

Approved as amended
by the NES Board of Trustees
Report No. 59 dated 12.07.2017

**CHARTER OF
Non-Governmental Educational Institution of
Higher Education "New Economic School"
(Institute)**

**Moscow,
2017**

1. GENERAL PROVISIONS

- 1.1. Non-Governmental Educational Institution of Higher Education "New Economic School" (Institute), hereinafter referred to as the Institute, implements the basic educational programs of higher education (bachelor's degree course, specialist's degree course, master's degree course), postgraduate training programs for the preparation of academic staff (postgraduate military course), as well as programs of supplementary vocational education (continuing education and occupational retraining), additional education for children and adults, performs fundamental and applied scientific research, performs the functions of an expert, methodical and scientific center.
- 1.2. The Institute is a unitary non-profit organization established in the form of a private institution which main objective is not that of profit-making activity and which does not distribute the earned profits among the founders.
- 1.3. The Institute was founded on 05.05.1992 with the approval of the Government of the Russian Federation (Order No. 1319-R dated 21.07.1992), registered by the Moscow Registration Chamber under No. 462.790. The charter was approved at the General Meeting of Founders on 24.04.1992, Report No. 1/1. The revision of the Institute charter dated 12.01.1999 was approved by the decision of the general meeting (conference) of the School dated 12.01.1999, report No. 1/3, registered on 15.02.1999 by the Moscow Registration Chamber under No. 462.790. The charter passed the re-registration procedure with the Interdistrict Inspectorate of the Ministry of the Russian Federation for Taxes and Levies No. 39 for the city of Moscow on 21.01.2003. Amendments to the charter were approved by the decision of the general meeting (conference) of the Non-Governmental Educational Institution "Russian Economic School" (Institute), Report No. 01-04 dated 26.10.2004, and registered by the Inspectorate of the Ministry of the Russian Federation for Taxes and Levies No. 27 for the South-Western Administrative District of Moscow on 29.10.2004. The charter was approved with amendments by the decision of the general meeting (conference) of the Non-Governmental Educational Institution "Russian Economic School" (Institute) on 10.07.2012, Report No. 01-09, and registered by the Department of the Federal Tax Service for the city of Moscow on 31.07.2012. The charter was approved as amended by the NES Board of Trustees on 06.07.2016, Report No. 55. The charter was approved as amended by the NES Board of Trustees on 12.07.2017, Report No. 59.
- 1.4. The founders of the Institute are:
- CEMI RAS — Federal State Budgetary Institution of Science Central Economic and Mathematical Institute of the Russian Academy of Sciences. Location: 47 Nakhimovsky prospekt, 117418, Moscow, the Russian Federation.
 - MSU named after M.V. Lomonosov — Federal State Budgetary Educational Institution of Higher Education "Lomonosov Moscow State University". Location: GSP-1, Leninskie Gory, 119991, Moscow, the Russian Federation.
- 1.5. Location of the Institute: 45 Skolkovskoye shosse, 121353, Moscow, the Russian Federation.
- 1.6. Full name of the Institute in Russian: Негосударственное образовательное учреждение высшего образования «Российская экономическая школа» (институт).
- 1.7. Abbreviated names in Russian: НОУ ВО РЭШ, Российская экономическая школа, РЭШ.
- 1.8. Full name of the Institute in English: New Economic School, Non-Governmental Educational Institution of Higher Education.
- 1.9. Abbreviated names in English: NES, New Economic School.
- 1.10. The Institute carries out its activities in accordance with the Constitution of the Russian Federation, the Federal Law of the Russian Federation "On Education in the Russian Federation", the Federal Law of the Russian Federation "On Non-Profit Organizations", the Civil Code of the Russian Federation, other federal laws and other regulations for activities of educational organizations and in accordance with this charter.
- 1.11. The Institute is a legal entity from the moment of state registration, it may own and perform operational control over the segregated property, standalone balance sheet and estimate, a seal with a full name in Russian and stamps with a full name in Russian and English, forms,

trademark, emblem registered as prescribed by law. The Institute has the right to open bank accounts in the Russian Federation and abroad. In order to achieve its goals, the Institute has the right, in its own name, to transact, acquire property and non-property rights, incur obligations, be a plaintiff and a defendant before the court. The emblem is a composition of two blocks. The first block is graphic, it consists of two red and blue triangles combined with the legs. The second block is textual, it includes a shortform of the Institute name (New Economic School) and a shortform of the Institute name in the form of capital letters of the shortform of the Institute name (NES).

- 1.12.** The Institute right to conduct educational activities and privileges established by the legislation of the Russian Federation arise at the Institute from the moment of receipt of a license according to the established procedure.
- 1.13.** The Institute issues diplomas on the models established by the Ministry of Education and Science of the Russian Federation according to the implemented accredited educational programs of higher education.
- 1.14.** The Institute can receive public accreditation in various Russian, foreign and international public educational, scientific, and other structures, which does not entail additional financial obligations on the part of the state.
- 1.15.** The Institute founders have the right to:
- obtain information about the educational, scientific, operational, and other activities of the Institute;
 - participate in the Institute management;
 - exercise other rights established by the current legislation of the Russian Federation and this charter.
- 1.16.** The Institute founders shall:
- comply with the Institute charter;
 - fulfill the obligations assumed in relation to the Institute;
 - not disclose confidential information about the activities of the Institute, except for cases provided for by the legislation of the Russian Federation;
 - execute other duties established by the current legislation of the Russian Federation and this charter.
- 1.17.** The Institute includes educational, scientific, information and analytical units, library, centers, departments, other structural units that carry out educational, teaching and educational, teaching and organizational, scientific, research, information and analytical, methodical, editorial and publishing, financial and economic, and other activities provided for by the legislation of the Russian Federation and this charter.
- 1.18.** The Institute independently forms its organizational structure, it can have branches, representative offices, research units, postgraduate training program, postdoctoral training program, structural units by the programs of supplementary vocational education, units outside the teaching and educational work, preparatory courses, industrial and social infrastructure facilities, including dormitories and other structural units.
- 1.19.** The status and functions of the structural units are determined by the provisions thereon, approved by the rector of the Institute.
- 1.20.** By the decision of the Board (in accordance with paragraph 8.7 of the Charter), the Institute may establish branches and open representative offices in the Russian Federation in accordance with the legislation of the Russian Federation.

Branches and representative offices of the Institute are not legal entities, they are endowed with the Institute property and operate on the basis of provisions approved by the rector. The property of a branch or representative office is listed on a separate balance and on the balance of the Institute.

The director of the branch (representative office) is appointed by the rector of the Institute and acts on the basis of a power of attorney issued by the rector of the Institute.

Branches and representative offices operate on behalf of the Institute. Responsibility for the activities of the Institute's branches and representative offices is borne by the Institute.

Branches and representative offices are wound up by the decision of the Board of the Institute.

- 1.21. The Institute is established for an indefinite period of time.
- 1.22. The Institute, within its competence, conducts measures for mobilization training, civil defense, prevention and control of emergencies in accordance with the Federal Law "On Mobilization Preparation and Mobilization in the Russian Federation".
- 1.23. The Institute creates conditions for all employees and students to make them familiarized with the current charter.

