initiated by State, regional or city authorities that are directed to improve social and economical situation of teenagers;
- promoting growth of international relations between organizations that work in the area of social and legal protection of children, cooperation with the state, international and civil organizations;
- promoting development of mass media and publishing;
- giving help to children that have suffered as a result of natural cataclysms, social conflicts, accidents and to the children-fugitives;
- creating and implementing programs that are directed to help children that are addicted to alcohol, drugs and other harmful substances and programs that relieve social tensions among youth and teenagers;
- organizing and holding meetings, conferences, round tables, trainings, seminars, lectures etc., carrying out research work;
- creating informational, educational and resource centers;
- supporting talented and highly creative children.

The Foundation is free to choose its main directions independently.

2.5 The help that the Foundation provides can be given in the following forms:

- one-time material, financial or some other help;
 - systematic material, financial or some other help;
 - financing specific charity projects;
 - providing help in accordance with charity contracts;
 - granting the right of ownership free of charge;
 - permitting the use of its name, symbols, emblems;
 - carrying out specific tasks or transferring the results of its work to third parties;
- Help can be provided also in any other form not mentioned above unless prohibited by the law.

2.6 In case of carrying out specific tasks, should a license or any other document be required, such tasks may be performed only upon obtaining such license or document in accordance with the current Ukrainian legislations.

3. Rights of the Foundation

3.1 To carry out charity work the Foundation has the following rights:

- independently resolve the questions concerning the matters of providing charity help, distribute the funds given by the sponsors in accordance with the sponsors' conditions;
- to create its branches and offices where needed if permitted by existing legislations;
- to become member of groups, associations, etc. should it be necessary for implementing a task or a project;
- to exchange information and specialists with international organizations;
- to organize collection of charity donations, to accept donations from persons, juridical person, foreign countries and international organizations;
- to be able to define the object, the subject and the form of the help that is given;
- to open accounts (both in local and in foreign currency) with corresponding banks;
- to create enterprises, organizations, to publish information;
- to be a member of other charity organizations;
- to have its own symbols that are subject to registration in accordance with current legislations;
- to popularize its name and symbols;

The Foundation may also have any other rights not mentioned above unless prohibited by law.

4. Membership in the Foundation. Regulations for acquiring and canceling membership

4.1 Member of the Foundation can be citizens of Ukraine, foreign citizens, persons without citizenship whose age is over 14, juridical persons independently of the form of ownership, that accept the goals and tasks of the Foundation and support their implementation.

4.2 Bodies of state authority and bodies of local government as well as state and communal enterprises, organizations that are funded by the state government cannot be members of the Foundation.

4.3 Those willing to obtain the membership in the Foundation should present a request in writing to the Head of the Board of Directors, which then shall be considered for approval within a term of 30 days.

4.4 Collective applicants shall present a collective request in writing together with a copy of the organization's Statute and a copy of a protocol of the meeting during which the decision about applying for membership has been made, and delegate a representative.

4.5 Members of the Foundation have a right:

- to elect and be elected to one of the controlling organs of the Foundation;
- to present requests dealing with financing and day-to-day activities of the Foundation for the consideration of the controlling organs;
- to have full access to all the financial, business and other information that has to do with the Foundation's activities;
- to make proposition to the Board of Directors, to request necessary assistance;
- to participate in all the activities of the Foundation.

4.6 Members of the Foundation must:

- follow the regulations presented in this Statute and obey the decisions made during all the open meetings as well as during the meetings of the Board of Directors;
- assist in reaching the goals and implementing the tasks of the Foundation;
- participate in activities directed to providing material and moral support of the Foundation, promote and popularize the objects and goals of the Foundation among organizations and enterprises.

4.7 Membership can be canceled upon request or by the decision of the meeting of the Board of Directors.

4.8 Decision to cancel one's membership because of not following the regulations presented in this Statute may be made during the meeting of the Boards of Directors. Such decision can be appealed in the highest controlling organ of the Foundation – General Open Meeting of its Members.

4.9 Upon canceling membership funds and property given to the Foundation shall not be returned.

4.10 Members that have done a lot for the support of the Foundation can be awarded the status of an Honorable Member of the Foundation.

5. Controlling organs of the Foundations, their creation and activity

5.1 The highest controlling organs of the Foundation is the collegial organ – General Open Meeting that acts in accordance with this Statute.

The highest controlling organ can:

- make amendments to this Statute;

- elect members of the Board of Directors and the Supervising Council of the Foundation;
 - approve charity programs and main directions of the Foundation activities;
 - make decisions as to reorganization and liquidation of the Foundation;
 - confirm the annual report of the Board of Directors and the Supervising Council of the Foundation;
 - confirm the budget and its report.
- 5.2 General Open Meeting is gathered when necessary but at least once a year. The meeting is considered valid if 2/3 of its members are present. The decisions are made by the simple majority of votes. Voting procedures are regulated by the meeting.
- 5.3 The executive organ of the Foundation is the Board of Directors headed by the Head of the Board of Directors. The Board of Directors is elected during the General Open Meeting once in two years and acts between the General Open Meetings. All the member of the Board of Directors must be members of the Foundation.
- 5.4 Members of the executive organ, except the Director, are not paid for their work in this organ. Spendings that derive as a result of carrying out the activities of this organ shall be compensated from the funds of the Foundation upon the decision of the Board of Directors.
- 5.5 To provide for day-to-day activities of the Foundation the administrative executive organ is created and is headed by the Director of the Foundation. Those working for this organ are subject to all the legislations of Ukraine about work and social security.
- 5.6 Board of Directors shall meet at least once every four months. The meeting is considered valid if 2/3 of its members are present. The decisions are made by the simple majority of votes.
- 5.7 The Board of Directors can:
- regulate the implementation of the tasks listed in this Statute as well as those, assigned by the General Open Meeting;
 - manage material and financial resources of the Foundation;
 - accept and deny memberships;
 - elect the Head of the Board of Directors;
 - make decisions about creating, managing and liquidating the enterprises and organizations that belong to the Foundation;
 - manage the list of members of staff;
- 5.8 Head of the Board of Directors can:
- head the meetings of the Board and the General Open Meeting;
 - sign the decisions and other documents created by the Board;
 - provide general supervision over the Foundation's day-to-day activities.
- 5.9 Director of the Foundation can:
- supervise the executive and administrative apparatus of the Foundation;
 - represent the Board and the interests of the Foundation in cooperation with other organizations independently of the form of ownership;
 - admit and dismiss the workers;
 - formulate contracts;
 - upon requests of the Head of the Board carry out any other activity for the Foundation.
- 5.10 Controlling and distributing functions in the Foundation belong to the Supervising Council that is created during the General Open Meeting.
- 5.11 The Supervising Council in its actions follows the regulations presented in this Statute.

