

APPROVED
in Minutes No. 1 of the General Meeting of Founders
as of August 19, 2019

**ARTICLES OF ASSOCIATION
of the Association
of translators and editors of subtitles “Eurasian
subtitlers’ league”**

Moscow
2019

1. GENERAL PROVISIONS

1.1. The Association of translators and editors of subtitles “Eurasian subtitlers’ league” (hereinafter referred to as the “Association”) is a union of individuals and corporate entities based on voluntary or, in cases specified in the law, on compulsory membership and established to represent and protect common interests, including professional ones, to achieve the purposes of social value, non-commercial purposes not contradicting the law specified in these Articles of Association.

1.2. Name of the Association:

1.2.1. Full name of the Association in Russian: Ассоциация переводчиков и редакторов субтитров «Евразийская лига субтитровщиков».

1.2.2. Abbreviated name of the Association in Russian: Евразийская лига субтитровщиков; ЕЛС.

1.2.3. Full name of the Association in English: The Association of translators and editors of subtitles “Eurasian subtitlers’ league”.

1.2.4. Abbreviated name of the Association in English: Eurasian Subtitlers' League; ESL.

1.3. The Association shall operate in compliance with the Constitution of the Russian Federation, the Civil Code of the Russian Federation, the Federal Law On Non-Profit Organizations, other current legislation of the Russian Federation and these Articles of Association.

1.4. Address (location) to contact the Association: Moscow.

1.5. The Association shall acquire the rights of a corporate entity upon its registration. The Association shall be formed for an indefinite period of time.

1.6. The Association shall own separate property, shall be liable for its obligations with such property, shall have its standalone balance sheet, may acquire and exercise property and non-property rights, have responsibilities, act as claimant and defendant in court, open accounts with banks within and outside the Russian Federation.

1.7. The Association may have a round seal with its full name in Russian, stamps and letterheads with its name.

1.8. The Association may enter into agreements, contracts, arrangements on its behalf and exercise all rights needed to achieve the purposes of activities stated in the Articles of Association.

1.9. The Association may establish branches and open representative offices within the Russian Federation.

1.10. The branches and representative offices of the Association shall not be corporate entities, they shall be provided with property at the Association’s expense, shall act pursuant to the regulations approved by the Association in compliance with the current legislation of the Russian Federation.

1.11. Heads of branches and representative offices shall be appointed by the Association and shall act on behalf of the power of attorney issued by the Association. Branches and representative offices shall operate on behalf of the Association. The Association shall bear liability for activities of its branches and representative offices.

1.12. Representative offices and branches shall be stated in the Unified State Register of Corporate Entities.

1.13. The Association may engage in income-generating activities, only if they serve the purposes for which the Association has been formed and if they meet such purposes.

1.14. When dealing with issues related to its activities not specifically covered by the provisions hereof, the Association shall follow the current legislation of the Russian federation and the internal regulations adopted by the General Meeting of the Association Members.

1.15. The emblem (logo) of the Association consists of two text elements separated by a thin vertical line not exceeding the height of the text in Latin letters reading “ESL”. The text “EURASIAN SUBTITLERS' LEAGUE” is to the right of the vertical line. The logo background is white, the general color combination is black and white, two colors are used.

2. PURPOSES, SCOPE AND TYPES OF THE ASSOCIATION'S ACTIVITIES

2.1. The Association has been formed to join together professionals engaged in creation, translation and editing of subtitles of all types for all storage media, develop their professional skills so that they meet international standards, promote such standards among the customers to improve the working conditions for subtitlers, translators and editors in the Eurasian Economic Union countries.

Scope of the Association's activities:

- 1) Join forces of professional and amateur subtitle translators and editors from different countries seeking to improve their skills and working conditions and achieve more effective cooperation with customers;
- 2) Take part in the development of professional subtitling and subtitle translation standards for all storage media and all tasks;
- 3) Carry out research and run educational projects in the sphere of subtitles in games and to ensure digital accessibility and compliance with inclusion standards for hard of hearing audiences as well as in the sphere of subtitles for most advanced storage media, in particular the virtual reality environment;
- 4) Spread subtitling and subtitle translation quality standards set by major customers and subtitle use options for more efficient promotion of Russian and foreign entertainment and educational projects;
- 5) Cooperate with Russian and foreign content production companies interested in improving the language and technical quality of the subtitled content offered by them;
- 6) Cooperate with customers ordering subtitles in such advanced areas as live subtitling and educational programs;
- 7) Cooperate with all interested public bodies, scientific and cultural institutions to achieve the Associations' purposes.