2. OBJECTS AND GOALS, OBJECTIVES OF THE INSTITUTE

- 2.1. Goals of the Institute are to meet the needs of the individual in intellectual, cultural, and moral development through higher or postgraduate supplementary education.
- 2.2. The Institute objects are:
 - preparation of highly qualified personnel according to higher education educational programs, postgraduate training programs for the preparation of academic staff (graduate military course) and programs of supplementary vocational education;
 - training of academic personnel;
 - fundamental and applied scientific research, diffusion of modern economic knowledge in Russia and abroad;
 - expert and analytical support of the activities of organizations and legal entities;
 - research and methodological and personnel support for the development of economic sciences and economic education in Russia, assurance of the competitiveness of the Institute in relation to the leading educational and research centers of the economic profile;
 - continuing education, occupational retraining, and training of educators and specialists in the areas of activity of the Institute;
 - promotion of the integration of economic sciences and economic education into the international research and educational system;
 - diffusion of foreign and (or) accumulated scientific and educational experience through the publication of scientific works in Russian and foreign languages.
- 2.3. Main goals and package of measures to improve the activities of the Institute are determined by the strategic plan (program) of development discussed with the academic council and rector's office and approved by the Board. Control over the course and efficiency of implementation of the strategic plan (program) fall within the remit of the Board.
- 2.4. The Institute objectives are:
 - satisfaction of public needs in specialists with higher education, scientific, academic staff of the highest qualification according to high international standards;
 - research, expert, analytical work by the areas of activities of the Institute;
 - involvement of students in educational activities and research; using obtained results in the educational process and promotion of their practical use and commercialization;
 - publishing activities, including reviewing, preparation of scientific monographs, course books, teaching guides, preprints, periodicals, and other publishing products;
 - training, occupational retraining, continuing education and on-the-job-training of specialists, senior staff, academic staff with the higher professional education;
 - continuing education and on-the-job-training of educators and academic specialists of higher education institutions, scientific, and other organizations of the Russian Federation and foreign countries, taking into account international requirements and standards;

- provision of educational, consulting, research, information and analysis services of scientific and methodological nature to various organizations, legal entities, and individuals;
- formation of students' civic stance, ability to work and life under the conditions of modern civilization and democracy, preservation and augmentation of moral, cultural, and scientific values of society;
- diffusion of knowledge across the population, raising its educational and cultural level;
- organization and conducting of fundamental and applied scientific research, scientific conferences, trainings and seminars, publication of scientific results;
- promotion of international exchange in the domain of education and science.

3. EDUCATIONAL PROGRAMS OF THE INSTITUTE

- 3.1.** In line with the license, the Institute implements education programs of higher education (bachelor's degree course, master's degree course), postgraduate training programs for the preparation of academic staff (graduate military course), as well as programs of supplementary vocational education (continuing education and occupational retraining) that vary in terms and levels of training of specialists. There are following forms of continuing education and occupational retraining programs: intramural, evening-time, extramural that vary in the volume of mandatory learning sessions of educators with students. A combination of various forms of education is allowed.
- 3.2.** Bachelor's and master's programs implemented at the Institute in higher education specialties are the main education programs of higher education.
- 3.3.** Education programs are implemented at the Institute at appropriate levels of education or continuously taking into account their interrelationship.
- 3.4.** Duration of higher education programs is:
- Bachelor's qualification (degree) — four years;
 - Master's qualification (degree) — two years;

The specified terms for evening-time and extramural forms of study, as well as in case of combination of different forms of training in the implementation of bachelor's programs can be increased by one year, and in the implementation of master's programs - by five months in comparison with the terms of intramural study based on the decision of the academic council of the Institute.

4. ACTIVITY AREAS OF THE INSTITUTE

- 4.1.** Main activity areas of the Institute are:
- 4.2.** Educational activities:
- implementation of educational programs of higher education, postgraduate training programs for the preparation of academic staff (graduate military course), and programs of supplementary vocational education under the licenses to carry out educational activities in the area of vocational education and supplementary education;
 - training, occupational retraining and (or) continuing education of top-qualification employees for a determined area of scientific and academic activity.
- 4.3.** Scientific activities:
- carrying out fundamental and applied scientific research;
 - information and analytical and consulting activities;
 - students of the Institute take part in scientific research in the course of study. Scientific research is an integral part of scientific work of students.
- 4.4.** The Institute activities in the implementation of education programs are governed in accordance with the legislation of the Russian Federation.

- 4.5. The Institute has the right to issue a degree certificate to its graduates on the relevant level of education and (or) qualification in accordance with the State Accreditation Certificate, as well as documents of the Institute standard form.
- 4.6. In its activities, the Institute follows the widespread use of information technologies:
- use of modern technical basis;
 - provision of access to the information resources of the Institute, as well as to world sources of information, for all participants of the educational process;
 - implementation and use of modern telecommunication capabilities for teamwork, communication, creativity, acquisition and consolidation of knowledge;
 - creation of an information space that provides automation of processes and access to accounting information.
- 4.7. The Institute implements education programs of various duration in form of intramural, evening-time programs in economics, finance, and management, and also trains students skills of scientific, research, and teaching activities. Education of students may be provided using modern communication technologies (distance learning).
- 4.8. The Institute trains top-qualification economists for work in educational institutions, research organizations, government bodies, international economic, financial, commercial, and non-profit organizations, as well as scientific and academic staff.
- 4.9. The Institute cooperates with Russian and foreign educational and research institutions.
- 4.10. The Institute ensures the creation of necessary conditions for study, scientific research, professional activity, creative development of students, academic and other categories of the Institute employees.
- 4.11. In the interest of achieving goals stipulated by the charter, the Institute can create and join associations and unions that are established and operate in accordance with the legislation of the Russian Federation.
- 4.12. The Institute has the right, along with the main educational and research activities, to carry out income bearing activities that serve to achieve the goals for which the Institute was created and that meet these goals.
- 4.13. The Institute can carry out income bearing entrepreneurial activities in the main areas only insofar as it serves the achievement of the goals for which the Institute was created, and if this activities do not contradict its basic statutory activities.

5. ADMISSION TO THE INSTITUTE

- 5.1. Admission to the Institute is carried out in accordance with the legislation of the Russian Federation and this charter. The Institute independently develops and approves the admission rules insofar as they are not at variance with the legislation of the Russian Federation and the admission procedure established by an authorized federal executive body.
- 5.2. The Institute announces the admission for education according to the education programs only if a corresponding license to carry out educational activities is available.
- 5.3. Admission of foreign citizens and compatriots residing abroad is carried out in accordance with the legislation of the Russian Federation.
- 5.4. Upon admission, the Institute is obliged to acquaint the applicants and (or) their parents (legal representatives) with this charter, license for educational activities, state accreditation certificate for each of the areas of education (specialty), entitling to issue a degree and qualifications certificate, and with other documents regulating the organization of the education process.

Acquaintance of the applicant with the license for educational activities in the relevant areas of training or specialties and with the state accreditation certificate according to the chosen area of training (specialty) or the fact of the absence of this certificate is recorded in the admission documents, and certified with the applicant's own signature.

