



APPROVED by  
Decision of General meeting of  
Noncommercial partnership  
“Sakhalin regional association of constructors”  
Protocol No. 8 of 24 April 2009

**REGULATION ON GENERAL DIRECTOR  
Of noncommercial partnership  
“Sakhalin regional association of constructors”**

**ПО-03-09.1**

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## 1. PURPOSE AND AREA OF APPLICATION OF THE REGULATION

1.1. This Regulation determines rights, obligations and responsibilities of General Director of Partnership sequential from Charter and participation in managerial activity of Partnership, and order of appointment and advanced termination of powers of General Director of NP "Sakhalinstroy".

1.2. The Regulation is developed in compliance with legislation of the Russian Federation, Charter and other internal documents of the Partnership.

## 2. TERMS, DEFINITIONS AND ABBREVIATIONS

**Partnership** – noncommercial partnership "Sakhalin regional association of constructors" (NP "Sakhalinstroy")

**General meeting** – general meeting of Partnership members, superior authority of Partnership

**Governing board** – permanently acting collegial authority of Partnership

**General Director** – sole executive authority of Partnership

**Administration** – administrative and managerial apparatus of Partnership, consisting of structural subdivisions (departments, services), forming and leading by General Director

## 3. NORMATIVE DOCUMENTS

- Constitution of the Russian Federation (adopted by all-nation voting on 12.12.1993)
- Civil Code of the Russian Federation (Second part) No. 14-Ф3 of 26.01.1996
- Town-planning Code of the Russian Federation No.190-Ф3 of 29.12.2004
- Federal Law "On noncommercial organization" No. 7-Ф3 of 12.01.1996
- Federal Law "On self-regulating organizations" No. 315-Ф3 of 01.12.2007
- Charter of NP "Sakhalinstroy"
- "Regulation on General meeting" PO-01-09

## 4. GENERAL PROVISIONS

4.1. General Director is a sole executive authority of Partnership, realizing management of current activities of Partnership.

4.2. General Director is subordinate to General meeting and Governing Board of Partnership within their competencies.

4.3. Chairman of Governing Board concludes and signed a labour agreement with General Director on behalf of Partnership.

4.4. General Director can not be a Chairman of Governing Board of Partnership simultaneously.

4.5. Combination of posts in other organizations carried out by a person executing functions of General Director is allowed only by consent of Governing Board.

4.6. In his activity General Director is guided by legislation of the Russian Federation, Charter of Partnership, this Regulation, and other inner documents of Partnership approved by General meeting and Governing Board.

4.7. A person elected to the post of General Director should comply with the following requirements:

- Higher economical, legal, or technical education;
- Experience of work on managerial posts in construction sphere is no less than 10 (ten) years.

4.8. Governing Board is entitled to establish additional requirements to a candidate for post of General Director.

4.9. General Director is a manager of Partnership Administration created by him for realization of goals and execution of tasks established by Charter and inner documents of Partnership.

## **5. COMPETENCY OF GENERAL DIRECTOR**

5.1. Competency of General Director includes management of current activities of Partnership in order and within the limits established by Charter and this Regulation, approved by General meeting of Partnership members

5.2. According to Charter, General Director:

- 5.2.1. acts on behalf of Partnership without power of attorney and executes deals on behalf of Partnership, represents it in all governmental and other authorities, institutions, organizations concerning questions connected with realization of current activity of Partnership;
- 5.2.2. organizes work to provide execution of Partnership functions established by legislation, Charter, and other internal documents of Partnership, provides work of specialized bodies and meetings of Partnership authorities;
- 5.2.3. provides maintaining of accounting, tax, and statistical records and financial statements of Partnership, is liable for their authenticity;
- 5.2.4. opens accounts in banks and other credit institutions, including dollar accounts and account for operations with compensation fund;
- 5.2.5. concludes contracts and labour agreements with Partnership employees, including with branch and representative offices managers, approves Regulations on Partnership subdivisions, approves staff list, job descriptions, other local legal acts, forms Partnership staff;
- 5.2.6. provides control of observing of labour legislation and labour discipline, is responsible for execution of required measures on observance of safety rules and sanitary norms by employees;
- 5.2.7. issues powers of attorney for execution of actions within his powers;
- 5.2.8. issues orders, arrangements, gives instructions within his competency;
- 5.2.9. deals with monetary funds and property of Partnership within the limits of budget approved by General meeting of Partnership members;