6. Property of the Foundation

6.1 The Foundation may own movable and real property, material and other assets, funds and any other property acquired in accordance with the existing legislation.

6.2 The Foundation has the right to do anything with the funds in its disposal that it finds suitable as long as it acts in accordance with current existing legislation.

7. Sources of accumulating of funds and assets of the Foundation

7.1 Foundation's funds and assets consist of:

- donations of its founders and other sponsors;
- charitable donations that are made for specific purpose (grants) by private persons and organizations;
- assets that are the results of fundraising events;
- profits from the funds found on accounts in corresponding banks, from enterprises and organizations that belong to the Foundation;
- other funding sources, those not prohibited by the Laws of Ukraine.

7.2 Credits cannot be the funding source of the Foundation. Property of the Foundation cannot be mortgaged.

8. Economic activity of the Foundation

8.1 The Foundation carries out economic activity to provide for implementing goals and tasks listed in this Statute.

8.2 The Foundation is free to make decisions concerning economic questions, decide on the conditions of paying to the staff of the Foundation's apparatus, using its own financial and material resources according to the existing legislation.

8.3 The amount of expenditures needed to run the Foundation must not exceed 20% of its budget.

9. Financial activity of the Foundation

9.1 The Foundation deposits to the separate accounts the assets for economic and charitable activity both in local and foreign currencies.

9.2 Financial activity of the Foundation is carried out according to the current legislation of Ukraine. Financial activity directed to charity is not to be considered as entrepreneurship or any other form of actions for profit.

9.3 All the profits deriving from the economic activity of the Foundation is directed to charity and to cover its running costs according to the amounts determined by the current Ukrainian legislation.

10. Controlling the activities of the Foundation

10.1 Sponsors that donate their property, funds or any other material values to the charitable organization may obtain upon request the report describing the usage of the assets mentioned above.

10.2 If the Foundation obtains charitable donations directed to specific purpose (grants), it must present expenditures report to the sponsors and charitable organizations.

10.3 Once a year the Foundation shall publish the report with the results of its activities and a financial report.

11. International charitable activities

11.1 The Foundation has the right to perform international charitable activity according to the Ukrainian legislation, international treaties and contracts. It has the right to receive donations from physical and juridical persons from foreign countries.

11.2 International charitable activity is performed by means of participating in international charitable projects, cooperation with international charitable organizations and in any other form that is allowed by the Ukrainian legislation.

11.3 The main direction of the activity is cooperation with Ukrainian Diaspora abroad.

12. Reorganization or liquidation of the Foundation, using its properties and assets in case of liquidation.

12.1 Reorganization of the Foundation is performed upon the decision of the controlling organ of the Foundation in accordance with this Statute.

12.2 In case of reorganization of the Foundation, its rights and duties are transferred to its rightful followers.

12.3 The Foundational shall not reorganized into a juridical person for the purpose of obtaining profits.

12.4 Liquidation of the Foundation is performed according to the existing legislations.

12.5 Assets that remain after liquidation shall not be divided between its founders but must be used to complete the tasks of the Foundation or for charitable purposes.

13. Making amendment to this Statute

13.1 Changes to this Statute may be made during the General Open Meeting is the decision is supported by 2/3 of the members of the Foundation.

13.2 Registration authorities shall be notified about the changes made to this document in 10-days term.

Translated by Bavin Vitaliy Yuriyovych. Passport EK 249844 issued at the Leninskiy District Militia Section on the MIA Department in Lugansk region on 11. 09. 96

Stitched, numbered and sealed 6 sheets.

I.V. Volchanskaya

Signed

March 15, 1999

Sealed by

Ministry of Justice of Ukraine

Lugansk Regional Board of

Justice



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Handwritten signature

18 травня 2005 року я, **ГОЛЕМБИЄВСЬКА О.Ю.**, нотаріус Луганського міського нотаріального округу засвідчую справжність підпису перекладача **БАВІНА ВІТАЛІЯ ЮРІЙОВИЧА**.

Зареєстровано у реєстрі за № *808*

Стягнуто плати згідно ст. 31 закону України «Про нотаріат».

НОТАРІУС



О.Ю. ГОЛЕМБИЄВСЬКА

Stitched, numbered and sealed 6 sheets.
I.V. Volchanskaya
Signed
March 15, 1999
Sealed by
Ministry of Justice of Ukraine
Lugansk Regional Board of
Justice

Прошито та пронумеровано
на *шестерох* аркушах
Приватний нотаріус