-
- 5.5. The rector of the Institute, in consultation with the academic council, determines the target figures for the admission of persons studying at the cost of targeted financing: donations from legal entities and individuals, grants, control figures of admission of persons for education under the contracts with payment of cost by legal entities and (or) individuals and other sources.
 - 5.6. Cost and amount of payment are set by the order of the rector of the Institute in consultation with the academic council.
 - 5.7. Admission to the Institute for education is carried out on a competitive basis according to applications from applicants. Terms of competition shall guarantee the observance of citizens' educational rights and ensure the enrollment of the most capable citizens prepared for the mastering of adequate education programs, unless otherwise is provided by the legislation of the Russian Federation.
 - 5.8. Admitted to the Institute on a noncompetitive basis are citizens enjoying benefits established by the legislation of the Russian Federation provided that they successfully pass entrance examinations.
 - 5.9. Admission to the Institute for education on bachelor's programs is performed on the basis of applications of individuals who have a secondary (full) general or secondary vocational education, on a competitive basis according to results of the uniform state exam, unless otherwise is provided by the educational legislation of the Russian Federation.
 - 5.10. The Institute has the right to carry out additional specialized entrance examinations at admission for education under the bachelor's programs if the Institute is included in the list of institutions of higher education, admission to which may require additional specialized entrance examinations under the statutory procedure of the Russian Federation.
 - 5.11. Persons with higher and/or higher professional education are eligible to participate in the competition for education under the master's programs.
 - 5.12. The list of additional entrance examinations carried out at the Institute and rules for their carrying out are announced by the Institute within the time limits established by the legislation of the Russian Federation. Persons entering the Institute, according to the decision of the academic council, pass additional entrance examinations in Russian and/or English.
 - 5.13. To carry out entrance examinations and to admit to the Institute admission, field, examination, appeal commissions are created, the procedure for formation, composition, powers and activity of which are regulated by the relevant provisions approved by the rector of the Institute.
 - 5.14. Applicants undergo entrance examinations (written exams, written tests, oral interview) in Russian or in English, depending on the subject of the exam by the decision of the Institute academic council. The Institute has the right to establish types and forms of entrance examinations, in particular, to accept the results of international certificates (TOEFL, GRE, GMAT, IELTS, etc.).
 - 5.15. An educational record is formed for each matriculate to the Institute.

6. EDUCATIONAL ACTIVITY OF THE INSTITUTE

- 6.1. General requirements for the organization of the educational process at the Institute under the education programs of various levels are established by the educational legislation of the Russian Federation and by the internal documents of the Institute.
 - 6.2. Working curricula are approved by the academic council of the Institute, study schedule and training agenda are approved by the rector.
 - 6.3. The Institute provides paid educational services in the manner determined by the legislation of the Russian Federation and this charter.
 - 6.4. Study at the Institute is provided on a fee basis.
-

The Institute may provide for students a system of benefits for tuition fees, including full exemption from payment for the applicants who most successfully passed entrance examinations.

Specific conditions for granting the above benefits are established by the academic council and the Board of the Institute and are provided for in the contract for paid educational services between the Institute and the student or in the contract for paid educational services between the Institute, the parent (legal representative) and the student.

The relationship between the student and the Institute is regulated by this charter, the contract for paid educational services between the Institute and the student or the contract for paid educational services between the Institute, the student and/or her (his) parents (legal representatives).

- 6.5.** Education of students and participants (hereinafter — the students) at the Institute is conducted in the state language of the Russian Federation — Russian and/or English.
- 6.6.** The academic year at the Institute for the students of intramural and evening-time forms of education begins on the first of September and ends according to the working curriculum for the specific area of preparation (specialty).
- 6.7.** The academic year may have a semester or a modular structure, depending on the curriculum and the academic schedule.
- 6.8.** For the students of intramural, evening-time forms of study, a vacation of a total duration of at least seven weeks is established in the academic year, at least two weeks of which are in the winter.
- 6.9.** Learning sessions at the Institute are conducted in the form of lectures, consultations, seminars, practical exercises, laboratory, review, independent works, colloquia, case studies, quizzes, academic and research work of students, practice, course design (term paper), graduate qualification work (graduation paper or work, the master's thesis) and other types of learning sessions.
- 6.10.** For all types of in-class sessions, the duration of an academic hour of not more than 45 minutes is established. One class includes, as a rule, two academic hours. The break between classes is at least ten minutes.
- 6.11.** Through the goal-oriented management of the educational process, choice of forms, methods, and means of education, use of distance learning, the Institute creates the necessary conditions for students to master the educational programs of higher education of a certain level and orientation.
- The use and application of inhumane, as well as students' life- and health-threatening education methods is prohibited.
- 6.12.** The Institute assesses the quality of mastering the education programs through the ongoing monitoring of academic performance, interim assessment of students at the Institute, end-of-course assessment of graduates, as well as other forms of control of progress, according to the provisions approved by the academic council of the Institute.
- The procedure for determining the progress of students and the implementation of knowledge control is regulated by the local regulatory acts of the Institute.
- According to the decision of the academic council of the Institute, a multi-point knowledge grading system can be applied for the current interim assessment of students' learning activity.
- 6.13.** For those entering the educational programs of the Institute, preparatory departments/courses on a fee basis can be organized.
- 6.14.** The content of the education process of each training program is determined by the academic council of the Institute on the basis of recommendations of the International Committee of Advisers.
- 6.15.** The basic elements and procedures of the educational process, including expulsion, readmission, study leave, the norms of the relationship between the higher-education teaching personnel, students and administration, as well as mechanisms for their regulation,

are determined by the Rules of educational process of individual programs approved by the academic council of the Institute.

- 6.16.** Persons studying at the Institute and not qualified for the fields of the curriculum of the current year without a good reason, will be not moved to the next year (learning stage) and may be expelled from the Institute.
- 6.17.** End-of-course assessment of the graduate is compulsory and is carried out within the terms established by the Institute, in accordance with the legislation of the Russian Federation and the relevant local regulations approved by the rector of the Institute.
- 6.18.** Based on the results of the end-of-course assessment of the graduate by the state examination commission or the end-of-course qualifying commission, a question on the issue to him/her of a document (diploma) about the appropriate level of education and (or) qualification is decided.

The Institute issues to the persons, who have passed the final state attestation, a degree and qualification certificate about the appropriate level of education and (or) qualification.

Upon completion of the course of study, depending on the nature of the education program, the Institute issues the following documents on education and qualification: bachelor's diploma, master's degree diploma, diploma of professional retraining, certificates of continuing education, as well as diplomas and certificates of the Institute standard form.

- 6.19.** Diploma with honors is issued to the graduate of the Institute on the basis of the assessments recorded in the appendix to the diploma that includes grades in the disciplines, final papers and final state attestation.

To obtain a diploma with honors, a graduate of the Institute shall have, according to the results of the final state attestation, only "excellent" grades. At the same time, "excellent" grades, including grades of the final state attestation, shall amount to at least 75%, the rest of the grades shall be "good".

