

**NEW VERSION OF THE STATUTES
APPROVED**

**BY THE GENERAL ASSEMBLY
OF THE CHARITABLE
ORGANIZATION
“CHARITABLE FOUNDATION
ZAPORUKA”**

**Minutes N. 9,
as of October, 4th 2016**

**STATUTES
OF THE CHARITABLE ORGANIZATION
“CHARITABLE FOUNDATION ZAPORUKA”
(NEW VERSION)**

UKRAINE, KYIV

2016

ARTICLE I. GENERAL PROVISIONS

- 1.1.** THE CHARITABLE ORGANIZATION “CHARITABLE FOUNDATION ZAPORUKA” (hereinafter – the Foundation) is a charitable foundation in accordance with the Law of Ukraine “On Charity and Charitable Organizations.”
- 1.2.** The Foundation operates under the legislation of Ukraine and also these Statutes.
- 1.3.** The Foundation has the status of a legal entity of private law from the date of its registration. On its own behalf the Foundation acquires property and non-property rights, assumes obligations, is a party in courts and arbitration courts in Ukraine, as well as in jurisdictional bodies of other states.
- 1.4.** The Foundation opens bank accounts in Ukraine and in other states in accordance with the legislation.
- 1.5.** The Foundation has a seal containing its full name in Ukrainian, stamps, forms and other details, examples of which are approved by the head of the Foundation. The Foundation may have symbols approved by the head of the Foundation and registered in accordance with legislation.
- 1.6.** The Foundation has a full name:
 - in the Ukrainian language – CHARITABLE ORGANIZATION “CHARITABLE FOUNDATION ZAPORUKA”;
 - in the English language – CHARITABLE FOUNDATION “ZAPORUKA”.
- 1.7.** The Foundation has an abbreviated name:
 - in the Ukrainian language – CF “ZAPORUKA”;
 - in the English language – ZAPORUKA FOUNDATION.

ARTICLE II. THE FOUNDATION GOAL, OBJECTIVES AND TASKS

- 2.1.** The main goal of the Foundation is to implement charitable activities with the objective of providing assistance to facilitate the legitimate interests of persons who are in difficult circumstances, and other beneficiaries in the areas of: healthcare; custody and guardianship, legal representation and legal aid; social protection, social provision, social services and poverty alleviation; sports and physical culture; human and civil rights and fundamental freedoms; development of international cooperation of Ukraine; facilitation of the implementation of national, regional, local and international programs aimed at improving the socio-economic situation in Ukraine.
- 2.2.** The objectives of the Foundation activities are to provide assistance to facilitate the legitimate interests, in particular of the persons who are in difficult circumstances and need charitable assistance as well as of local communities and non-profit organizations in the areas specified in the paragraph 2.1 of these Statutes.
- 2.3.** The Foundation fulfills the tasks in accordance with the legislation and under these Statutes, charitable programs and decisions of the Foundation governing bodies:
 - 2.3.1.** promotion of the development of legal, social, sociological and psychological science, research and education, implementation of scientific, educational programs in the areas of the charitable activities of the Foundation;
 - 2.3.2.** popularization of the Foundation activities, dissemination of the information and promotion of its ideas, goal, objectives, tasks, names and symbols;
 - 2.3.3.** providing methodical, informational, organizational, financial support for other non-profit organizations, state and local authorities and others involved in programs (projects) related to the goal of the Foundation activities;

- 2.3.4. participation in organizing national and international conferences, seminars, workshops and other activities, researches and consultations related to the statutory objectives and tasks of the Foundation;
- 2.3.5. participation in implementation of programs (projects) and in organization of measures aimed at improving the efficiency of charitable assistance and social services provided by other persons or bodies;
- 2.3.6. participation in the provision of social services and assistance in protecting the legitimate interests of the beneficiaries of the Foundation; facilitation of access of the Foundation beneficiaries to high quality social services;
- 2.3.7. contributing to elaboration, public discussion, consultations, expert examination, monitoring and evaluation of legislative, regulatory and other legal acts related to the goal and tasks of the Foundation;
- 2.3.8. receiving and giving charitable grants, other financial assistance, organizing collection of donations in cash and in products from Ukraine residents and nonresidents;
- 2.3.9. holding charity events, elaboration and implementation of targeted charitable programs, contracts (agreements) on charitable assistance;
- 2.3.10. establishment and development of humanitarian relations, facilitation of cooperation (including international) between entities providing charitable assistance and social services.

