

APPROVED BY

Printed totally in two copies

Decision of Extraordinary Assembly of

Copy N 1

“ARMENIAN HOTEL ASSOCIATION”

REGISTERED BY

Non-Governmental Organization

**STATE REGISTRY AGENCY OF
LEGAL ENTITIES OF
THE REPUBLIC OF ARMENIA**

of 01 October 2019

On 21.03. 2019

REGISTRATION N 211.171.1064832

Executive Director Lilit Danielyan

TAXPAYER’S IDENTIFICATION NUMBER
02694406

On 21.03. 2019

NUMBER 001-2 AMENDMENT TO
REGISTERED CHARTER

REGISTERED BY

**STATE REGISTRY AGENCY OF
LEGAL ENTITIES OF
THE REPUBLIC OF ARMENIA**

On 28.11. 2019

STATE REGISTRY AGENCY

Signature of P. Safaryan

CHARTER OF

“ARMENIAN HOTEL ASSOCIATION” NON-GOVERNMENTAL ORGANIZATION

(new edition)

Content

1.	Definitions.....
2.	General provisions.....
3.	Name.....
4.	Seal, blank.....
5.	Activity area.....
6.	Location.....
7.	Language.....
8.	Goals and objective of the Association.....
9.	Membership.....
10.	Rights and responsibilities of members of Association.....
11.	Assembly.....
12.	Board.....
13.	Executive Director
14.	Property.....
15.	Separated subdivisions and establishments.....
16.	Reorganization and liquidation.

1. DEFINITIONS

1.1. The following terms stated in the Charter, as well as in any and all documents of “Armenian Hotel Association” Non-Governmental Organization or any of its bodies shall mean and have the following definitions (except as otherwise provided in such documents or arisen from their context):

1.1.1. “Association” shall mean Armenian Hotel Association” Non-Governmental Organization;

1.1.2. “Charter” shall mean Charter of the Association with its supplements and amendments;

1.1.3. “Member” shall mean member of the Association as defined in Paragraph 9.1 of the Charter;

1.1.4. “Assembly” shall mean the supreme body of the Association consisted of all members of the Association or their delegates as defined in Paragraph 11 of Charter;

1.1.5. “Board” shall mean a collegial governing body elected by the Assembly as defined in Paragraph 12 of Charter.

1.1.6. “President of the Board” shall mean an official of the Association being a permanent member of the composition of the Association Board as defined in Paragraph 12.12 of Charter;

1.1.7. “Executive Director” shall mean an official carrying out executive management of the Association appointed by the Association Board for one year period of time, as defined in Paragraph 13 of Charter.

2. GENERAL PROVISIONS

2.1 “Armenian Hotel Association” Non-Governmental Organization, hereinafter referred to as Association, based on commonness of its members’ interests and their voluntary will, is a non-governmental organization, which was founded to assist and render legal and other assistance to commercial organizations rendering hotel services, as well as to present and defend common property and non-property rights

2.2 The Association is functioning in accordance with the legislation of the Republic of Armenia and this Charter.

2.3 The activity of the Association is based on principles of legitimacy, publicity, self-governance, equal rights, voluntarism, non-discrimination, conscientiousness, common interests of members, and accountability.

2.4 The Association obtains status of a legal entity after state registration, uses all rights envisaged by the RA legislation for legal entities and have appropriate liabilities.

2.5 The Association may have an emblem.

2.6 The Association members keep their self-dependence and rights of legal entities.

2.7 Property of members handed over the Association is the property of the Association used for goals provided by this Charter.

3. NAME

3.1. Name of the Association is as follows:

In Armenian: «Հայաստանի Հյուրանոցների Ասոցիացիա» Հասարակական Կազմակերպություն,

shortly: «ՀՀԱ» ՀԿ

In English: “Armenian Hotel Association” Non-Governmental Organization,

shortly: “AHA” NGO

Full in Russian: Общественная Организация “Ассоциация Отелей Армении”,

briefly: ОО “АОА”

4. SEAL, BLANK

4.1 The Association has a seal and blank. Name, location, contact numbers and addresses are indicated in the blank.

4.2 The Association’s seal and blank are used by bodies and officials of the Association within their competence for registration and certification of documents of Association sent to third persons.

4.3 Usage of the Association seal and blank cannot be unconditionally considered necessary for registration and certification of documents of Association sent to third persons, except for cases provided

by the RA legislation. In all cases, signature of the Association competent officials and/or representatives is a required approval for authenticity and validity of documents sent to third persons from the Association.