- 6.20.** A person who has not completed mastering of the principal educational program of higher education, as well as a student according to his/her application, is issued a certificate of education, a certificate of the period of study, or another document established by the current legislation.
- 6.21.** A degree certificate on the basis of which a graduate of the Institute or an exmatriculated was admitted to the Institute is given from her/his educational record. A certified copy of the document remains in the educational record. All other documents (extracts from orders for admission, completion or drop, student grade record, student ID card, etc.) remain for being kept in the educational record.

7. SCIENTIFIC ACTIVITY OF THE INSTITUTE

- 7.1.** The main tasks of the Institute in the field of scientific activity are the implementation of fundamental and applied scientific research, use of scientific achievements and modern technologies in teaching, raising the level of vocational training of students, and preparation of academic staff of the highest category.
- 7.2.** Scientific activity of the Institute is based on the following basic principles:
- formation, preservation, and further development of the Institute schools of sciences;
 - support and promotion of fundamental and applied scientific research in priority areas of science development;
 - provision and development of seamless combination of scientific research and educational process;
 - formation and implementation of scientific programs and projects with other universities and scientific organizations in the areas of the Institute activities aimed at ensuring the accelerated social and economic development of the country;
 - active promotion of international scientific cooperation through participation in international scientific activities and integration into the international scientific area;

-
- creation of conditions for involving students in scientific activities.
- 7.3.** The main directions of scientific activities of the Institute are:
- research, scientific, expert and analytical activities for various kinds of organizations, legal entities and individuals;
 - ensuring the maximum integration of scientific and educational activities;
 - creation of creative teams (educators, students, employees), including with the involvement of specialists from other organizations;
 - use of the results of scientific research and development in the educational process and scientific research, provision of research and methodological assistance in the practical application of these results in the Institute and other organizations;
 - active participation in grants competitions, which are carried out in the framework of implementation of state and commercial programs and activities of the respective funds;
 - propagation of the latest achievements in the field of education and science through publications in domestic and foreign scientific publications;
 - support of integration of scientific researchers into the world academic community and support of participation of foreign researchers in the academic affairs of the Institute.
- 7.4.** The Institute intellectual property rights are governed in accordance with the legislation of the Russian Federation.
- 7.5.** Financing of scientific activity is carried out at the expense of on-budget and/or off-budget sources, grants, and other sources permitted by the legislation of the Russian Federation.
- 8. MANAGEMENT OF THE INSTITUTE**
- 8.1.** Management of the Institute is carried out in accordance with the legislation of the Russian Federation and this charter.
- 8.2.** The Institute has autonomy and is responsible for its activities to every student, society, and state.
- 8.3.** The Board of Trustees (Board of Directors) manages the Institute on behalf of the founders. Duration of powers of the Board of Trustees is three years. The first composition of the Institute Board of Trustees is elected by the meeting of founding members. Further, the decision to elect new members of and to terminate the powers of the current members of the Board of Trustees is taken by a qualified majority representing two-thirds of the votes.
- 8.4.** The Institute is independent in determining the structure of management bodies, in selection and deployment of staff, implementation of educational, scientific, financial and other activities in accordance with the legislation of the Russian Federation and this charter. Interference on the part of anybody in the educational, economic or other activities of the Institute is not allowed if the legislation of the Russian Federation is not violated in the course of these activities.
- 8.5.** The management system of the Institute is composed of:
- general meeting (conference);
 - board of trustees (board of directors);
 - president;
 - rector;
 - academic council;
 - international committee of advisers (ICA);
 - honorary president;
- 8.6.** GENERAL MEETING (CONFERENCE)
-

A conference of teaching employees, academic specialists, as well as representatives of other categories of employees and students (conference) is called to address the vital issues of the Institute life.

The Conference:

- discusses the project and take decision on the conclusion of a collective agreement;
- resolves other issues referred to its competence by regulations, this charter;
- decisions of the conference are considered eligible if at least 50% of the participants with a deciding vote participate in it.

8.7. BOARD OF TRUSTEES

The highest management body of the Institute is the Board of Trustees (Board of Directors) (hereinafter is also referred to as the Board) of the Institute, formed and acting on the basis of provision on the Board, which is approved by the founders. In working materials, the Board of Trustees is referred to as the Board of Directors. The Board's competences are:

- 8.7.1.** Specification of priority areas of activities of the Institute, principles for the formation and use of its assets.
- 8.7.2.** Amendment of the Charter of the Institute.
- 8.7.3.** Approval and change of structure of the Institute. Appointment and removal of the rector, determination of his/her functional duties. Formation of bodies of the Institute and early termination of their powers. Appointment and removal of the acting rector in case if for any reason the rector can not perform the functions of the sole executive body of the Institute.
- 8.7.4.** Approval of the annual report and accounting (financial) statements of the Institute.
- 8.7.5.** Adoption of decisions on the establishment of other legal entities by the Institute, on the participation of the Institute in other legal entities, on the establishment of branches and opening of representative offices of the non-profit organization of the Institute.
- 8.7.6.** Adoption of decisions on the reorganization and liquidation of the Institute, on the appointment of the liquidation commission (liquidator) and on the approval of the liquidation balance sheet.
- 8.7.7.** Approval of the audit organization or the individual auditor of the Institute.
- 8.7.8.** Approval of the budget (financial plan) of the Institute for the next academic year (from September 1 of current year to August 31 of following year).
- 8.7.9.** Organization of financial and legal audit of activities of the Institute in case of claims against it from public authorities and government bodies, state and other organizations and individuals that could significantly affect the functioning of the Institute.
- 8.7.10.** Determination of the sources of financing of the Institute, not provided for by this charter.
- 8.7.11.** Decision-making on the use of income and cover of losses.
- 8.7.12.** Review of the reports of the audit commission and decision-making on unscheduled inspections.
- 8.7.13.** Decision-making on the establishment and entry into educational associations and unions.
- 8.7.14.** Adoption of other decisions under this charter.
- 8.8.** Issues provided for by sub-paragraphs 8.7.1 to 8.7.13 relate to the exclusive competences of the Board.
- 8.9.** The Board is convened at least 3 times a year to review and approve the annual report and the accounting (financial) statements of the Institute, to determine the main lines of the Institute activities and to resolve other issues within its competence.

The rector sends a notice on the arrangement of the Board meeting with a clearly defined agenda to the addresses specified by the members of the Board, at least 10 days prior to the day of the Board meeting.

The Board may also be convened at the request of at least 20% of its members to discuss special issues important to the activities of the Institute.

8.10. The Board is formed of 6 to 15 people. The president, the honorary president and the rector are members of the Board by virtue of their position. The Board elects a chairman from among its members.

8.11. A meeting of the Board shall be deemed to be duly constituted if more than a half of its members (representatives of the members) are present.

8.12. When voting, each member (representative of a member) of the Board has one vote.

Decisions on all matters of the Board's competence, with the exception of sub-clause 8.7.14 hereof, are taken by a qualified majority of votes (3/5) of the total number of members of the Board. Decisions on issues included in sub-clause 8.7.14 hereof are taken by a simple majority of votes of the Board members (representatives of the members) present at the meeting.

