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Approved by

Transparency International Anti-corruption
Center Public Organization's
General Meeting

August 25, 2017

Executive Director

Sona Avyazyan

Registered by the Central Body of RA State

Register Agency of Legal Entities

17 April, 2003

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Head of the State Register Agency

Hasmik Zakaryan

“Transparency International Anti-corruption Center”

Public Organization

CHARTER

(new edition)

2017

1. GENERAL PROVISIONS

1.1. “Transparency International Anticorruption Center” Public Organization (hereinafter referred to as the Organization) is a non-profit public association, operating in accordance with the Constitution of the Republic of Armenia (hereinafter RA), RA legislation and this Charter.

1.2. The Organization functions by the principles of legality, voluntariness, transparency, publicity and self-governance.

1.3. The Organization shall acquire the status of a legal entity upon its state registration.

1.4. The Organization operates throughout the whole Republic of Armenia in accordance with RA legislation, as well as in foreign countries in accordance with the legislation of those countries.

1.5. The name of the Organization shall be: in Armenian «Թրանսփարենսի Ինթերնեշնլ հակակոռուպցիոն կենտրոն» հասարակական կազմակերպություն (acronym «ԹԻՅԿ» ՅԿ), in Russian: "Антикоррупционный центр Транспаренси Интернешнл" **общественная организация**, (acronym “АЦТИ” ОО), and in English: “Transparency International Anticorruption Center” public organization (acronym “TIAC” PO).

1.6. The logo of the Organization is a dark blue image of the earth with an intersecting prime meridian and equator depicted on it, representing the Latin uppercase letter “T.” A direct line is drawn on the bottom-right plane of the intersection, parallel to the meridian, illustrating the vertical part of Latin lowercase letter “i.” On the top plane of the line is the superscript dot of the letter “i” according to the appendix of this Charter.

1.7. The Organization shall have an independent balance, bank account and other accounts with banks in AMD and foreign currencies, and a round stamp in Armenian and English with its logo.

1.8. The address of the Organization is 12 SaryanSt., apartment 11 & 12, Center County, Yerevan, Republic of Armenia.

2. GOALS AND OBJECTIVES OF THE ORGANIZATION

2.1. The goal of the organization is to promote good governance in Armenia through reducing corruption and strengthening democracy.

2.2. The objectives of the organization are

- 1) to support effective anti-corruption policy and transparent and accountable governance;
- 2) to support holding free, fair and transparent elections and the establishment of electoral institute;
- 3) to promote reasonable, transparent and accountable public resource management, including the management of state and community property and financial resources;
- 4) to foster democratic processes, including protection of human rights and public participation in the governance processes of the country.

2.3. The Organization's scope of activities involves:

- 1) research in political, economic and social spheres; monitoring and evaluations of public policy;
- 2) public oversight of elections and referenda, including conducting of observation missions;
- 3) public awareness of public policy and governance processes; raising of legal awareness and development of participatory capacity;
- 4) development of recommendations on systemic reforms and advocacy, including public mobilization, campaigning and lobbying;
- 5) providing professional, including legal support to interested parties – state institutions, representatives of private and public sector on corruption related issues;
- 6) representation and protection of a person's and his/her members, the organization's beneficiaries' as well as public/other's rights and interests within the framework of the organization's goals in state and local government bodies, right up to protection of violated public rights in the court.

2.4. Pursuant to its goals, the Organization shall have the right to:

- 1) acquire property and implement property and personal non-property rights, bear certain responsibilities, and act as both plaintiff and respondent in court.
- 2) carry out entrepreneurial activities, administer its property and results of its activities for the noted purposes, as well as in a legally defined order establish a commercial organization or partake in one.
- 3) involve volunteers in its activities.
- 4) have beneficiaries relevant to its goals. Beneficiaries of the Organization are those legal and physical entities or groups of entities, for the benefit of whom the Organization implements its activities.
- 5) carry out other activities not prohibited by law.

3. GOVERNING BODIES OF THE ORGANIZATION

3.1. The governing bodies of the Organization are the General Meeting, the Board and the Executive Director of the Organization.

3.2. The highest governing body of the Organization is the General Meeting of the Organization (hereinafter referred to as the General Meeting).