- 5.2.10. arranges deals on behalf of Partnership within the limits of Partnership budget and (or) in pursuance of Governing Board decisions;
- 5.2.11. provides execution of decisions and instructions of General meeting, Governing Board, and Chairman of Governing Board;
- 5.2.12. concludes economical and other agreements and contracts;
- 5.2.13. submits projects of budget of administrative and economical expenses to General meeting for approval;
- 5.2.14. represents interests of Partnership in a court, in particular, applies on behalf of Partnership to the court in case of contesting in order established by legislation of the Russian Federation of acts, decisions, and (or) actions (inactions) of public authorities of the Russian Federation, public authorities of constituent entity of the Russian Federation, and local authorities violating rights and legitimate interests of Partnership, its member or members, or creating a threat of such violation;
- 5.2.15. participates on behalf of Partnership in development and discussion of projects of federal laws and other normative legal acts of the Russian Federation, laws and other normative legal acts of constituent entities of the Russian Federation, normative legal acts of local authorities, governmental programs connected with questions of construction, reconstruction, capital repair of objects of capital construction, and submits to public authorities of the Russian Federation, public authorities of constituent entities of the Russian Federation, and local authorities conclusions about results of independent expertises of projects of normative legal acts conducted by Partnership;
- 5.2.16. submits on behalf of Partnership proposals on formation and realization of state policy and policy executed by local authorities in the sphere of construction, reconstruction, capital repair of objects of capital construction for consideration carried out by public authorities of the Russian Federation, public authorities of constituent entities of the Russian Federation, and local authorities;
- 5.2.17. participates on behalf of Partnership in development and realization of federal, regional, and local programs and projects of social and economical development, investment projects;
- 5.2.18. participates on behalf of Partnership in commissions for placement of orders for goods supply, execution of works, rendering services fr state and municipal needs on construction, reconstruction, capital repair of objects of capital construction, contributes to maximal effectiveness and transparency of such commissions operation;
- 5.2.19. requests on behalf of Partnership for information in public authorities of the Russian Federation, public authorities of constituent entities of the Russian Federation, and local authorities and obtains from these bodies information required for execution of Partnership functions established by federal laws in compliance with ordrer established by federal laws;
- 5.2.20. ensuees fulfillment of decisions of Chairman of Governing Board, Governing Board, group of Partnership members established by Charter about calling of

General meeting of Partnership members, decisions of Chairman of Governing Board about calling of Governing Board;

- 5.2.21. introduces to Governing Board proposals on formation of branches and representative offices of Partnership;
- 5.2.22. deals with compensation fund of Partnership in compliance with "Regulation on compensation fund" approved by General meeting of Partnership members, informs Governing Board about state of compensation fund and number of Partnership memebers;
- 5.2.23. takes decisions on creation of site and informational system of Partnership, developes informational policy for provision of informational transparency;
- 5.2.24. organizes acceptance and registration of documents submitted to Partnership, takes decisions on these documents within his powers, or introduces projects of decisions on these documents to other bodies of Partnership;
- 5.2.25. ensures compliance with terms and procedures of consideration of applications, requests, and claims submitted to the address of Partnership;
- 5.2.26. makes entries into Register of Partnership members, gives statements from the Register of Partnership members;
- 5.2.27. in cases prescribed by legislation and documents of Partneship submits required information to board of supervision over self-regulating organizations, to public authorities, Partnership members, other organizations and residents;
- 5.2.28. organizes conducting of ordinary and extraordinary inspections of Partnership members;
- 5.2.29. within own competency takes measures on elimination of violations detected by board of supervision over self-regulating organizations, if necessatu, submits proposals on elimination of violations to Governing Board of Partnership;
- 5.2.30. introduces to General meeting of Partnership members a project of Partnership budget for approval;
- 5.2.31. reports to General meeting of Partnership;
- 5.2.32. approves rules, instructions, and other operational documents of internal use, excluding documents, approved by General meeting and Governing Board;
- 5.2.33. participates in work of Control committee as its member.