The decision of the Board on the issues of sub-clause 8.7.14 hereof may be adopted by absentee voting by exchanging documents through, at choice: mail, telegraph, teletype, telephone, electronic or other communication providing authenticity of transmitted and received messages and their documentary confirmation. Not later than 45 days before the start of voting, all the Board members are informed of the proposed agenda, as well as given the opportunity to get acquainted with all the necessary information and materials indicating the start of voting and the completion of the voting procedure. Not later than 30 days before the start of voting, the Board members may propose to include additional issues in the agenda. Not later than 15 days before the start of voting, all the Board members are informed of the agenda modified taking into account the additional issues, as well as given the opportunity to get acquainted with all the necessary information and materials. To count votes, all documents received before the end of voting are accepted. If several documents are received from the Board member(s), when counting votes, the document received before the end of voting, signed last by the Board member is considered. The end of the voting procedure is confirmed on the next business day after the end of voting by drawing up a report on the results of the absentee voting. A copy of the report on the results of absentee voting is sent to all the Board members in electronic form. A certified copy of the report on the results of absentee voting is submitted to the Board members upon request.

8.13. The term of powers of the Board of Trustees is three years, after the expiry of the term of powers the composition of the Board is formed by the decision of the Board itself.

8.14. PRESIDENT

The Institute is managed also by the president appointed by the general meeting (conference) out of the leading scholars. President:

- coordinates the scientific activity of the Institute with other scientific institutions, with relevant departments and other structural units of higher educational institutions;
- acts on behalf of the Institute at international conferences;
- acts on behalf of the Institute in governmental educational and executive authorities;
- is a member of the Institute Board;
- is released from the position by the general meeting (conference).

8.15. RECTOR

It is the rector that directly manages the activities of the Institute in accordance with this charter and the Board's decisions, which is an executive body of the Institute. The Board appoints the rector for a three-year (3 years) term. The rector shall be entitled to appoint an acting first vice-rector, who temporarily fulfills the duties of the rector in the event of the rector's temporary absence. If by any reason the rector cannot discharge duties of the sole executive body of the Institute, the temporary discharge of the duties of the Institute sole executive body shall be vested with the first vice-rector, to the extent of election of a new rector or acting rector, in accordance with the requirements of the applicable legislation and the Charter of the Institute. Within the period of temporary discharge of duties of the sole

executive body of the Institute, the first vice-rector shall act on behalf of the Institute without power of attorney and implement all the authorities granted to the rector.

The Institute rector's authorities shall terminate:

- on expiry of the term and appointment of a new rector of the Institute;
- on the rector's volition;
- as decided by the Board to earlier terminate the authorities.

8.16. The position of the Institute rector with another paid management position (except for scientific and methodological management) cannot be combined. The rector of the Institute cannot discharge his/her duties as a second job.

8.17. Rector of the Institute:

- acts on behalf of the Institute without the power of attorney in all the governmental authorities, organizations, companies and institutions;
- organizes preparation, implementation of decisions taken by the founders, the Board, academic council, and submits relevant implementation reports;
- opens accounts with bank and other credit institutions;
- disposes of the Institute properties and assets as per their designated purpose;
- concludes various deals;
- issues powers of attorney, concludes contracts;
- within his/her powers releases orders, instructions and directives to be compulsory for fulfillment by any employees and students of the Institute;
- pursues the HR policy;
- distributes duties among vice-rectors, heads of structural units;
- hires and fires employees of the Institute and its standalone structural units in accordance with the legislation;
- approves training programs (plans, timetables, schedules) as agreed with the academic council, approves the teaching load rates of the faculty staff, education payments;
- establishes the Institute staff payroll and bonus forms and systems, and settles other issues related to labor remuneration in the Institute;
- approves the internal rules and regulations in the Institute;
- approves the financial statements of the Institute;
- submits the annual report and balance of the Institute to the Board for approval;
- performs other actions permissible by law, unless they are matters reserved for other executive bodies.

8.18. The rector of the Institute undertakes to:

- control the compliance with the governmental education standards in the educational activity of the Institute;
- comply with the requirements of the legislation in the activity performed by the Institute, namely: let no violations of the legal rights and interests of the education process participants;
- submit the Institute costs report to the Board.

8.19. The rector is responsible for current management of the Institute.

8.20. The rector is held liable to the Board for a fair discharge of his/her duties.

8.21. In the event of the rector's absence, his/her duties are discharged by the person appointed by the rector's order, or if no such an order — as decided by the Institute Board.

-
- 8.22.** The vice-rectors and heads of structural units make the rector's office — a deliberative body by the rector, which performs a day-to-day management of the Institute.
- 8.23.** As decided by the rector and agreed by the Board, the Institute may establish committees, centers, councils by various activities, the procedure of establishment, composition, powers and other issues of activity of which are defined in the relevant provisions approved by the rector.
- 8.24.** ACADEMIC COUNCIL
General educational, scientific, methodical and research management of the Institute is performed by an elected representative body, which is an academic council, the activity of which is regulated by the academic council provision.
- 8.25.** The matters reserved for the academic council are as follows:
- 8.25.1.** To discuss and approve the concept of establishment of new higher and supplementary vocational education faculties, scientific and research subdivisions, centers and structures.
- 8.25.2.** To decide on establishment, restructuring and dissolution of faculties.
- 8.25.3.** To define the procedure of and to arrangement the performance of competitive selection of teaching staff, academics, heads of chairs, to implement the head of chair election procedure.
- 8.25.4.** To develop and approve the Institute Program Teaching and Learning Regulations.
- 8.25.5.** To discuss and approve the Institute program curriculum schedules.
- 8.25.6.** To decide on the teaching and learning arrangement, including the teaching and learning time frames, shifted academic year commencement.
- 8.25.7.** To consider the scientific and research schedules.
- 8.25.8.** To form an end-of-course qualifying commission (EQC) of the Institute, to approve its basic operational parameters, to listen to the EQC results.
- 8.25.9.** To regularly analyze information on the education quality, to sum up the teaching and learning, methodical work performed in the Institute and to take relevant decisions.
- 8.25.10.** To make proposals on the below matters:
- to submit employees of the Institute from among the academic staff to conferral;
 - to submit teachers and researchers to conferral.
- 8.25.11.** To consider and submit to the rector the admission regulations for approval, if not at variance with the Russian Law and the regulations of the Ministry of Education and Science, in accordance with the charter and regulatory enactments.
- 8.25.12.** To consider the basic operational parameters of the admission commission, to listen to its operational results.
- 8.25.13.** To approve academic staff teaching, scientific and other load rates.
- 8.25.14.** To consider the grant procedure and financial support regulations.
- 8.25.15.** To define and coordinate the organizational principles of the Institute interaction with other institutions in terms of learning process and scientific research.
- 8.25.16.** To solve other matters related to its competence by the regulatory enactments and the present charter.
- 8.26.** The composition of the academic council is as follows: president, rector, vice-rectors, heads of chairs. Other members of the academic council are included into its composition due to rotation and co-optation of new members in accordance with the procedures defined by the academic council.
- 8.27.** The academic council define the standards of representation in the academic council by the Institute structural units.
-

Representatives of structural units and students are considered elected into the academic council as decided by the Board of Directors, given the list submitted by the academic council with the persons on it, which over 50 percent of those members present at the meeting of the academic council voted for, amid at least 2/3 of the academic council list members present.