3.3. The current governing body of the Organization is the Board of the Organization (hereinafter referred to as the Board).

3.4. The executive governing body of the Organization is the Executive Director of the Organization (hereinafter referred to as the Executive Director).

4. GENERAL MEETING

4.1. The General Meeting is convened once every year by the Board. A special General Meeting may be convened upon the initiative of at least one third of the Organization's members, the Boards or the Executive Director.

4.2. The General Meeting is convened as a joint session of participants or delegates or through telecommunication means.

4.3. The members of the Organization shall be notified of the agenda, premises, date and time of the General Meeting via telecommunication means at least 10 days prior to the General Meeting.

4.4. The Special General Meeting is convened no later than 5 days after the initiative if a longer time period has not been established by the initiating party. The members of the Organization shall be notified of the agenda, premises, date and time of the Special General Meeting via telecommunication means at least 3 days prior to the General Meeting.

4.5. The General Meeting is considered competent if a simple majority of the Organization members participate in it physically or via telecommunication means.

4.6. The General Meeting adopts decisions by a simple majority of the votes of members (delegates) present.

4.7. If the General Meeting discusses an issue related to property or other interests of a member of the Organization or a related person thereof (parents, spouse, child, sister, brother, parents-in-law, sister-in-law, brother-in-law), then that given member shall not have the right to vote.

4.8. The General Meeting shall have exclusive jurisdiction to:

- 1) approve the Organization Charter, make amendments and additions to it or approve a new Charter;
- 2) adopt decisions on the establishment of another legal entity, participation of the Organization in other organizations;
- 3) adopt decisions on the establishment of separate subdivisions or enterprises of the Organization and on the approval of their charters;

- 4) approve the structure of the Organization;
- 5) adopt a decision on the election and dismissal of the Executive Director;
- 6) adopt decisions on the formation of the Organization's Board and Ethics Committee, election (appointment) or their early dismissal (from the occupied positions);
- 7) define the order and terms of remuneration of the executive governing body if remuneration has been foreseen;
- 8) choose the entity (auditor) implementing the audit of the Organization, if within the reporting period the Organization has received more than 5 million AMD funding from public sources;
- 9) terminate decisions of Organization's bodies that are in breach of the Charter and the requirements of legal acts;
- 10) adopt decisions on the membership and termination of membership to the Organization, including expulsion;
- 11) approve the strategy of the Organization's activity;
- 12) approve the Code of Conduct of the Organization
- 13) approve the annual report of the Executive Director on the Organization's activity and property utilization;
- 14) approve the amount and procedure of payment for membership fees of the Organization;
- 15) adopt decisions on the reorganization and dissolution of the Organization;
- 16) carry out other functions not prohibited by law or the present Charter of the Organization.

4.9. The General Meeting is chaired by the Chairman of the Board. In the absence of the latter, by the decision of the Board, one of the members of the Board member shall preside over the General Meeting.

4.10. The minutes of the General Meeting are signed by the person chairing the General Meeting and the Secretary. The minutes of the General Meeting shall be archived for at least ten years.

5. BOARD

5.1. The collegial governing body of the Organization is the Board, which manages the current activities of the Organization in between General Meetings. The Board is formed by the General Meeting with a three-year term and works without pay. The number of Board members is determined by the General Meeting. The Board shall consist of an odd number of members, at the minimum five and at the maximum nine in number.

5.2. Any person who has been a member of the Organization for at least two years and is not included in governing bodies formed by the General meeting, Organization staff as well as in elected/appointed governing bodies of any political parties may be elected as Board member. The candidate having the most votes through a secret ballot is elected. In case of an equal number of votes, then lots shall be drawn. The same person may not be elected member of the Board two consecutive times. If the number of members from the same political party (alliance of parties) within the Board is more than one-third of the Board, then the candidate(s) with the most votes from the given party (alliance of parties) shall be elected to

the Board, while the other candidate(s) shall yield their place to the candidate(s) with the most votes who are not members of the same political party (alliance of parties).

5.3. The Board elects a Chair from its members for a three-year term. The vacant position of the Board Chairman is filled within a 30-day period. The Chairman of the Board acts on behalf of the Board while concluding a working contract with the Executive Director.

