

Approved by Protocol  
General Meeting of Participants of the Republican  
Chamber of Dairy and Dual Purpose Breeds of Cattle  
(Holstein, Black-and-White, Red Steppe,  
Kholmogorsk, Aulieatin, Simmental, Alatau, Schvitsk,  
Bestuzhev, Montbéliarde)  
No. 10 dated April 5, 2019

**CHARTER**  
**Republican Chamber of Dairy and Dual Purpose Breeds**  
**cattle (Holstein, Black-and-white, Red steppe, Kholmogory, Aulieatin, Simmental,**  
**Alatau, Swiss, Bestuzhev, Montbéliarde)**

**Astana, 2019**

## **1. Subject and goals of the Chamber**

1. The Republican Chamber of Dairy and Dual Purpose Breeds of Cattle (Holstein, Black-and-White, Red Steppe, Kholmogory, Aulieatin, Simmental, Alatau, Swiss, Bestuzhev, Montbéliarde), (hereinafter referred to as the Chamber) is a voluntary association of individual entrepreneurs and legal entities, created in order to consolidate joint efforts in increasing the productivity of dairy and dual purpose breeds of cattle and increasing their numbers through the use of modern methods of selection and reproduction of the herd.

2. The Chamber is a non-profit organization and is authorized by its members to represent their interests in state and other bodies, as well as in international organizations.

3. Full name:

**the Republican Chamber of Dairy and Dual Purpose Breeds of Cattle (Holstein, Black-and-White, Red Steppe, Kholmogorsk, Aulieatin, Simmental, Alatau, Schvitsk, Bestuzhev, Montbéliarde).**

4. The Chamber is the assignee of all rights and obligations of the association of individual entrepreneurs and legal entities "Republican Chamber for Dairy Cattle Breeding (Holstein, Black-and-White, Alatau, Simmental, Aulieatin, Red - Steppe, Swiss breeds of cattle)". Certificate of state re-registration of a legal entity of the Department of Justice of Astana dated April 29, 2014 BIN 110640021889.

5. The Chamber is a legal entity, has a separate property, an independent balance sheet, a seal with its name, letterheads, settlement and other accounts in financial and credit institutions both in tenge and in foreign currency.

6. Members of the Chamber retain their independence and the rights of a legal entity.

7. The Chamber is not liable for the obligations of its members. Members of the Chamber bear subsidiary liability for its obligations in the amount and in the manner provided for by the founding agreement and this Charter.

8. To achieve its goal, the Chamber may create legal entities or participate in the activities of other legal entities.

9. The Chamber may create branches and representative offices.

10. Branches and representative offices that are not legal entities operate on the basis of regulations approved by the Council of the Chamber. The Chamber, in the manner prescribed by law, may open its representative offices both in the Republic of Kazakhstan and abroad.

11. Location of the Chamber: Republic of Kazakhstan, 010000, city of Nur-Sultan, Kenesary street, house 40, NP - 49, 12th floor, office. 1202, 1203, 1204.12. Целью создания Палаты является повышение продуктивности и увеличение численности племенного поголовья молочного и комбинированного скота хозяйств – участников Палаты;

## **2. The Objectives of the Chamber are:**

1. Preservation of the number of highly valuable breeding stock of cattle of dairy and dual purpose breeds and expansion of their population in the Republic of Kazakhstan;

2. Representing the rights and protecting the interests of members of the Chamber in state and other organizations of the Republic of Kazakhstan and international organizations.

### **3. The subject of the activity of the Chamber is:**

1. organizes the accounting of breeding stock, depending on the chosen direction of livestock breeding, by assigning (suspension, cancellation) the status of breeding products (material) in the manner approved by the authorized body;

2. determines the breeding value of cattle animals, in accordance with the instructions for appraisal (assessment) of breeding value and reproduction of animals, approved by the authorized body;

3. carries out the issuance (cancellation) of breeding certificates for breeding products (material) in the manner approved by the authorized body;

4. recognizes a breeding certificate or an equivalent document issued for imported breeding products (material) by the competent authorities of the exporting countries, in the manner approved by the authorized body;

5. makes a proposal to the local executive bodies of regions, cities of republican significance, the capital on the distribution of subsidies for breeding products (material) within the budget funds;

6. maintains and publishes pedigree books separately for purebred animals;

7. monitors data on appraisal (assessment) and informs interested parties about its results;

8. approves the breed standard in agreement with the collegiate body;

9. exercise other powers that do not contradict the legislation of the Republic of Kazakhstan.