The composition of the academic council is announced by order of the Institute rector.

In the event of the academic council member dismissal (expulsion) from the Institute, he/she will automatically leave the academic council. If members of the academic council leave (are withdrawn) from its composition before their powers expire, the academic council will be supplemented to the established composition in the early of an academic year in the same manner as it is applied when the academic council composition is formed.

- 8.28.** Academic council meetings are held every two months within an academic year. A meeting of the academic council can be also convened as initiated by the rector, the chairman or at least 4 academic council members. The academic council meeting is considered eligible, if at least 40% of its members participate the meeting. Each member of the academic council has one vote.

The decisions on the matters reserved for the academic council are taken by a simple majority of votes.

Decisions of the academic council related to selection of academic staff, heads of chairs and submission to conferral are taken by secret voting. Other decisions are taken by open voting.

The decisions become effective after being signed by the rector.

Absentee voting can be held on all the matters reserved for the academic council. Absentee voting is held by the academic council members through informing of their opinion in writing.

- 8.29.** The academic council term of powers cannot be longer than 5 years. Earlier re-election of the academic council members is performed as requested by at least half of its members.

8.30. INTERNATIONAL COMMITTEE OF ADVISERS (ICA)

ICA consisting of leading Russian and foreign economists and ensuring a thorough compliance of the Institute programs with the best international universities economics faculties standards takes part in the Institute management. ICA participates in the preparation of academic program and in the decision-making regarding recruitment of academic staff.

The ICA formation and meeting procedure is defined by the Regulations developed by the ICA and approved by the Institute Board.

8.31. HONORARY PRESIDENT

The Honorary President is appointed by the Board for a three-year (3 years) period out of the persons greatly contributing to the development of the Institute, or out of the persons widely recognized in the education, economic or state activity area, or out of the persons that held the position of rector of the Institute. Only one Honorary President can be in the Institute simultaneously. The Board may earlier terminate the powers of the Honorary President.

- 8.32.** The Honorary President takes efforts on special directives given by the Board. The Honorary President fulfills representative and other duties established by the Board, signs crucial petitions, requests, address forms and letters of the Institute meant for the governmental and local self-governing authorities, participates in the determination of the Institute policy and major areas of development, and coordinates the scientific activity of the Institute with other scientific institutions, with relevant faculties and other structural departments of higher educational establishments and scientific organizations.

9. RIGHTS AND DUTIES OF INSTITUTE ACADEMIC PROCESS MEMBERS

- 9.1.** Members of the educational process are as follows: Academic staff (including scientific supervisors), students and other employees.

-
- 9.2.** The persons studying in the Institute are as follows: Students, postgraduate students, doctoral students, candidates, course participants and other categories of persons in accordance with the legislation of the Russian Federation.
- 9.3.** Students that study in the Institute has rights and duties established by the Russian law, the present charter and the Institute local regulations.
- 9.4.** The Institute students are entitled to:
- participate in the formation of their educational program, provided that they comply with the federal governmental higher educational standards and educational standards of the Institute. The mentioned right can be restricted by the terms of the contract concluded by and between the student of the Institute and a physical or legal entity that gives assistance to such student in education obtainment and upcoming employment;
 - learn in addition to the academic disciplines by chosen areas (occupations) any other academic disciplines taught in the Institute in the order stipulated in the charter and taught as well in other higher educational establishments (as agreed by their tutors);
 - take part in scientific and research activities, attend conferences, symposiums and participate in other activities of the Institute stipulated in the present charter;
 - form self-governing bodies, elect and be elected to their composition, participate via such bodies in the activity of the Institute executive bodies;
 - participate in the discussion and solution of most crucial matters in the Institute activities, also through public institutions and the Institute executive bodies;
 - appeal against orders and instructions given by the Institute administration in the manner established by the Russian law;
 - use free-of-charge libraries, informational funds, services rendered by training, scientific and other departments of the Institute in the manner established in the local regulations;
 - submit their papers to be published, including in the Institute editions;
 - have moral and (or) financial incentives for achievements in learning and active participation in the scientific, research and public work.
- 9.5.** Intramural students and postgraduate students studying at the expense of the federal budget are provided with grants in the manner established in the Russian legislation.
- 9.6.** The Institute is entitled to set scholarships, benefits and other social welfare at the expense resulting from the revenue of the activity, donations from commercial and non-commercial institutions, certain individuals, and other sources permissible by law.
- 9.7.** For a period of studies, students can be provided with a dormitory in compliance with the dormitory regulations approved by the rector. A contract is concluded with any student living in the dormitory.
- 9.8.** The Institute students undertake to:
- comply with the present charter, internal rules and regulations, dormitory regulations and other local regulatory documents;
 - within the set time limits perform all types of assignments defined in the curriculum, acquire expertise, knowledge and skills;
 - attend all types of classes defined in the curriculum, unless other is defined in the course programs and/or local regulations of the Institute;
 - constantly strive for raising the general culture, mental and physical improvement;
 - fulfill other duties stipulated in the Russian legislation.
- 9.9.** A student that fails to comply with the requirements hereof, the internal rules and regulations and other local regulations, or fails to fulfill the training plan can be punished as follows: admonition, reprimand, severe reprimand, expulsion may be applied.
-

-
- 9.10.** Before a disciplinary action is applied to a student, it is necessary to receive an explanation from him/her in writing. In case of refusal or avoidance of such written explanation, a relevant report is prepared.
- 9.11.** A disciplinary action is applied no later than within one month from the date of offense revelation and not later than within six months from the date of commission, not including the time of the student's illness and (or) vacation.
- 9.12.** Based on medical necessity and for family reasons, or in other exclusive events, the Institute students can be provided with a sabbatical leave in the manner established in the Russian law and local regulations of the Institute.
- 9.13.** Students cannot be expelled during their illness, vacation, sabbatical or maternity leave.
- 9.14.** Repeated educational opportunity and procedure are determined by the Institute in accordance with the Russian law.
- 9.15.** Students' academic achievements and active participation in the scientific, research and public activities may result in various forms of moral and financial incentives, including the right to have education benefits, which are determined by the Institute administration within the costs available with the Institute.
- 9.16.** The Institute provides for academic staff (teachers, scholars), engineering technicians, maintenance, operational, auxiliary and other staff.
- 9.17.** Teaching positions refer to the positions of dean, head of chair, professor, assistant professor, senior teacher, teacher and assistant.
- 9.18.** Scholars cover the positions of chief researcher, leading researcher, senior researcher, researcher, junior researcher.
- 9.19.** Persons with higher and/or higher vocational education may perform educational work in the Institute.
- 9.20.** Employment contracts for filling of academic staff vacancies in the Institute can be concluded both for an indefinite and definite term defined by the parties to the employment contract. A certain term of an employment contract is defined in accordance with the Russian legislation.
- 9.21.** A competitive selection for filling of a relevant academic staff vacancy precedes the conclusion of employment contract with a person for an academic position and transfer to such a position (except for the dean and head of chair positions) in the manner established in the Russian law and the qualification requirements for the Institute academic staff positions.
- 9.22.** The Institute staff is entitled to:
- elect and be elected to the academic council;
 - participate in the discussion and settlement of matters related to the Institute activities;
 - use free-of-charge libraries, informational funds, services rendered by training, scientific, social and other departments of the Institute in the accordance with the collective agreement and other local regulations;
 - appeal against orders and instructions given by the administration in the manner established by law;
 - employee use other rights in compliance with the Russian law, this charter, internal rules and regulations, employment contracts, job descriptions and other local regulations of the Institute.
- 9.23.** The Institute staff undertakes to:
- adhere to the labor and other legislation of the Russian Federation;
 - scrupulously discharge one's official duties vested by the employment contract;
 - comply with the internal rules and regulations, as well as other local regulations;
 - fulfill decisions taken by the Institute executive bodies, comply with HSE requirements;
-