5.4. Financial and other interests of Board members are declared and uploaded on the official website of the Organization annually.

5.5. A Board members term expires 3 years following the day of their election.

5.6. A Board member's authorities may be prematurely terminated:

- 1) based on his/her personal application;
- 2) if based on a court's decision that has entered into force, he/she has been recognized as legally incapacitated, missing or pronounced deceased;
in case of non-attendance in three consecutive meetings without a valid reason;
- 3) if he/she has missed Board meetings three consecutive times without an appropriate excuse;
- 4) if facts have emerged that at the time of the election, he/she did not meet the proper requirements;
- 5) if the Ethics Committee has established that he/she has violated the Organization's Code of Conduct or is in a state of conflicts of interest.
- 6) if he/she has deceased.

In cases foreseen by the present provision, the General Meeting adopts a decision on the premature termination of a Board member's authorities, with the exception of the case in point 1). The written resignation of a Board member shall be accepted by the General Meeting and his/her authorities shall be terminated.

5.7. When doing something defined in subpoints 3 and 4 of point 5.6, the Board member shall submit a written explanation. If within the time period defined by the Board, the Board member, without any acceptable circumstances, does not submit an explanation, then the decision on the termination of their authorities may be adopted without the explanation, which does not limit the right of the given member of the Board to express himself/herself during the General Meeting.

5.8. The decision on the termination of authorities of a Board member shall be adopted by the General Meeting. The vacant position of a Board member shall be filled within 30 days in a manner defined by the present Charter.

5.9. The Board conducts its activities through meetings which are held at least once every three months at the initiative of the Chairman of the Board and with support from the Organization's staff. A special meeting may be held at the initiative of one-third of the Board or the Executive Director of the Organization.

5.10. Board members as well as members of the Organization and staff shall be notified of the agenda, premises, date and time of the Board meeting via telecommunication means no later than 5 days before the meeting. Notification on a special Board meeting shall be sent no later than 3 days before the meeting.

5.11. The Board meeting shall be competent if a simple majority of the Board members participate in it, physically or via telecommunication means. The chairman presides over Board meetings. In case of the absence of the chairman or in case the position is vacant, by the decision of the Board a member of the Board chairs the meetings. Board meetings are open for members of the Organization and staff.

5.12. Decisions of the Board are adopted by a simple majority of the votes of members present. In case the votes are equally divided, the vote of the Chairman shall be considered decisive.

5.13. The Board shall have authority to:

- 1) convene a General Meeting and set up its agenda and rules of procedure;
- 2) make recommendations to the General Meeting on issues of its exceptional competence;
- 3) work out the Organization's strategy and submit it to the General Meeting of the Organization for its approval;
- 4) approve its administrative organizational structure;
- 5) approve interoffice documentation (policies) regulating the Organization's strategic activities and/or areas of activities, including Code of Conduct of the Organization;
- 6) approve documents regulating the relations and activities of the Board and the Executive Director;
- 7) take under advisement the report presented by the Executive Director on the current activities of and the projects implemented by the Organization;
- 8) make recommendations on the amount of membership fees and the procedure of their collection for the approval of the General Meeting;
- 9) define the cases and procedure for use of services of the Organization by its members;
- 10) settle any other issue except for those in the exclusive jurisdiction of the General Meeting of the Organization.

5.14. If the Board is discussing an issue of property or other interests of Board member or a related individual (parent, spouse, child, brother, sister, parent-in-law, child-in-law, brother-in-law and sister-in-law), then the given member of the Board shall not have the right to vote.

5.15. Minutes of Board meetings shall be taken. The minutes shall be signed by the Chairman (or the person chairing the meeting) and the Secretary. Minutes of meetings shall be archived for at least ten years.

6. EXECUTIVE DIRECTOR

6.1. Daily activities of the organization aimed at the implementation of the Organization's mission and goals is coordinated by the Executive Director who shall be elected by the Board.