10. The assignment of status and the issuance of a breeding certificate for breeding products (material) are carried out by the republican chamber on the basis of an application from an individual and (or) legal entity, regardless of their membership in the republican chamber. Breeding certificates issued by breeding plants, breeding farms and breeding reproducers for breeding products (material) remain valid until the status is assigned to such breeding products (material) by the republican chamber.

## **2. Structure, order of formation and competence of the governing bodies of the Chamber**

1. The supreme governing body of the Chamber is the general meeting of participants (members).

2. The General Meeting of Participants (Members) has the right to make decisions on all issues of the Chamber's activities.

3. The exclusive competence of the General Meeting of Participants (Members) of the Chamber includes:

- making changes and additions to the constituent documents, the Charter of the Chamber;

- election of the Council of the Chamber;

- election of the Chairman of the Council of the Chamber and hearing his reports;

- election of the Audit Commission and hearing of its reports;

- approval of decisions on the exclusion of participants from the Chamber;
- resolving issues of reorganization and liquidation of the Chamber;
- other issues as agreed by the participants (members).

4. The General Meeting is convened as needed, but at least 1 (one) time per year.

5. At the request of at least 1/3 of the participants (members) or at least 2/3 of the Council of the Chamber, an extraordinary meeting of the General Meeting may be convened.

The Chairman of the Council of the Chamber must inform the participants (members) about the place and time of the meeting, as well as the agenda, no later than 10 (ten) calendar days before the expected date of the meeting.

6. The General Meeting has the right to make decisions if at least 51% of the total number of participants (members) are present at its meeting. Decisions of the General Meeting are taken by a majority vote of the participants. The voting procedure is determined by the General Meeting.

Decisions of the General Meeting can also be taken by absentee voting.

7. General management of the activities of the Chamber in the period between meetings of the General Meeting is carried out by the Council of the Chamber, which also controls the activities of the executive body of the Chamber.

8. The exclusive competence of the Council of the Chamber includes:

- determination of the main activities of the Chamber;
- approval of the program of activities of the Chamber and financing plans;
- adoption of internal regulations;
- determination of the amount of contributions of participants (members) for further approval at the General Meeting;
- approval of the budget of the Chamber and hearing reports on its implementation;
- control over the activities and approval of the reports of the CEO;
- determination of the procedure for the distribution of funds received from the sale of goods, works, services, the creation and expenditure of funds;
- implementation of decisions of the General Meeting;
- other issues as agreed by the participants (members).

9. The Council of the Chamber is elected by the General Meeting for a period of 5 (five) years.

10. The Council of the Chamber consists of 11 (eleven) people. The Council of the Chamber includes the first heads of legal entities and individual entrepreneurs - participants (members) of the Chamber.

11. Meetings of the Council of the Chamber are held as needed, but at least once every six months. The Council of the Chamber is considered competent if at least 51% of its members are present at its meeting. Decisions of the Council of the Chamber are taken by majority vote. The voting procedure is determined by the Council of the Chamber.

12. The Council of the Chamber is headed by the Chairman, elected by the General Meeting of Participants (Members) of the Chamber for a term of 5 (five) years.

13. The Chairman of the Council of the Chamber performs representative functions, represents the interests of the Chamber in all organizations of the Republic of Kazakhstan and abroad.

14. The competence of the Chairman of the Council of the Chamber includes:

- preparation of the General Meeting of participants (members) of the Chamber;
- preparation of issues for consideration at the General Meeting of Participants (Members) of the Chamber;

15. The Chairman of the Council of the Chamber has the right to refuse to perform his duties at any time by notifying the Council of the Chamber in writing no later than 1 (one) month in advance. If the Chairman refuses to perform his duties, the General Meeting is convened, which elects a new chairman.