ARTICLE III. TYPES OF CHARITABLE ACTIVITIES OF THE FOUNDATION

- 3.1.** The Foundation carries out the following types of charitable activities in accordance with the legislation and under these Statutes, charitable programs and decisions of the Foundation governing bodies:
- 3.1.1. free ownership transfer of funds, other property to beneficiaries, and free assignment of property rights to beneficiaries;
 - 3.1.2. free transfer of use rights to beneficiaries and other rights to property and property rights;
 - 3.1.3. free transfer of income from property and property rights to beneficiaries;
 - 3.1.4. free provision of services and works for the benefit of beneficiaries;
 - 3.1.5. charity joint activities and implementation of other contracts (agreements) on charitable activities;
 - 3.1.6. public fundraising;
 - 3.1.7. management of charitable endowments;
 - 3.1.8. execution of wills, bequests and inheritance agreements for charitable activities;
 - 3.1.9. holding charity auctions, raffles, non-cash lotteries, competitions and other charitable activities not prohibited by law;
 - 3.1.10. reimbursement to beneficiaries related to the transfer of property and property rights referred to in paragraphs 3.1.1-3.1.9 of this article.

ARTICLE IV. RIGHTS AND AREAS OF THE FOUNDATION ACTIVITIES

- 4.1.** To carry out its statutory activities the Foundation has the right in the prescribed manner:
- 4.1.1. to enter into contracts and other transactions aimed at fulfilling the tasks of the Foundation with the state government and local authorities, other legal entities, citizens and associations of citizens;
 - 4.1.2. to represent and to protect its own rights and legitimate interests, and the rights and legitimate interests of the beneficiaries of the Foundation in

- accordance with legislation in public administration, local authorities, courts, arbitration courts and with other persons;
- 4.1.3. to be a founder or member (participant) of associations, unions, charitable organizations and other voluntary organizations, including international, that contribute to fulfilling the statutory tasks of the Foundation;
 - 4.1.4. to organize collection of donations from legal entities and individuals, as well as other property to fulfill the tasks of the Foundation;
 - 4.1.5. to provide assistance for treatment and health care of beneficiaries in Ukraine and in other countries;
 - 4.1.6. to establish and to maintain information and counseling, educational and other institutions in the prescribed manner;
 - 4.1.7. to create and to terminate separate units of the Foundation;
 - 4.1.8. to found mass media, enterprises (companies), institutions (establishments) of the Foundation and to be subject in publishing activities without purpose of making profit;
 - 4.1.9. to exercise patronage activities;
 - 4.1.10. to engage in economic activity without the purpose of making profit, which contributes to fulfilling its goal and statutory tasks;
 - 4.1.11. to set honorary distinctions and awards of the Foundations to individuals with merits in fulfilling of the statutory tasks of the Foundation;
 - 4.1.12. to determine independently the conditions of remuneration for employees and officers of the Foundation;
 - 4.1.13. to form the assets, to implement charity programs (projects) independently and/or together with other philanthropists;
 - 4.1.14. to determine independently forms, objects, territory, beneficiaries and the amount of charitable assistance;
 - 4.1.15. to receive public information necessary to fulfill the goal and the tasks of the Foundation;
 - 4.1.16. to be the subject of information relations in accordance with the legislation of Ukraine in the sphere of information, to disseminate information and to promote its ideas, symbols, goal and tasks of the Foundation.

ARTICLE V. CONDITIONS AND PROCEDURE FOR ACQUIRING THE FOUNDATION MEMBERSHIP AND WITHDRAWAL FROM IT. RIGHTS AND OBLIGATIONS OF THE FOUNDATION MEMBERS

5.1. The Foundation members are its founders. The Foundation members may be other capable individuals and legal entities of private law regardless of their location who share the goal and statutory tasks of the Foundation.

5.2. The conditions of admission for the Foundation members are the obligations to implement the Statutes and the decisions of the Foundation governing bodies and at least two written recommendations from the founders of the Foundation.

5.3. The Foundation members are not required to transfer any assets to the Foundation to fulfill its goals and statutory tasks.

5.4. The forms of written applications for admission to members of the Foundation, as well as suspension or withdrawal from membership are approved by the President of the Foundation.