## **6. RIGHTS, OBLIGATIONS AND RESPONSIBILITY**

6.1. Rights and obligations of General Director concerning execution of management of current activities of Partnership are determined by legal acts of the Russian Federation, Charter, this Regulation, other internal documents of Partnership and labour contract.

6.2. General Director during execution of his rights and obligations should act in interests of Partnership, execute his rights and obligations in relation to the association conscientiously and wisely.

6.3. General Director is entitled to:

- Deal with property of Partnership with consideration of restrictions established in Charter and this Regulation;

- Settle questions connected with distribution of functions among structural subdivisions of Partnership (including branches and representative offices) in order to provide higher controllability and efficiency of their operation;
- Introduce proposals on amendments of inner normative documents of Partnership for consideration of Governing Board;
- Develop a police on settlement of social questions in Partnership;
- Submit recommendations on budget, formation of different funds, direction of part of the funds for charity;
- Control work on cooperation with a body, authorized to maintain register of self-regulating organizations in the sphere of construction;
- Submit proposals on agenda items of General meeting, to demand calling of extraordinary General meeting;
- Terminate powers at any moment under condition that Governing Board is notified about this termination no later than one month prior the termination;
- Introduce questions for consideration of Governing Board.

6.4. General Director heads organizational work and cooperates with representatives of Partnership members which are the managers of specialized bodies of Partnership;

6.5. General Director on the basis of Governing Board decision may lead specialized body or may be a member of specialized bodies of Partnership.

6.6. General Director leads work in case of occurrence of emergency or extraordinary situations in Administration, bears personal responsibility for state of mobile preparation and civil defence, is guided by respective documents, instructions, and orders of government bodies and authorities;

6.7. General Director should comply with restrictions established by legislation, in particular, he is not entitled to:

- Purchase securities, issuers or debtors of which are the members of Partnership, their subsidiaries or affiliates;
- Conclude any contracts for property insurance, credit contracts, guarantee contracts with members of Partnership, their subsidiaries or affiliates;
- Carry out business activities in the form of individual entrepreneur if such activities are subject of Partnership self-regulation;
- Register economical associations and companies carrying out business activities if such activities are subject of Partnership self-regulation, to be a member of such economical associations and companies.
- Be a member of authorities of Partnership members, their subsidiaries and affiliates, be an employee of the specified organizations and obtain profit from them, to have a share or shares in organizations, Partnership members.

6.8. General Director should notify Governing Board in advance about his personal interest in a deal, if one of the parties is Partnership.

6.9. General Director is responsible for:

6.9.1. economical results of Partnership activities within the limits of established budget;

6.9.2. damages caused to Partnership in the result of:

- failure to fulfill his functions specified in this Regulation and other internal documents of Partnership;
- negligent performance of his functions.

6.9.3. ensuring security of state and trade secret, and confidential information and official data disclosure of which may cause damage to the Russian Federation, Partnership and (or) its members, and which became known to him in connection with fulfillment of his powers.

6.10. Damages (losses) caused to Partnership are subject to compensation by General Director in full, including loss of profit. Damages are subject to compensation by General Director on the basis of court decision.

6.11. General Director does not compensate damages to Partnership if his actions were executed in pursuance of decisions of Governing Board or General meeting.

## **7. DESIGNATION AND TERMINATION OF POWERS**

7.1. General Director is selected (appointed) by regular General meeting for 3 (three) years period.

7.2. Term of General Director is counted since moment of his election by annual General meeting.

7.3. General Director may be re-elected for unrestricted amounts of times.

7.4. Selection of candidature for the post of General Director is carried out after its representation by Governing Board at General meeting by secret vote

7.5. General Director is considered to be elected if 2/3 of General meeting participants have voted for him.

7.6. Procedure of General Director designation proceeds like the following:

- Governing Board includes to the agenda of General meeting a question concerning election of General Director;
- Nomination of candidatures for the post of General Director and their consideration in Governing Board in order to comply with procedure of candidatures nomination established by Charter and "Regulation on General meeting", check of compliance with requirements to candidatures for the specified post established by this Regulation;
- Candidature (candidatures) approved by Governing Board are included to the bulleting for voting at General meeting;
- Each candidate is provided with equal possibilities for declaration of their programs at General meeting; the programs should reflect the following questions:
  - perspectives of Partnership development for the next years;
  - measures for obtaining of the specified goals;
  - expected annual budget.