5. ACTIVITY AREA

5.1. The Association has been established for carrying out activity on the territory of the Republic of Armenia and abroad.

6. LOCATION

6.1. Association is located at 5/1 Northern Avenue, Yerevan city 0001, Republic of Armenia.

7. LANGUAGE

7.1 Official language of the Association is ARMENIAN.

7.2 Other language also can be officially used by the Association in compliance with RA Law on Language.

8. GOALS AND OBJECTIVES OF ASSOCIATION

8.1. Goals of the Association are as follows:

8.1.1. to assist organizations functioning in hotel sphere and defend their common rights (especially of Association member) on national and international level;

8.1.2 to inform Association members about the important problems of the sphere, course of their solution and development trends;

8.1.3 to render consultation services to Association members in any sphere;

8.2 The objective of the Association is to perform the stated above and other goals. Association, in particular (including but not limiting the stated below Paragraphs), is competent

8.2.1 to present and defend its and its members' rights and legal interests in other organizations, public and local self-governing bodies;

8.2.2 to cooperate with public and local self-governing bodies, their officials and representatives for the purposes of hotel sphere improvement;

8.2.3 to be an associate in international organizations, have international links, sign contracts with foreign and international organizations;

8.2.4 to establish commercial companies and associations and/or participate in them;

8.2.5 to found representations, branches and institution;

8.2.6 to involve means from other sources with a purpose to carry out its goals;

8.2.7 to establish relations with the sphere representatives and their partners;

8.2.8 to organize events aimed at promotion of activity development of the Association members;

8.2.9 to exchange information between members of Association;

8.2.10 to carry out other activity not prohibited by RA Law.

9. MEMBERSHIP

9.1. The object of hotel facilities, who renders hotel services as a permanent commercial activity, has 10 rooms, at least 5 from which are single or double, who accepts this Charter, goals and objectives of the Association, wishes to participate in the Association activity and is ready to carry out requirements of the Charter, as well as pay membership fee, may become a member of the Association.

9.2. Membership to Association shall be on principle of voluntarism.

9.3 A written application for becoming a member of Association is filed to the President of the Board in case of complying with requirements provided by Paragraph 9.1 of the Charter.

9.4. In accordance with the written application a decision on membership of Association is adopted by the Board.

9.5 Members of Association pay membership fee, the size and payment order of which is established by the Assembly.

9.5.1 The formula for calculation of membership fee:

$$\frac{RN \times MFU}{AMF}, \text{ where}$$

RN is room fund number of a member hotel;

MFU is membership fee unit applied according to room number

AMF is annual membership fee.

9.5.2 The size of membership fee unit applied according to room number is set by annual or special session of the Assembly of the Association by the majority of votes upon suggestion of the Board.

9.6 Withdrawal from membership is made based on written application of such member or decision of the Board on withdrawal of such member from membership of Association for failure to carry out or improperly carry out obligations provided by Paragraph 10.3 of this Charter.

10. RIGHTS AND RESPONSABILITIES OF MEMBERS OF ASSOCIATION

10.1 The member of Association has a right to participate in the Assembly with voting right, as well as to elect and be elected in bodies of Association.

10.2 In accordance with the Charter a member of Association has the right to

10.2.1 to participate in works of Association and Association bodies;

10.2.2 to use services of Association on paid or free principles in cases provided by the Board;

10.2.3 to get exhaustive information about the Association activity, including access to the documents on records of the activities Association, and get copies of decisions adopted;

10.2.4 to submit applications and proposals to bodies and officials of the Association regarding activity of the Association;

10.2.5 to receive legal assistance from Association for protection of his/her legal interests, as well as any other assistance;

10.2.6 to withdraw from membership of the Association;

10.2.7 to appeal decisions of bodies of Association by superior order.

10.3 In accordance with this Charter the member of Association has the responsibility to

10.3.1 to participate in the activities of Association;

10.3.2 to uphold high reputation of Association by his/her activity and behavior, not to appear on behalf of the Association without power of attorney issued by competent body of the Association, take care of increase of reputation of the Association;

10.3.3 to promote achievement of goals of Association as far as possible;

10.3.4 to refrain from acts and expressions discrediting Association;

10.3.5 to act in compliance with this Charter, conscientiously keep requirements of the Charter, as well as decisions of bodies and officials of the Association adopted within their competence specified by the RA legislation and this Charter and not contradicting to the RA legislation;

10.3.6 to pay membership fee in the established size and order.