5.5. The decision to admit individuals as the Foundation members or to refuse to admit them are approved by the General Assembly at the suggestion of the President.

5.6. The decision on the recognition of any individuals as the Foundation honorary members are approved by the General Assembly at the suggestion of the President or at least two Foundation members.

5.7. Each member has the right to submit a written statement about the suspension or termination of membership no earlier than 30 days prior to termination or suspension. Term of membership suspension should not exceed six months.

5.8. The General Assembly takes a decision to terminate the membership of a person in the Foundation at the suggestion of the President in case of:

5.8.1. repeated violations of these Statutes requirements;

5.8.2. performing actions that cause the Foundation property or reputation damage that remains uncompensated within 30 days after written request or claim by the President;

5.8.3. non-participation in a vote in the Foundation governing bodies in person or through a representative for more than 18 months.

5.9. The Foundation members has the right to:

5.9.1. to elect and to be elected to the Foundation governing bodies and to vote at the General Assembly, except as specified in the Statutes;

5.9.2. to participate in the statutory activities of the Foundation, in temporary and permanent subsidiary bodies of the Foundation;

5.9.3. to provide voluntary financial and other property or personal assistance to the Foundation;

5.9.4. to apply to the Foundation governing bodies with requests on statutory activities and to receive verbal and written explanations;

5.9.5. to submit proposals, statements and complaints to the Foundation governing bodies;

5.9.6. to have free access to the decisions of the governing bodies and reporting of the Foundation;

5.9.7. to suspend or to terminate the Foundation membership freely.

5.10. The Foundation members are obliged to:

5.10.1 to comply with the requirements of the Statutes and to implement decisions of the Foundation governing bodies approved in accordance with the Statutes;

5.10.2. to assist the Foundation in fulfilling its statutory goal and tasks, including through personal involvement in charitable activities of the Foundation;

5.10.3. to submit to the Foundation governing bodies information necessary for the fulfillment of goal and tasks on condition of personal data protection and other confidential information.

ARTICLE VI. THE FOUNDATION GOVERNING BODIES

6.1. The Foundation is governed by the Foundation members. The Foundation governing bodies are:

6.1.1. The supreme governing body is the General Assembly;

6.1.2. The permanent executive body is the Board;

6.1.3. The head is the President;

6.1.4. The controlling body is the Supervisory Council.

6.2. The Foundation governing bodies have the right to create and to terminate permanent and temporary subsidiary bodies for the activities of the Foundation, to approve regulations on these bodies, to appoint and to replace their members.

6.3. Powers of the members of the Foundation governing bodies may be suspended or terminated at any time on the basis of:

1) written statement;

2) suspension or termination of the Foundation membership;

3) entry into the civil service or other public service incompatible with the exercise of the powers of the governing body member;

4) Board decisions in any cases when the execution of such powers inflicts property or non-pecuniary damage on the Foundation.

6.4. In case of failure of some members to attend the assembly of the governing body in person or through a representative, voting can be done using the means of communication (phone, email, internet, etc.). In the case of a written voting a decision is taken if the majority of members of the governing body voted for it in writing. The members of the governing body are required to confirm in writing the results of their vote or abstention from vote within a period not exceeding three working days after submitting questions.

6.5. In case of failure of some members to attend the assembly of the governing body in person or through a representative the vote to change the membership of the Foundation governing bodies is taken only by written voting.

ARTICLE VII. THE FOUNDATION GENERAL ASSEMBLY

- 7.1.** The participants of the Foundation General Assembly may be the Foundation members or their representatives.
- 7.2.** Ordinary General Meeting is convened by the President each year, not later than 30 June. The President of the Foundation informs about the time and the place of the Assembly no later than 10 calendar days prior to the Annual General Assembly.
- 7.3.** Extraordinary General Assembly shall be convened by the decision of the Board or at the written request of at least 20% of the Foundation members. Extraordinary General Assembly must be convened within 30 days. Extraordinary General Assembly may only consider matters referred to in the notice convening it.
- 7.4.** Assembly is valid if the majority of persons who have decisive vote participate in General Assembly.
- 7.5.** Decisions of the General Assembly are taken by open vote by simple majority of present members of the Foundation or their representatives who participate in the vote if the General Assembly does not decide otherwise.
- 7.6.** The decision to change these Statutes, as well as to terminate the Foundation shall be adopted by a majority of 3/4 votes of the General Assembly participants.
- 7.7.** Exclusive powers of the General Assembly are:
- 7.7.1. approval of the Foundation, as well as changes to the Statutes;
 - 7.7.2. approval of the main activities and charitable programs of the Foundation;
 - 7.7.3. selection, approval and withdrawal of members of the Board and the Supervisory Council;
 - 7.7.4. decisions on reorganization or liquidation of the Foundation;
 - 7.7.5. approval of the Board reports, in particular on the implementation of charitable programs and proper use of the Foundation property;
 - 7.7.6. approval of the decisions on participation if the Foundation in unions and other associations.
- 7.8.** General Assembly may consider other matters of the Foundation activities if their consideration is not within the competence of other bodies of the Foundation.