6.2. The Executive Director shall:

- 1) organize and manage the daily operations of the Organization;
- 2) ensure the implementation of the decisions of the General Meeting and the Board;
- 3) represent the Organization in the Republic of Armenia and abroad;
- 4) represent the Organization in national and local government bodies, in relations with physical and legal entities without the need of a power of attorney;
- 5) manage the property of any kind and size, including the financial resources of the Organization, and conducts transactions on behalf of the Organization;
- 6) open bank accounts of the Organization (including of foreign currencies) and other accounts;
- 7) approve the list of staff positions and the annual cost estimate of the Organization;
- 8) conclude employment, service provisions and other contracts;
- 9) issue decrees and orders within his/her authorities and oversees their implementation;
- 10) pay rewards and take disciplinary liability actions towards employees;
- 11) issues powers of attorney;
- 12) approves internal and other rules for the regulation of current activities of the Organization and its separate subdivisions, enterprises;
- 13) approves reports of the Organization as well as its different bodies;
- 14) implement other functions related to the management of the current operation of the Organization, apart from the issues defined by the present Charter regarding the authority of the General Meeting and Board.

6.3. To implement the authorities reserved to him/her, the Executive Director may hire relevant staff, the structure of which shall be approved by the Board in accordance with point 5.13 of the present Charter.

7. OVERSIGHT

7.1. The General Meeting oversees the activities of the Organization.

7.2. The Organization may order an external audit for the purpose of checking its financial reports.

8. ETHICS COMMITTEE

8.1. The Ethics Committee (hereinafter referred to as Committee) shall function permanently and shall carry out oversight over conflicts of interest and the preservation of the Code of Conduct by the members of the Organization.

8.2. The Committee is formed by the General Meeting for a 3-year term. The Committee consists of three members: A Chairman and two members, one of whom shall be from the staff of the Organization. The same individual may not be elected to more than two consecutive terms as member of the Committee. The Committee shall elect a Chairman through a secret ballot.

8.3. Any member of the Organization who has been a member for at least two years and is not a member of the Board may be elected as member of the Committee. The candidates with the most votes received through a secret ballot are elected to the Committee. If the votes are equally divided, then lots shall be drawn.

8.4. In cases of violations of the Code of Conduct by the members of the Organization and/or situations of conflicts of interest, the Committee shall, in accordance with the procedure defined by the Committee, convene meetings based on the written application of any member of the Organization and/or staff or at its own initiative.

8.5. Following the examination of the issue, the Committee shall make a decision on the fact of a violation of the Code of Conduct by a member of the Organization and/or the fact of a situation of conflict of interest or lack thereof.

8.6. The decision of the Committee shall be sent to the Board, Executive Director, person initiating the process and persons concerned within 3 days.

8.7. If the Committee finds that a member of the Organization has violated the Code of Conduct or is in a situation of a conflict of interest, the Board shall include in the agenda of its next meeting the issue of subjecting that member to liability.

9. PROCEDURE FOR MEMBERSHIP OF THE ORGANIZATION AND WITHDRAWING FROM IT, RIGHTS AND OBLIGATIONS OF THE MEMBERS

9.1. Any person who is of the age 18 and older, who shares the values and objectives of the Organization and wishes to take part in the activities of the latter may become a member of the Organization.

9.2. Decision regarding admission into the Organization shall be made by the General Meeting based on a written application of the person who wants to join the organization and on Letters of Recommendation from at least two members of the Organization.

9.3. A member's membership in the Organization shall be suspended if:

- 1) He/she has presented a written application on withdrawal from the Organization;
- 2) He/she has been recognized as legally incapacitated by a court decision that has come into force, is declared missing or pronounced deceased;
- 3) A member has not participated in the General Meeting for two consecutive times without presenting reasonable justifications;
- 4) There are facts pointing out to the fact that a member did not meet the requirements for membership at the time of becoming a member of the Organization;

- 5) If he/she has not paid the membership fee in a defined procedure and amount for two and more times;
- 6) There is a decision of the Ethics Committee about the fact of a conflict of interest or a violation of the Code of Conduct by the member;
- 7) If the member has deceased.

In cases foreseen by the present provision, the General Meeting shall adopt a decision on the termination of membership with the exception of point 1). The written application of a member on withdrawal from the Organization shall be duly noted by the General Meeting and the membership shall therefore be terminated.