16. The executive body of the Chamber is the CEO. The CEO is appointed by the Council of the Chamber.

The CEO, within the powers granted to him:

- implements the decisions of the General Meeting, the Council of the Chamber;
- at least 1 (one) time per year, the CEO reports to the General Meeting of Participants (Members) on the results of the activities of the Chamber.

- manages the property of the Chamber;
- assigns tribal status to animals;
- issues breeding certificates to animals;
- recognizes a breeding certificate or an equivalent document issued by the competent authorities of exporting countries for imported breeding products (material) of cattle;

- opens current and other accounts in financial and credit institutions;
- concludes contracts,
- approves the staffing table,
- carries out the reception, transfer, bonuses and dismissal of the employees of the Chamber;

- issues powers of attorney for the right to represent the interests of the Chamber to a third party;

- issues orders and instructions binding on the employees of the Chamber, acts without a power of attorney on behalf of the Chamber;

17. Control over the activities of the Council and the CEO of the Chamber is carried out by the Audit Commission, elected by the General Meeting of Participants (Members) of the Chamber for a period of 3 (three) years. The Audit Commission conducts at least 1 (one) audit annually and gives an opinion on the annual report of the Chamber. The Auditing Commission annually reports on the results of the audit to the General Meeting of Participants (Members) of the Chamber.

18. At the request of 1/3 of the participants (members) of the Chamber, an extraordinary audit may be carried out.

19. The Audit Commission has the right to demand from the officials of the Chamber all the necessary accounting, financial and other documents, as well as personal explanations on the activities of the Chamber.

20. In case of detection of abuse by the officials of the Chamber or a threat to the interests of the participants (members) of the Chamber, the Audit Commission has the right to demand the convening of an extraordinary meeting of the General Meeting of participants (members) of the Chamber.

21. The Council of the Chamber and the Audit Commission, which failed to cope with their duties, may at any time be re-elected by the General Meeting of Participants (Members) of the Chamber.

22. By decision of the Council of the Chamber, a body is created that monitors compliance by the members of the Chamber with the requirements established by law in the field of livestock breeding and other norms of selection and breeding work.

### **3. Rights and obligations of participants (members) of the Chamber**

Participants (members) of the Chamber have the right to:

1. Participate in the management of affairs in the manner prescribed by the Charter, the Memorandum of Association, as well as submit proposals for consideration by the Council of the Chamber and the General Meeting on all issues related to the subject of the activity of the Chamber;

2. To receive information about the expenditure of financial resources, the activities of the Chamber, indicate on their letterheads and seals their belonging to the Chamber;

3. Make contributions to the funds created by the Chamber, finance and lend on favorable terms for projects and programs implemented by the Chamber;

4. Use the services provided by the Chamber as a matter of priority. At the same time, in order to use services provided on a reimbursable basis, a participant (member) of the Chamber must conclude an agreement.

5. Make full use of the business information available in the Chamber;

6. Resign from the Chamber at your own discretion at the end of the financial year. In this case, he bears subsidiary liability for the obligations of the Chamber in proportion to his contribution within two years from the date of withdrawal.

Participants (members) of the Chamber are obliged:

1. Comply with the requirements of this Charter, the Memorandum of Association and other acts adopted (approved) by the General Meeting.

2. Respect the interests of other participants (members) of the Chamber, strictly comply with the terms of agreements, contracts and agreements concluded with participants (members) and partners of the Chamber;

3. To make contributions in the manner and in the amount provided for by this Charter and the Memorandum of Association.

4. Provide the Chamber with the information necessary to resolve issues related to its activities, as well as not transfer to third parties and not disclose information relating to the activities of the Chamber and affecting its interests.

5. Assist the Chamber in its activities, as well as refrain from any actions that may cause material or moral damage to the Chamber.