2.3. The Association's activities:

Provide legal support to the Association members during pre-trial and trial stage, if their honor and dignity are defamed or their business reputation is damaged;

Represent the interests of the Association members in federal public bodies, public bodies of the subjects of the Russian Federation, local government bodies, in relations with organizations of different forms of ownership and with individuals;

Engage in publishing activities and support publication of guidance and reference materials and other literature meeting the purposes of the Association's activities.

Support development of proposals for creation of legislative and other legal framework for subtitling;

Take part in provision of public support to the Association members for protection of their honor, dignity and business reputation in compliance with legal regulations and agreements with the respective public bodies;

Organize and hold events to discuss the issues related to subtitling for the purposes stated herein; Organize and hold events, workshops, master classes, conferences, panel discussions;

Support increase of cooperation on subtitling with international and Russian organizations and scientific societies;

Engage in charitable activities and encourage donations to achieve the purposes stated herein;

Engage in educational activity according to professional training and extended learning programs on its own and in cooperation with educational institutions and companies producing software products, online platforms to enhance the professional level standards for subtitle translators and editors. To engage in educational activities, the Association shall establish a special structural subdivision within its structure. Activities of such subdivision shall be regulated by the rules drawn up and approved by the Association. The Association shall not be

an educational organization, it shall be an organization providing training according to Article 31 of the Federal Law On Education in the Russian Federation.

2.4. The Association may engage in certain activities only under a special permission (license).

3. MEMBERSHIP IN THE ASSOCIATION

3.1. The Association members shall include the Association Founders, individuals and corporate entities having full legal capacity as well as foreign nationals and stateless persons that have joined the Association upon its registration, have paid the registration fee and the member's contribution, agree to and comply with the provisions hereof.

3.2. The Association members shall maintain their legal and economic independence.

Membership in the Association shall be compulsory.

3.3. The Association members shall have the right to:

- 1) Take part in management of the Association's affairs;
- 2) Receive information on the Association's operation and review its accounting statements and other documents in cases and within the procedure provided by the legislation and the Association's constitutional document;
- 3) File appeals against decisions of the Association's bodies leading to civil consequences in cases and within the procedure provided by the legislation;
- 4) Use the Association's services on equal terms with other Association members free of charge unless otherwise provided by the legislation;
- 5) Withdraw from the Association at its own discretion;
- 6) And other rights provided by the current legislation.

3.4. The Association members shall:

- 1) Take part in generation of the Association's property to the extent needed within the procedure, in the way and under the terms provided by the Civil Code of Russia, another law or the Association's constitutional document;
- 2) Shall not disclose confidential information on the Association's operation;
- 3) Take part in decision-taking required for operation of the Association in compliance with the legislation, if its participation is needed to take such decisions;
- 4) Shall not perform actions intentionally aimed at inflicting damage on the Association;
- 5) Shall not perform actions (omission) materially hindering achievement of purposes for which the Association is established or making it impossible;
- 6) Pay member's contributions set by the Articles of Association and decisions of the General Meeting of the Association Members, make additional contributions of property into the Association's property;
- 7) Contribute to successful operation of the Association, comply with decisions of the Association's management bodies in good faith;
- 8) Perform other obligations provided by the current legislation.

3.5. Membership in the Association shall be inalienable.

3.6. To be admitted to the Association, a corporate entity shall provide the following documents addressed to the Association:

- 1) An application for membership in the Association in the established form;
- 2) A copy of the document confirming registration of an entry in the respective state register on registration of the corporate entity, copies of constitutional documents;
- 3) A copy of the certificate of registration with the tax authority;
- 4) A copy of the document confirming the authorities of the chief executive (minutes or order);
- 5) A copy of the articles of association.

Copies of the documents shall be certified by the signature of the chief executive of the corporate entity and the seal, the document containing more than one sheet shall be bound and certified as well by the signature of the chief executive of the corporate entity and the seal.