11. STRUCTURE OF ASSOCIATION

11.1 Assembly, Board, and Executive Director make up the governing structure of the Association.

ASSEMBLY

11.2 The supreme body of the Association is the Assembly of its members, which carries out supervision over the activities of the Association.

11.3 The Assembly is consisted of all members of the Association or their delegates. In case of conducting Assembly of the Association with delegates, each member presents one delegate at the Assembly.

11.4 Works of Assembly are organized in the form of sessions. Sessions of the Assembly are annual, hereinafter referred to as Annual Assembly, and extraordinary, hereinafter referred to as Extraordinary Assembly.

11.5 Annual Assembly is convened once a year calculated from the day of its previous convocation and is considered an ordinary session of the Assembly. Annual sessions of the Assembly are convened by the Executive Director.

11.6 Extraordinary Assembly is convened if necessary within at least 5 calendar days upon reasonable request of 30 percent of members of the Association or by an initiative of executive body.

11.7 Persons entitled to participation in the Assembly of Association are properly informed about agenda, time and place of forthcoming session of the Assembly at least 2 weeks before (in case of Annual Assembly) or 3 days before (in case of Extraordinary Assembly).

11.8 Assembly session is competent if more than half of Association members is present.

11.9 Minutes of Assemblies are kept for the term of three years.

11.10 The following issues are vested to exclusive competence of the Assembly:

11.10.1 making amendment and/or supplements in the Charter or approval of new Charter of the Association;

11.10.2 pre-term termination of the Board powers and appointment of extraordinary elections;

11.10.3 adoption of a decision on reorganization of the Association, property transfer act or dividing balance sheet, except for reorganization upon court's decision;

11.10.4 adoption of a decision on liquidation of the Association, except for liquidation upon court's decision;

11.10.5 approval of structure of the Association;

11.10.6 adoption of a decision on purchase, possession, use, management, including alienation and writing off a property exceeding five million AMD.

11.11 The following issues are vested to other competence of the Assembly:

11.11.1 approval of reports on activity and property usage of the Association, including approval of annual reports of the Executive Director;

11.11.2 approval of strategic directions of the Association activity and establishment of financial policy directions;

11.11.3 establishment of another legal entity, adoption of decisions on participation of the Association in other, including international, organizations;

11.11.4 establishment and liquidation of separate subdivisions: representations, branches, as well as institutions, commissions, working groups of the Association, approval of their Charters, regulations, work procedures,

11.11.5 cessation of decisions of bodies of the Association contradicting to requirements of legal acts and this Charter;

11.12 Decisions on issues pointed out in Paragraph 11.10.2 of this Charter are subject to discussion and approval only by Annual Assembly, except for cases, when issues on supplementation of the Board composition and election of the Board member conditioned by necessity to replace the absent member, can be discussed at Extraordinary Assembly. In this case, the elected member of the Board shall hold post up to convocation day of Annual Assembly.

11.13 The issues shall be settled by the decision of the Assembly in case of an event not regulated by the RA legislation and this Charter during activity of the Association or in the course of Assembly.

11.14 The Assembly shall make decisions on issues vested in its competence.

11.14.1 The decisions on issues vested in exclusive competence of the Assembly shall be adopted if 60 percent or more of Association members present at the Assembly has voted.

11.14.2 Decisions of the Assembly on any other issue shall be adopted if more than half of Association members of present at the Assembly has voted.

11.15 Procedural issue connected with conduction of the Assembly sessions shall be regulated in compliance with rules envisaged by regulations of the Assembly.

12. THE BOARD

12.1 is a governing collegial body of the Association in the period between Assemblies of Association, consisted of 5 members; it is elected by the Annual Assembly for the term of a year;

12.2 discusses and adopts decisions on all matters regarding activity of the Association, except for matters making a part of competence of Assembly and Executive Director of the Association;

12.3 prepares Assemblies of the Association;

12.4 develops annual strategic document (plan) of the Association and controls its implementation course;

12.5 makes suggestions to found and terminate separated subdivisions of the Association, such as representations, branches, institutions, commissions, working teams, develops their Charters, regulations and working rules not contradicting to this Charter, appoints and releases their heads, gives powers of attorney to heads of representations and branches, confirms or cancels decisions of heads of

representations and branches of the Association on establishment of territorial offices of separated subdivisions of the Association and on appointment and release of heads of territorial offices;

12.6 makes decision on acceptance and withdrawal from membership;

12.7 makes suggestions on any type of sources, including sizes of membership and entry fees and their collection order;

12.8 establishes encouragement and penalty measures for Association members.