-
- maintain order and discipline in the Institute, carefully treat the Institute assets;
 - timely inform the administration of impossibility of discharge of the duties imposed on them by good reason.
- 9.24.** In addition to the rights defined in clause 9.22 hereof, academic staff is entitled to:
- participate in the formation of their educational programs content in accordance with the Russian law in the education area;
 - choose methods and means of education meeting the students' individual specifics more thoroughly and guarantee a high quality of academic process;
 - participate in scientific research, conferences and seminars held, submit articles, monographs and other materials to be published;
 - be provided with organizational and material assistance of one's professional activities.
- 9.25.** In addition to the duties defined in clause 9.23 hereof, the academic staff undertakes to:
- guarantee highly effective teaching and scientific processes, develop students' independent behavior, initiative, creative skills;
 - actively participate in the methodical process, improve the teaching and learning process, search for new more efficient education forms and methods for students, course participants, postgraduate students and other categories of students;
 - apply contemporary education technologies and training equipment;
 - make students develop professional qualities in the chosen area;
 - respect the student's personal dignity, care for the student moral, cultural and physical development, provide assistance in independent work;
 - comply with the professional conduct and ethics standards;
 - carry out research, actively involve students into it;
 - permanently improve one's professional and cultural level, regularly, at least ones every five years, improve one's qualification in various forms, including abroad;
 - discharge other duties set in accordance with the Russian legislation, this charter, local regulations of the Institute and the employment contract.
- 9.26.** The Institute teaching staff is entitled to have reduced working hours — not longer than 36 hours a week and an extended annual paid leave of 56 calendar days pursuant to the Russian law.
- 9.27.** Teaching staff is entitled to have a long-lasting leave of up to one year at least every 10 years of uninterrupted teaching.
- The sequence and time of a long-lasting leave, its duration, possible payment and other matters in connection therewith are defined by the local regulatory document adopted by the Institute academic council.
- 9.28.** In addition to the grounds stipulated in the Labor Code of the Russian Federation and other federal laws the grounds for termination of an employment contract with a teacher are as follows:
- a repeated severe violation of the charter of an educational establishment within one year;
 - application, even single-time, parenting methods related to physical and (or) mental personal violence over a student, educated person;
 - failure to be elected via a competition for an academic position or the competition selection expiry.
- 9.29.** The Institute actively involves teachers and researchers from Russian and foreign educational establishments and scientific centers to work in the Institute as teachers, researchers on a permanent and temporary basis.
-

- 9.30.** The rights and duties of the management, maintenance, engineering, operational, auxiliary and other staff of the Institute are defined by the labor law of the Russian Federation, the internal rules and regulations of the Institute, the structural unit provisions and job descriptions approved by the rector.
- Employment contracts regulate the employment relations of these staff categories.
- 9.31.** Various moral and financial incentives are established for teaching, scientific, educational and other achievements for all categories of the Institute staff within the funds available.
- 9.32.** Payroll terms for all the Institute staff categories and financial and (or) moral incentives forms are specified in employment contracts, payroll provisions and other local regulations of the Institute.
- 9.33.** Other types of the activity not covered by this charter are regulated by the internal local regulations approved by the executive bodies authorized by the Institute.

10. INSTITUTE FINANCIAL AND ECONOMIC ACTIVITIES

- 10.1.** The founders can allocate property to the Institute on the basis of operational management for the purpose of its charter educational activity. The Institute is not entitled to alienate or otherwise dispose of the allocated property.
- 10.2.** Within this charter and enactments, the Institute independently plans its activity and defines development perspectives based on the demand for rendered services, work and products, the necessity to provide for the Institute operational and social development.
- 10.3.** The sources of the Institute financing are as follows:
- material and monetary contributions from the founders of the Institute;
 - funds resulting from paid educational, business and other income-bearing activities stipulated in the Russian law;
 - voluntary contributions and other special-purpose receipts, including grants of legal entities and individual (including foreign ones);
 - other sources not prohibited by the Russian law.
- 10.4.** The assets obtained by the Institute by means of funds received from allowed activities, special-purpose receipts, grants and other sources not prohibited by law and accounted independently become the Institute independent property for disposal.
- 10.5.** The founders can participate in financing and maintenance of the Institute in accordance with this charter and a contract concluded by and between the founders and the Institute.
- 10.6.** The Institute is entitled to independently dispose of:
- monetary funds, assets and other property transferred to it by individuals and (or) legal entities in the form of a gift, donation and under the will;
 - intellectual and creative products resulting from the charter activity of the Institute;
 - revenues from paid educational, business and other income-bearing activity and property purchased at the expense of such revenues.
- 10.7.** The Institute is held liable for its obligations with the monetary funds available at its disposal. In case of deficient funds with the Institute, it is the property owner assigned to educational establishment that bears responsibility in the manner prescribed by law.
- 10.8.** The Institute is entitled to charge students for educational services.
- The paid activity of the Institute is not considered as business activity, if the revenue received from it is fully meant for compensation of costs for the educational process (including salaries), its development and improvement within the Institute.
- 10.9.** The Institute independently uses the property transferred to its operational management, including for business activities, leasing as per this charter.

-
- 10.10.** The property of the founders assigned to the Institute that is not used or wrongly used can be exempted by the founders and used at their discretion.
- 10.11.** The Institute is entitled to act as a lessee and a lessor of the property. The funds received in the form of a rental payment are used for maintenance and development of educational process within the Institute.
- 10.12.** The Institute is entitled to perform its activity in the below areas:
- distribution of purchased goods, equipment, intellectual and creative products;
 - rendering intermediary services;
 - performance of contract and research and scientific works;
 - equity participation in the activity performed by other institutions (including educational ones) and organizations;
 - purchase of shares, bonds, other securities and receipt of relevant income (dividends, interest);
 - other income-bearing non-sale operations not directly related to in-house production of products, works, services specified in the charter and their distribution.
- The activities that need a relevant license are allowed only after the license is obtained.
- The founders are entitled to suspend the business activity of the Institute if it damages the charter educational activity of the Institute.
- 10.13.** The Institute is entitled to open accounts with any banks and other credit institutions (including foreign currency ones) to have the money kept and to perform all types of settlement, credit and cash operations.
- 10.14.** Within the available payroll fund, the Institute independently as per the established procedure defines the remuneration form and system, amount of fringe benefits and increments, bonuses and other incentive payments, as well as amounts of official salary for all categories of employees (without the ceiling amount limit) but not less than the amounts stipulated in the Russian legislation.
- 10.15.** The Institute independently settles issues related to conclusion of contracts, determination of obligations and other terms not contradicting the Russian law and the Institute charter.
- 10.16.** The revenue received by the Institute from the activity performed in compliance with this charter can be used by the Institute independently only for achievement of the Institute charter purposes.