3.6. To be admitted to the Association, an individual having full legal capacity shall provide an application for membership in the established form addressed to the Association. To be admitted to the Association, a corporate entity shall provide an application for membership signed on behalf of such corporate entity by the person authorized to act on its behalf without the power of attorney and addressed to the Association.

3.7. Withdrawal from the Association at the discretion of the Association member shall be formalized by filing of a written application addressed to the Association at any time.

3.8. The Association member may be expelled from the Association according to the decision of the General Meeting of the Association Members, if:

1) It fails repeatedly to perform its obligations or performs them improperly, in particular in case of delay in payment of the annual, single or special member's contribution for more than 30 days;

2) Its actions (omission) hinders regular operation of the Association;

3) It fails to attend the General Meeting of the Association Members more than twice without a reasonable excuse, provided that the procedure for convening the meeting is observed;

4) It violates the Articles of Association, the internal regulations of the Association or performs inappropriate actions in respect of the Association.

3.9. Fees and contributions shall be paid in cash. The cost of the contributed property shall be assessed in Russian rubles upon agreement between the Association member and the General Meeting of the Association Members.

3.10. Admission to the Association shall be performed on the basis of the application addressed to the President of the Association within thirty days of receipt of the documents upon their examination.

The applicant shall become the Association member at the moment of taking of the favorable decision by the General Meeting of the Association Members.

3.11. Information on applicants admitted to the Association shall be published on the Association website.

3.13. No fees, contributions or donations paid up to the moment of withdrawal or expulsion shall be returned.

4. ESTABLISHMENT OF THE ASSOCIATION'S PROPERTY

4.1. The Association shall have the following sources of its property:

1) Regular and single receipts from members;

2) Voluntary contributions of property and donations;

3) Proceeds from sale of goods, works, services;

4) Dividends (income, interest) received on shares, bonds, other securities and deposits;

5) Revenue received from the Association's property;

6) Other receipts not prohibited by the legislation.

4.2. The first annual member's contribution shall be paid by each candidate to Association members along with the registration fee. Further annual member's contributions shall be paid by each Association member within the procedure set by the General Meeting of the Association Members.

4.3. Member's contributions shall be paid in cash.

4.4 Registration fees and annual member's contributions shall be spent on maintenance of the Association's management bodies and ensuring of its operation provided herein. Special contributions shall be spent on funding of certain events and programs.

4.5. The Association shall have the right of ownership to monetary funds, property and other property items transferred by individuals and corporate entities in the form of contributions, gifts, donations or under wills.

The Association may attract other financial resources, including foreign currency resources, donations and special contributions of Russian and foreign corporate entities and individuals within the procedure set by the legislation of the Russian Federation.

4.6. The Association may own buildings, structures, housing facilities, equipment, inventory, monetary funds in Russian rubles and foreign currency, securities.

The Association may own land.

4.7. The Association's financial year shall coincide with the calendar year.

4.8. The Association shall keep accounting and statistical records and submit financial statements within the procedure established by the legislation. The financial results of the Association shall be identified on the basis of its annual report and the statement of financial position

5. THE ASSOCIATION'S MANAGEMENT BODIES

5.1. The Association shall have the following management bodies:

- 1) The General Meeting of the Association Members;
- 2) The President of the Association;
- 3) The Management Board.

5.2. The General Meeting of the Association Members (hereinafter also the "General Meeting") shall be the superior management body of the Association.