ARTICLE VIII. THE FOUNDATION BOARD

8.1. The Board is a permanent executive body of the Foundation composed of at least three members elected by the General Assembly for five years. The Board members may be both Ukrainian and foreign citizens. The Board members may be re-elected for another term. If a Board member resigns or loses the ability to perform his/her duties, the Board may appoint a new member of the Board before approval of its powers by the Ordinary General Assembly.

8.2. The competence of the Board includes:

- 8.2.1 defining tasks and forms of activity of the Foundation in accordance with the Statutes;
 - 8.2.2. defining the financial rules of the Foundation, with the approval of the General Assembly;
 - 8.2.3. taking decisions on raising funds and use of the property and the Foundation;
 - 8.2.4. approving and modifying program and financial plans of the Foundation;
 - 8.2.5. appointing and replacing the President;
 - 8.2.6. approving annual budgets, balance sheets and reports including on fund raising and use of funds and assets of the Foundation.
- 8.3.** The Board meeting may take decisions if the majority of the members are present. Decisions are taken by simple majority. Each Board member has one vote. With the division of votes in half the deciding vote has the Head of the Board.
- 8.4.** The Head of the Board and his/her deputy are elected among the members of the Board for three years and may be re-elected. The Head of the Board and his/her deputy together are responsible for the holding the Board meetings.
- 8.5.** The Head of the Board shall convene the Board meeting at least twice a year. At the written request of any member of the Board or the President, the President shall convene an extraordinary meeting within 15 days. The Head opens and presides over the Board Meeting. In the absence of the Head, the Board shall elect a deputy among the members of the Board. The meeting may take place by simultaneous voting by means of communication or written agreement expressed by all the members of the Board.

ARTICLE IX. THE PRESIDENT

- 9.1.** The President manages the daily operations of the Foundation in accordance with the legislation, the Statutes as well as with decisions of the General Assembly and the Board.
- 9.2.** The President is appointed and replaced by the Board for a period of 5 years.
- 9.3.** The President of the Foundation shall have the power:
- 9.3.1. to represent the Foundation and to perform actions on behalf of the Foundation without a warrant in relations with state bodies, local authorities, enterprises, institutions and organizations and in relations with individuals in Ukraine and other countries;
 - 9.3.2. to give power of attorney for acting on behalf of the Foundation;
 - 9.3.3. to enter into contracts and perform other legal actions on behalf of the Foundation within its powers;
 - 9.3.4. to open and to close the accounts of the Foundation in banks;
 - 9.3.5. to sign banking and other financial documents of the Foundation;
 - 9.3.6. to approve the manning table, to hire and to fire employees of the Foundation, to organize their work;
 - 9.3.7. to issue orders, directions and instructions obligatory for employees of the Foundation;
 - 9.3.8. to decide on the other issues of current activities of the Foundation.

ARTICLE X. THE SUPERVISORY COUNCIL

- 10.1.** The Supervisory Council has supervisory and advisory powers regarding the activities of the Foundation in accordance with the legislation and these Statutes.
- 10.2.** The Supervisory Council supervises the financial activities of the Foundation, companies, institutions and organizations created by the Foundation, reports to

the General Assembly on supervision over the proper use of the Foundation property.