- Chairman of meeting declares about the beginning of voting for candidatures for post of General Director included to voting bulletin;
- Conducting of voting in compliance with "Regulation on General meeting" and declaration of voting results;
- Conclusion of labour agreement for execution of General Director obligations with elected candidate obtaining required amount of votes.

7.7. General Director assumes office on the next day after declaration of decision about his election at General meeting, or, if the decision has not been declared, since the moment of preparation of protocols on voting results.

7.8. If General Director was elected by extraordinary General meeting his term is counted since the moment of election until the moment of election of new General Director at the third (after election of current General Director) annual General meeting.

7.9. If new General Director was not elected because of lack of quorum for conducting of voting for this question at General meeting, powers of current General Director are prolonged until conduction of repeated General meeting.

7.10. If new General Director has not been elected because of the following reasons:

- lack of quorum at repeated annual General meeting;
- none of the candidates has obtained amount of votes required for election,

Governing Board should within 5 (five) working days after conduction of respective annual or repeated General meeting take decision on designation of alternate General Director and on conducting of extraordinary General meeting with inclusion of question about election of General Director.

7.11. Until state registration of Partnership General Director executes his functions and obligations for free. Labour contract with General Director in this case is concluded after the state registration of Partnership.

7.12. After election General Director issues respective order within Partnership about his designation for the specified post.

7.13. Powers of General Director may be terminated by decision of General meeting about advanced termination of his powers, by consent of the parties, or by application of General Director in compliance with Charter, Labour Code of the Russian Federation, and this Regulation.

7.14. Reasons for advanced termination of General Director's powers are:

- Physical impossibility of execution of General Director obligations (death, recognition as untraceable, declaration of death, long-term decease);
- Voluntary retirement;
- Damification in regard to Partnership, excluding damages connected with ordinary commercial risk;
- Damification of business reputation of Partnership;
- Perpetration of intended criminal offence;
- Concealment of own interest in execution of deal with participation of Partnership;

- Unfair execution of obligations, violation of provisions of Partnership Charter and norms of legislation concerning noncommercial partnerships, including norms connected with self-regulating organizations in the sphere of construction, failure to fulfil decisions of General meeting and Governing Board;
- Violation of provisions of contract concluded with him;
- Concealment of information about his participation in work of other legal entities (except participation in public associations, trade unions, and political parties) without notification of Governing Board, in cases prescribed by Partnership Charter and law – without notification of General meeting;
- Derivation of personal benefits from disposal of Governing Board property, except cases when derivation of benefits is allowed by law, Charter, and other documents and decisions of Partnership;
- Action (inaction) caused negative consequences for Partnership.

7.15. Powers of General Director may also be terminated because of other legal causes.

## 8. DOCUMENT MANAGEMENT

8.1. This Regulation is accepted (approved) by General meeting of Partnership members by qualified majority of votes that constitute 2/3 of participants of General meeting.

8.2. This Regulation is effective since moment of its acceptance (approval) by General meeting.

8.3. Proposals on changes and amendments in this regulation are submitted in order established by Charter and regulation on General meeting for inclusion of these proposals into agenda of annual or extraordinary General meeting.

8.4. Maintenance of control copy of the Regulation is carried out by General Director.

8.5. After acceptance (approval) of the Regulation and made amendments the document may be published on site of Partnership within 3 days after its acceptance.

## 9. LIST FOR REGISTRATION OF CHANGES

Edition No.	Date of edition approval	Changes
0	20.02.2009	Initial edition
1	24.04.2009	Correction of terms and chapter 5 in compliance with provisions of Charter

Chairman of Governing Board of NP "Sakhalinstroy" \_\_\_\_\_ Zalpin A.P.

L.S.