5.2.1. According to its competence, the General Meeting shall:

- 1) Identify the priority fields of activities for the Association, principles of establishment, generation and use of its property (exclusive competence of the General Meeting);
- 2) Approve and amend the Articles of Association of the Association (exclusive competence of the General Meeting);
- 3) Elect the President and the Management Board of the Association and terminate their powers (exclusive competence of the General Meeting);
- 4) Take decisions on additional contributions of property from Association members into its property and on the amount of their secondary liability for the Association's obligations, if such liability is provided by the legislation or the Articles of Association (exclusive competence of the General Meeting);
- 5) Address issues of reorganization, liquidation of the Association, appoint the liquidation commission, approve the statement of affairs (exclusive competence of the General Meeting);
- 6) Approve annual reports and accounting (financial) statements, the annual statement of financial position of the Association (exclusive competence of the General Meeting);
- 7) Adopt decisions on establishment of other corporate entities by the Association (exclusive competence of the General Meeting);
- 8) Adopt decisions on the Association's holding shares in other corporate entities, on establishment of the Association's branches and opening of its representative offices (exclusive competence of the General Meeting);
- 9) Appoint the auditing firm or the independent auditor (exclusive competence of the General Meeting);
- 10) Adopt decisions on the procedure for identifying the amount and method of payment of member's contributions (exclusive competence of the General Meeting);
- 11) Establish the procedure for admission to the Association and expulsion of its members, admit candidates and expel members, take decisions on admission to the Association and expulsion of members (exclusive competence of the General Meeting);
- 12) Address other issues related to the competence of the General Meeting (being the superior management body), in particular those related to exclusive competence of the General Meeting according to the current legislation.

5.2.2. The ordinary General Meeting shall be convened if necessary, but not less than once a year.

5.2.3. The extraordinary General Meeting shall be convened at the request of at least three Association members and by the decision of the President of the Association or the Association members.

5.2.4. The President of the Association shall notify all its members of convening the General Meeting and its agenda at least ten days before its opening.

5.2.5. The General Meeting shall be authorized to take decisions, if it is attended by more than a half of the Association members.

5.2.6. The Association members shall be informed thereof within the procedure and the terms provided herein.

5.2.7. The decisions on issues related to exclusive competence of the General Meeting shall be taken by the qualified majority of two thirds of votes of the total number of the Association members present at the General Meeting.

5.2.8. Decisions on other issues shall be taken by a simple majority of votes of the Association members present at the General Meeting unless otherwise established by these Articles of Association or the current legislation of Russia.

5.2.9. The decisions of the General Meeting shall be recorded in the minutes of the meetings.

5.2.10. Each Association member present at the General Meeting shall have only one vote. The Association member being a corporate entity may have a representative provided with a power of attorney authorizing such representative to attend the General Meeting on behalf of such corporate member, or its representative shall be entitled to act on behalf of such corporate member without the power of attorney. At the General Meeting, the representative of the Association member shall provide the President of the Association with documents confirming its status and authorities.

5.2.11. Upon the decision of the General Meeting, the powers of the Association's bodies may be terminated, if such bodies have committed gross violation of their obligations, if they have become aware of their inability to manage the affairs properly or if there are other substantial grounds for termination.

5.3. The President of the Association shall be the sole executive body of the Association and shall:

5.3.1. Represent the interests of the Association before third parties and act on behalf of the Association without the power of attorney;

5.3.2. Represent the Association's interests in public bodies and local government bodies, non-profit organizations, international and other organizations;

5.3.3. Take decisions on convening of the General Meeting;

5.3.4. Chair the General Meeting;

5.3.5. Sign the documents approved by the General Meeting, other documents on behalf of the Association within the scope of its competence;

5.3.6. Monitor and administer the Association's operation, monitor compliance with the decisions of the Association's General Meeting;

5.3.7. Consider and approve the Association's cost estimate;

5.3.8. Attract additional sources of financial and physical resources for the purposes of the Association's activities stated in the Articles of Association;

5.3.9. Maintain the register of the Association members;

5.3.10. Address personnel and other issues not related to exclusive competence of the General Meeting.

5.3.11. The term of the President's powers shall constitute five (5) years.

5.4. The Management Board of the Association shall be its permanent collegial executive body.

5.4.1. The Management Board shall be formed from among the members and shall operate pursuant hereto.

5.4.2. The Management Board shall administer the day-to-day operations of the Association and shall be accountable to the General Meeting of Members.

5.4.3. The competence of the Management Board shall include the issues not related to competence of the General Meeting of the Association Members or the competence of the President of the Association.

5.4.4. According to its competence, the Management Board shall:

- 1) Prepare proposals on priority fields of Association's activities to be approved by the General Meeting;
- 2) Approve internal regulations of the Association not referred to the competence of the General Meeting or the President of the Association, approve the annual plan of checks of the Association members;
- 3) Agree the documents (document drafts) prepared (developed) by the President of the Association and provided to the Management Board according hereto.
- 4) Convene ordinary (annual) and extraordinary General Meetings, approve the agenda and the rules of the General Meeting, identify its date and resolve issues related to preparation and holding of the General Meeting;
- 5) Present a candidate or candidates for the position of the President of the Association to the General Meeting;

The issues referred to competence of the Management Board may not be transferred to the President of the Association.