### **4. Conditions and procedure for admission to members of the Chamber and exit from the Chamber**

1. Participants (members) of the Chamber may be legal entities and individual entrepreneurs engaged in breeding dairy and dual purpose breeds of cattle, who are

residents of the Republic of Kazakhstan and have made a contribution in the amount established by the General Meeting of the Chamber.

2. Legal entities and individual entrepreneurs acquire the status of a member of the Chamber after submitting an application for membership in the Chamber, paying an annual fee.

3. Participants (members) of the Chamber are obliged to comply with the requirements of the Charter and pay membership fees, in the manner prescribed by this Charter and the Foundation Agreement of the Chamber.

4. A participant (member) of the Chamber has the right, at his own discretion, to withdraw from the membership of the Chamber at the end of the financial year.

5. When a participant (member) leaves the Chamber, the contributions made earlier are not returned.

6. In case of non-payment of the annual membership fee, the participant (member) of the Chamber is excluded from the composition of the participant (member) of the Chamber.

## **5. Sources for formation of property of the Chamber**

1. The property of the Chamber consists of material values and financial resources that are on its balance sheet and are the property of the Chamber.

2. Sources of formation of property are:

- annual membership fees, participants (members) for registration and issuance of breeding certificates of animals of the corresponding breeds in the information base of breeding and breeding work, in the amount established by the General Meeting of the Chamber.

- voluntary property contributions of participants (members);

- proceeds (income) from the sale of goods, works, services in cases established by law;

- long-term and short-term loans;

- dividends (income, remuneration (interest) received from shares, bonds, other securities and contributions (deposits);

- grants and voluntary donations;

- other receipts.

3. Contributions of participants, profits received by the Chamber, as well as all property acquired by it at its own expense are the property of the Chamber. Income and profits of the Chamber cannot be distributed among the participants and are directed to the statutory purposes.

4. The Chamber establishes the following funds at the expense of members' contributions and profits:

- development of scientific and production activities;

- capital investments;

- wages;

- representative, reserve and others by agreement of the participants (members).

5. The composition, purpose, size and procedure for the formation and direction of spending the relevant funds are determined by the Council of the Chamber.

6. In the manner prescribed by law, the Chamber maintains accounting and statistical reporting. In order to carry out activities subject to licensing, the Chamber is obliged to obtain a license in accordance with the procedure established by law.

## **6. Terms of reorganization and termination of the Chamber**

1. Reorganization of the Chamber is carried out:

- by decision of the General Meeting of Participants (Members) of the Chamber;
- on other grounds provided for by the current legislation of the Republic of Kazakhstan.

2. The Chamber is considered to be reorganized, except for cases of reorganization in the form of affiliation, from the moment of state registration of the newly emerged organization (organizations).

When the Chamber is reorganized in the form of a merger of another organization with it, the first of them is considered reorganized from the moment an entry is made in the State Register of Legal Entities on the termination of the activities of the affiliated organization.

The reorganization procedure is carried out in the manner prescribed by the civil legislation of the Republic of Kazakhstan.

3. The Chamber may be liquidated by decision:

- General meeting of participants (members) of the Chamber;
- courts, in cases:
  - bankruptcy;
  - invalidation of the registration of a legal entity in connection with the violations of the law committed during its creation, which are irreparable;
  - systematic implementation of activities that contradict the statutory goals of a legal entity;
- carrying out activities without proper permission (license), or activities prohibited by legislative acts, or with repeated or gross violations of the law;
- in other cases stipulated by legislative acts.

4. The Chamber may be liquidated voluntarily or forcibly (by a court decision) on the basis and in the manner prescribed by the legislation of the Republic of Kazakhstan.

5. The liquidation of the Chamber is considered completed, and the Chamber ceases to exist after an entry about this is made in the state register of legal entities.

## **7. How to use property in case of Chamber Termination**

1. The property of the Chamber upon termination of its activities, after settlements with the budget, banks and other creditors, the liquidation commission appointed in accordance with the procedure established by the legislation of the Republic of Kazakhstan, is directed to the purposes provided for by the Charter, or transferred to non-profit organizations pursuing the same or similar goals as the Chamber .



**Authorized Person**

**Kopmakhambet Yelesov**