- 10.3.** The General Assembly elects the Supervisory Council composed of at least three persons for a period of five years including the Head of the Supervisory Council.
- 10.4.** The Head of the Supervisory Council shall convene its ordinary meeting at least once a year. Extraordinary meeting of the Supervisory Council may be convened within 20 days at the request of the President or at least two members of the Supervisory Council.
- 10.5.** The Supervisory Council of the Foundation takes decisions by simple majority if the Supervisory Council has not established qualified majority by a separate decision.
- 10.6.** The Supervisory Council of the Foundation has the right:
 - 10.6.1. to initiate comprehensive or special audits of financial activities of the Foundation, to involve independent auditors into indicated audits, to review and to approve reports on indicated audits;
 - 10.6.2. to supervise the compliance of the Foundation activities with its goal, the existing legislation and the Statutes;
 - 10.6.3. to receive from members and employees of the Foundation any information about the financial activities of the Foundation, as well as about fund raising and use of the property of the Foundation.

ARTICLE XI. SOURCES OF ASSETS (INCOME) AND PROCEDURES FOR USE OF PROPERTY OF THE FOUNDATION

- 11.1** The Foundation may have the right of ownership or other rights of movable and immovable property (including residential and non-residential premises and vehicles), funds in local and foreign currencies, intangible assets, land plots and other property that is not prohibited by law and contributes to the statutory activities of the Foundation.
- 11.2** The sources of assets and funds of the Foundation may be:
 - 11.2.1. charitable donations, charitable grants of the Foundation members and other persons;
 - 11.2.2. passive income according to the legislation of Ukraine;
 - 11.2.3. grants or subsidies from the state or local budgets, as well as from the state funds;
 - 11.2.4. charitable donations, humanitarian and technical aid received under international agreements;
 - 11.2.5. funds and property received as a result of charity events and other main activities of the Foundation in accordance with the Statutes and the legislation of Ukraine.
- 11.2.3. income (profit) of the Foundation or part thereof shall not be distributed among its founders, members, employees (except for their labor, social contribution accrual), members of the Board and other related entities and are used exclusively to finance expenses for the maintenance of the Foundation, the fulfillment of its goal (objectives, tasks) and activities determined by its Statutes.

ARTICLE XII. CONTROL, ACCOUNTING AND REPORTING

- 12.1.** The Foundation and institutions, enterprises (companies) created by it shall keep operational and accounting records, shall submit statistical, financial and other reports, shall be registered in state bodies and institutions established by the legislation, shall

contribute to the budget and state trust funds payments in order and amount established by the legislation.

12.2. Periodically, but at least once a year, the Foundation shall publish reports on the sources of funds and property for the charitable activities and areas of its use, and shall provide reports for any philanthropist of the Foundation on the basis of their written requests.

12.3. The Foundation may request reports from people who received assistance from it on the use of the indicated assistance.

12.4. The Foundation shall retain the information and the documents on its activities in accordance with requirements of the legislation and shall exercise controls to ensure the intended use of the property and income (profit) of the Foundation.

ARTICLE XIII. PROCEDURE FOR INTRODUCING CHANGES TO THE FOUNDATION STATUTES

13.1. Changes to the Foundation Statutes shall be considered and approved by the General Assembly of the Foundation in accordance with Article VII of these Statutes. In case of the Extraordinary General Assembly only the changes specified in the notice of convocation are subject for consideration.

13.2. Changes and amendments to the Foundation Statutes are subject to state registration in accordance with the procedure established by the law.

ARTICLE XIV. TERMINATION OF THE FOUNDATION

14.1. Termination of the Foundation can be performed by its liquidation, merger, division or accession in accordance with the procedure established by the legislation of Ukraine and these Statutes.

14.2. Reorganization shall be performed on the basis of the General Assembly's decision on merger, accession or division of the Foundation.

14.3. Liquidation shall be performed on the basis of the Foundation General Assembly's decisions, which determine the procedure and terms of such liquidation in accordance with the legislation of Ukraine.

14.4. The Supervisory Council serves as the Foundation's termination commission if the General Assembly does not authorize other body or person.

14.5. The basis and the procedure for forced termination of the Foundation and for recovering payments on its assets and other property shall be defined by the legislation of Ukraine.

14.6. In case of the termination of the Foundation as a result of its liquidation, merger, division, joining or converting its assets remaining after payments to creditors of the Foundation shall be transferred to one or more non-profit organizations of appropriate type or included into the budget income.

14.7. The termination of the Foundation is considered complete from the date of the relevant entry to the Unified State Register.

AUTHORIZED PERSON (PRESIDENT)
(Onipko Nataliia Oleksiivna, the citizen of Ukraine)