5.4.5. The Management Board shall be elected by the General Meeting for 3 years within the procedure set by the legislation and these Articles of Association.

5.4.6. The number of the Association's Management Board members shall be set by the decision of the General Meeting, but it may not be less than three (3). Members of the Association's Management Board shall not be paid for performance of their obligations.

5.4.7. The powers of the member of the Management Board may be terminated, if:

- 1) It is physically unable to exercise its powers (in case of death, declaration of missing status or death);
- 2) The Management Board member files a notice of resignation;
- 3) The General Meeting adopts a decision on termination of its powers.

5.4.8. The General Meeting may take a decision on termination of powers of the Management Board members on the following grounds:

- 1) Presence of conviction;
- 2) Failure to disclose the interest in a transaction involving the Association;
- 3) Non-performance or improper performance of obligations;
- 4) Violation of the provisions of the Articles of Association and internal regulations of the Association as well as the legislative regulations of Russia, non-compliance with the decisions of the General Meeting and the Management Board of the Association.

5.4.9. If the powers the Management Board have been terminated, the General Meeting shall elect the new Management Board.

5.4.10. The chairperson of the Management Board shall be elected by the General Meeting of the Association Members. The term of powers of the Management Board Chairperson may not exceed three (3) years with unlimited right of re-election.

5.4.11. The Management Board Chairperson shall:

- 1) Convene meetings of the Management Board and chair them, organize the work of the Management Board;
- 2) Sign documents approved by the General Meeting or the Management Board and other documents on behalf of the Association according to the decisions of the Management Board and (or) the General Meeting;
- 3) Within the scope of its competence, charge the Management Board members, the President of the Eurasian Subtitlers' League with tasks and monitor their performance.

5.4.12. The Management Board shall gather at meetings according to the quarterly plans approved by the Management Board, but not less than every three months. The meetings of the

Management Board shall be convened by the Chairperson at its initiative, at the request of the President of the Association or at least one third (1/3) of the Management Board members.

5.4.13. The meeting of the Association's Management Board shall be quorate, if it is attended in person by more than a half of the Association's Management Board members.

5.4.14. The right to vote may not be transferred by the Management Board member to any other person, even if it is another member of the Management Board.

5.4.15. Decisions of the Association's Management Board shall be recorded in the minutes of meetings.

5.4.16. Decisions of the Association's Management Board shall be taken by the majority vote of the members of the Association's Management Board present at the meeting. Each member of the Management Board shall have one vote during the voting.

5.4.17. Decisions of the Association's Management Board to include the issues on termination of powers of the Association's Management Board member or the President of the Association into the agenda of the General Meeting shall be taken by qualified majority of two thirds (2/3) of votes of the total number of the Management Board members.

5.4.18. Decisions of the Association's Management Board may be taken without holding of a meeting in the form of an absentee voting (by poll). Such voting may be held by exchange of documents via mail, telegraph, teletype, telephone, electronic or any other communication means ensuring authenticity of transferred and received messages and their documentation.

5.4.19. The agenda, the poll sheets and other materials for absentee voting (specifying the absentee ballot deadlines) shall be sent to members of the Management Board within the term set by the Management Board Chairperson. Members of the Management Board may review all the necessary materials and file proposals to the Management Board Chairperson concerning adding of additional issues to the agenda. If the Management Board Chairperson decides to include additional issues into the agenda, the respective materials shall be immediately sent to all members of the Management Board.

5.4.20. Unless otherwise established herein, decisions of the Management Board during the absentee ballot shall be taken by the majority of votes of its members taking part in the absentee ballot (provided that more than a half of the Management Board members have taken part in the absentee ballot).

5.4.21. The minutes on the Management Board's absentee voting results shall be signed by the Management Board Chairperson. The minutes on the Management Board's absentee voting results shall contain:

- 1) The date up to which the documents with information on the Management Board's voting have been accepted;
- 2) The data on persons or entities having taken part in the voting;
- 3) The voting results for each issue on the agenda;
- 4) The data on persons or entities having counted the votes;
- 5) The data on persons or entities having signed the minutes.