9.4. When doing something mentioned by points 3 to 5 of 9.3 of the present Charter, the member of the Organization shall submit a written explanation at the written request of the Board. If within the time period defined by the Board and with no reasonable justification the member of the Organization does not submit an explanation, then the decision on the termination of authorities may be accepted without the explanation, which does not, however, limit the given member's right to express his/her opinion during the General Meeting.

9.5. A member of the Organization shall have the right to:

- 1) elect and be elected in the governing bodies of the Organization;
- 2) personally attend the General Meeting or meetings of other collegial bodies of the Organization;
- 3) require and receive exhaustive information and copies of documents on amendments to the Charter of the Organization, minutes of different meetings, decisions, finances received from the management of property as well as copies of the conclusion of the financial auditor carrying out the audit of financial reports of last three years;
- 4) make recommendations to the governing bodies of the organization for the purpose of improving its activities;
- 5) submit applications to the Ethics Committee regarding violations of the Code of Conduct and situations of conflicts of interest;
- 6) participate in projects and events implemented by the Organization;
- 7) use services of the Organization free of charge in cases and procedure defined by the Board;
- 8) appeal the decisions of the Board and the Executive Director to the General Meeting within a two-month period starting from the day he/she found out or had to know about the adoption of such a decision;
- 9) terminate his/her membership by giving advance notice to the Board.

5.5 A member of the organization shall be obliged to:

- 1) implement the Charter requirements and decisions of the Organization's governing bodies;
- 2) participate in the General Meeting and, in the case of being a Board member, Board meetings;
- 3) follow the Codes of Conduct of the Organization;
- 4) contentiously perform the obligations by the Board he/she has undertaken;

- 5) ensure the development of the good reputation of the Organization;
- 6) in case of manifesting improper conduct upon request of the Board and within defined time provide written explanation;
- 7) pay the membership fee in the defined amount and order.

9.7. By the decision of the General Meeting, members who have breached the requirements of the Organization Charter will be subject to disciplinary measures up to expulsion from the Organization.

10. PROCEDURE FOR APPEALING THE DECISIONS OF THE GOVERNING BODIES OF THE ORGANIZATION

10.1. Members of the Organization shall have the right to appeal the decisions of the Organization's governing bodies to the bodies higher than the one that made the decision.

10.2. The decisions which are made by the General Meeting and all the decisions of the Organization's governing bodies that contravene RA legislation may be appealed in court by the procedure stipulated by Armenian legislation.

11. THE SOURCES OF PROPERTY AND PROCEDURE FOR MAINTENANCE

11.1 The Organization may have premises, buildings, apartments, vehicles, and other property not prohibited by law.

11.2. The Organization's property comes from:

- 1) investments by members;
- 2) membership fees;
- 3) income from entrepreneurial activities;
- 4) income generated by its own activities or due to participation in another organization;
- 5) financial means from the state budget;
- 6) donations, including grants;
- 7) fundraisers;
- 8) other means not prohibited by law.

11.3. The Organization shall use its property and means exclusively for the fulfillment of its statutory goals.

11.4. The members of the organization shall have no right of share for the property of the Organization and reserve no rights toward the property devolved to the organization, including membership fees. They are not liable for the obligations of the Organization, while the latter is not responsible for the obligations of its members.

12. REORGANIZATION AND DISSOLUTION OF THE ORGANIZATION

12.1. Reorganization of the Organization shall be initiated upon a decision by the General Meeting in accordance with the acting legislation or in legal form.

12.2. Dissolution of the Organization may be carried out by a resolution of the General Meeting or by a court decision.

12.3. After making a decision on the Organization's dissolution, the General Meeting shall notify the State Register Agency within five days to register the dissolution process in the state register.

12.4. In the case when the Organization is dissolved, the General Meeting shall create a Dissolution Commission, which, after making the compulsory payments, shall utilize the remaining property of the Organization for achieving its purposes and goals envisioned by this Charter or, in case it is impossible to do so, transfer it to the state budget.

12.5. Upon dissolution, the Organization terminates its activity without transferring its rights and obligations to other people under the principal of succession.

Appendix