12.9 The session of the Association Board is competent if at least 1/2 of total number of Board members participates in the session. The decisions are adopted by simple majority of votes of members participating in session of the Association Board. Participation of the President of the Board in the session is compulsory. Decisions adopted in his/her absence are invalid.

12.10 The Board of the Association convenes its ordinary sessions once a month. Extraordinary session of the Association Board may be convened upon written request of 1/2 of total number of members of the Board or immediately by President of Association. Expanded sessions may be convened attended by heads of separated subdivisions of the Association, as well as other members of Association.

12.11 The Assembly elects the President of the Board from among the members of the Board.

The President of the Board is elected by the Assembly from members of the Board. The President of the Board is elected by Annual Assembly for the term of a year. The president is elected by Extraordinary Assembly for the term up to forthcoming Annual Assembly.

12.12 The President of the Board is governing official of the Association, who represents the Association during the period between Board sessions without power of attorney.

12.13 The president of the Board acting upon the power of attorney given by the Executive Director, replaces him/her, if the latest is absent.

13. EXECUTIVE DIRECTOR

13.1 The Executive Director is elected by the Assembly for one year period and reports to the Assembly.

13.2 The Executive Director is the executive body of the Association, who is competent to discuss and settle any issue connected with activity of the Association within period of time between sessions of the Board, except for issues reserved to competence of Board and Assembly; as well as carry out responsibilities defined by this Charter, and decisions and strategic plans, adopted by the Assembly.

13.3 The Executive Director is entitled

13.3.1 to appear on behalf of the Association without any power of attorney and gives powers of attorney to act on behalf of the Association;

13.3.2 to present the Association in relations with third persons;

13.3.3 to develop, confirm and possess budget of Association, follow its execution, sign contracts and other transactions on behalf of the Association, sign financial documents for carrying out decisions of the Assembly within their competence;

13.3.4 to adopt decision on purchase, possession, use, disposal, alienation and writing off any property not exceeding five million AMD;

13.3.5 to approve internal disciplinary rules of the Association, admit and release staff employees of the Association;

13.3.6 to give compulsory instructions for performance to staff employees of the Association;

13.3.7 to ensure implementation of decisions of the Assembly and Board;

13.3.8 to establish collection order of membership fee;

13.3.9 to approve staff list of the Association, working order of structural subdivisions of the Association;

13.3.10 to organize convocation of the Assembly and Board sessions in compliance with the Charter;

13.3.11 to organize keeping of minutes of the Assembly sessions, their signing, protection of the seal of Association, maintenance and archiving of documents of Association;

13.3.12 to be chief responsible for financial issues of the Association, organize proper performance of financial activity of the Association;

13.3.13 carry out other functions within his/her competence.

13.4 On matters within his/her competence, the Executive Director shall issue orders and instructions, makes decisions.

13.5 In case of absence of Executive director his/her powers are carried out by the President of the Board.

14. PROPERTY

14.1. Property of the Association shall occur from

14.1.1. membership and entry fees,

14.1.2. grants,

14.1.3. donations,

14.1.4. gifts,

14.1.5. assets from the will,

14.1.6. cultural events,

14.1.7. activity carried out by the order provided by RA legislation;

14.1.8. other sources (including foreign) not prohibited by RA legislation.

14.2. Property of the Association may be used for goals provided by this Charter and in compliance with such goals, including but not limiting for realization of programs, remuneration of staff employees and officials of the Association and other activity not contradicting to the RA legislation and this Charter.

15. SEPARATED SUBDIVISIONS AND INSTITUTIONS

15.1. By the decision of the Assembly, the Association may found separated subdivisions, branches and representations, as well as institutions.

15.2 The separated subdivisions shall function in accordance with the RA legislation, this Charter and their Charters. The institutions shall function in accordance with the RA legislation, this Charter and their Charters.

15.3 Charter of separated subdivision and institutions shall be approved by the Assembly.

15.4 Separated subdivisions and establishments of the Association may be terminated by decision of the Assembly of the Association.

16. REORGANIZATION AND LIQUIDATION

16.1. The Association may be reorganized by the decision of the Assembly in compliance with the RA legislation.

16.2 The Association may be liquidated by the decision of the Assembly (self-liquidation) or by the court in cases and by the order envisaged by RA legislation.

16.3 After adoption of a decision on liquidation the Assembly shall found liquidation commission; liquidation order and terms shall be set.

16.4 In case of liquidation, the property of the Association shall be directed exceptionally to goals specified in the Charter, if impossible, it will be transferred to state budget.