5.4.22. The Association's Management Board shall bear liability for all adopted decisions to the Association within the procedure and on the grounds specified in the legislation of the Russian Federation.

6. PROCEDURE FOR AMENDMENT OF THE ARTICLES OF ASSOCIATION

6.1. These Articles of Association may be amended according to the decision of the General Meeting.

6.2. Registration of amendments introduced into the Association's Articles of Association shall be regulated by the current legislation.

6.3. The amendments to the Association's Articles of Association shall become effective on the moment of making an entry in the Unified State Register of Corporate Entities.

7. PROCEDURE FOR REORGANIZATION AND LIQUIDATION

7.1. The Association may be reorganized through merger, acquisition, split-up, spin-off, transformation. By decision of its members, the Association may be reorganized into a non-governmental organization, an autonomous non-profit organization or fund.

7.2. Reorganization of the Association shall entail transfer of property and non-property rights and obligations owned by the Association to its legal successor within the procedure established by the Civil Code of Russia. In case of the Association's reorganization, all documents shall be transferred to its legal successor according to the established rules. In case of the Association's liquidation, the documents of scientific and historical value shall be transferred for state storage to the city archive. Transfer and organization of documents shall be performed by the efforts and at the expense of the Association according to the requirements of archive bodies.

7.3. The Association shall be deemed to have been reorganized, except in case of acquisition, from the moment of registration of corporate entities established upon reorganization. If the corporate entity is reorganized through acquisition of another corporate entity, the first of them shall be deemed to have been reorganized from the moment of making an entry on termination of the acquired corporate entity into the Unified state Register of Corporate Entities.

7.4. Registration of the corporate entity established upon reorganization (registration of the corporate entity first registered, if several corporate entities are registered) shall be permitted only upon the expiry of the respective term for appealing against the decision on reorganization.

7.5. Liquidation of the Association shall be performed according to the decision of the General Meeting or the court judgment. From the moment of taking of the decision on liquidation of the Association, the maturity date for its obligations to the creditors shall be considered to be due.

7.6. From the moment of appointment of the liquidation commission, it shall acquire the authorities for management of the Association's affairs. The liquidation commission shall appear in court on behalf of the Association under liquidation. The liquidation commission shall act in good faith and in a reasonable manner for the benefit of the Association under liquidation and its creditors.

7.7. The liquidation commission shall publish the notice of liquidation and on the procedure and the term for filing claims by creditors in the mass media used to publish information on registration of corporate entities. Such term may not be less than two months of publication of the notice of liquidation.

7.8. The liquidation commission shall take measures to identify the creditors and collect the accounts receivable and shall notify the creditors in writing on the Association's liquidation.

7.9. Upon expiry of the term for filing the creditors' claims, the liquidation commission shall prepare a provisional statement of affairs containing data on the scope of property of the Association under liquidation, the list of claims filed by the creditors, the results of considering the claims and the list of claims upheld by the effective court judgment, regardless of whether such claims have been received by the liquidation commission.

7.10. The liquidation commission shall pay the monetary amounts to the creditors of the Association under liquidation in order of precedence established by the Civil Code of the Russian Federation, according to the provisional statement of affairs since the date of its approval.

Upon settlements with the creditors, the liquidation commission shall prepare the statement of affairs.

7.11. Liquidation of the Association shall be considered to have ended and the Association shall be deemed to have terminated its operation upon introduction of data on such termination into the Unified State Register of Corporate Entities within the procedure set by the law on registration of corporate entities.

7.12. In case of reorganization of the Association, all documents (management, financial and economic, personnel and other documents) shall be transferred to the legal successor within the

established procedure. In case of liquidation, the documents of permanent storage having scientific and historical value shall be transferred for state storage to the archive, the documents on personnel (orders, personal files and other documents) shall be transferred to the archive of the administrative district, where the Association is located. Transfer and organization of documents shall be performed by efforts and at the expense of the Association according to the requirements of archive bodies.

7.13. The property remaining upon satisfaction of the creditors' claims shall be used according to the Association's Articles of Association to fund achievement of purposes for which it has been established and (or) charitable activities.