11. INTERNATIONAL AND FOREIGN ECONOMIC ACTIVITY OF THE INSTITUTE

- 11.1.** The Institute is entitled to effect an international cooperation in higher education, postgraduate and additional vocational education, in scientific and (or) research and engineering, teaching and other activity in compliance with the Russian law and international contracts concluded by the Russian Federation.
- 11.2.** Major areas of the international activity performed by the Institute are as follows:
- participation in bilateral and multilateral students and academic staff exchange programs;
 - mutual scientific research, conduct of congresses, conferences, symposiums and other events;
 - basic and applied scientific research as requested by foreign legal entities;
 - development and implementation of joint higher educational programs, preparation of academic staff in postgraduate school (graduate military course) and additional occupational programs;
 - involvement of foreign teachers and experts to participate in the educational process and scientific work;
 - making teachers have practice, perform teaching and scientific work in foreign educational establishments;

- teaching foreign citizens and stateless persons on higher educational programs (by preparation areas / occupations) and on postgraduate programs of academic staff preparation in post-graduate school (graduate military course) in accordance with the license, rendering to foreign citizens paid extra educational services beyond the relevant educational programs and federal state educational standards under the contracts concluded with legal entities and (or) individuals;
 - participation in foreign and international exhibitions, conferences, congresses, symposiums, contests for grants to be obtained and in other events held by third-party companies;
 - conclusion of cooperation contracts with foreign legal entities and (or) individuals;
 - participation in international higher education and postgraduate vocational education improvement programs.
- 11.3.** The Institute can enter on its behalf into employment agreements with foreign organizations and particular citizens, independently define remuneration forms, types and amounts.
- 11.4.** The Institute is an independent participant of a foreign economic activity, which performs all its types in compliance with this charter and the existing legislation of the Russian Federation, including foreign trade operations. Foreign economic activity can be performed both independently and through other organizations.

12. INSTITUTE ACCOUNTING AND REPORTING

- 12.1.** The activity performed by the Institute is controlled by the founder and the Board of Trustees, as well as by the competent governmental authorities within the matters reserved for them by the law, among them: tax authorities, education management authorities, registration body and others.
- 12.2.** The Institute undertakes to submit to the Board of Trustees its annual financial statements, namely: incoming and outgoing cash flows.
- 12.3.** The Institute keeps business and bookkeeping accounting of its business results, statistical accounting and financial statements as per the established form within the financial year and for a year.
- 12.4.** The Institute activity is inspected by competent financial authorities and via an audit inspection.
- 12.5.** Violations in the financial activity of the Institute revealed through such inspections have to be eliminated in the manner established by law.
- 12.6.** Any disagreements that may arise between the Institute and inspecting companies are subject to settlement in the manner established by law.
- 12.7.** The Institute officials bear disciplinary, administrative and criminal liability stipulated in the Russian law for distortions in the state reports.
- 12.8.** For the purpose of control over the financial and economic activity of the Institute, the Board of Trustees can appoint an inspection commission (an inspector) of the Institute and (or) involve independent auditors.

The activity of the inspection commission (inspector) complies with the relevant provisions approved by the Board of Trustees. The rector and other financially liable persons cannot act as members of the inspection commission (inspectors).

13. LOCAL REGULATORY DOCUMENTS GOVERNING INSTITUTE ACTIVITY

- 13.1.** Local regulations that govern the activity performed by the Institute and specify norms and standards regulating the educational relations are as follows: this charter; protocols and other acts of the Institute founders; provisions, rules and guidelines approved by the Institute Board of Trustees; directives of the Institute Board of Trustees; provisions, rules and guidelines approved by the Institute rector; orders and instructions of the Institute rector; protocols and other acts of the rector's office and the academic council, as well as other types of local regulations.

14. INSTITUTE RESTRUCTURING AND DISSOLUTION PROCEDURE

- 14.1.** The Institute restructuring complies with the procedure stipulated in the applicable legislation of the Russian Federation. Restructuring can be performed in various forms: merger, acquisition, split-off, spin-off and reorganization.
- 14.2.** It is the Board of Trustees that decides on the Institute restructuring. The Institute can be dissolved as decided by the Board of Trustees in the manner specified in the Charter and in the applicable legislation of the Russian Federation.
- 14.3.** The Institute Board of Trustees or the body that has decided to dissolve the Institute appoints a dissolution commission as agreed with the state registration authority and establishes the dissolution procedure and deadline.
- 14.4.** As soon as the dissolution commission is appointed, all the case management authorities will be transferred to it.
- 14.5.** The dissolution commission places information on the Institute dissolution, the procedure of and deadline for claims to be asserted by its creditors in mass media.
- 14.6.** Upon expiry of the term for assertion of claims by creditors, the dissolution commission prepares an interim liquidation balance sheet, which is approved by the Institute Board of Trustees or the body that has decided to dissolve the Institute.
- 14.7.** As soon as all the settlements with creditors are completed, the dissolution commission prepares a liquidation balance sheet, which is approved by the Institute Board of Trustees or the body that has decided to dissolve the Institution.
- 14.8.** The property that remains after the creditors' claims are met is meant for the purposes of education development in compliance with the charter.
- 14.9.** During restructuring of the Institute all the documents (managerial, financial and economic, staff, etc.) are transferred to its legal successor under the established rules and regulations. In the event of no legal successor, the documents of permanent storage and academic and historical significance are transferred for national archiving. Personal staff documents (orders, personal files, record cards, personal accounts, etc.) are transferred for storage to the archives within the location of which the Institute performs its activity. Documents are transferred and organized by efforts and at the expense of the Institute in compliance with the requirements of the archival authorities.

15. INSTITUTE CHARTER AMENDMENT PROCEDURE

- 15.1.** This charter can be amended only as decided by the Institute Board of Trustees.
- 15.2.** Changes in this charter are subject to registration in the manner prescribed by law.

16. MISCELLANEOUS

- 16.1.** In the event of laws and other regulatory enactments adopted, the charter provisions that contradict the mentioned laws and enactments are subject to adjustment in line with the mentioned laws and enactments.

Twenty-seven (27) pages numbered, bound and sealed.

Rector of Non-Governmental Educational Institution of Higher Education "New Economic School" (Institute)

<Signature> Sh. Veber

[Round seal:

NON-GOVERNMENTAL EDUCATIONAL INSTITUTION OF HIGHER EDUCATION

"NEW ECONOMIC SCHOOL" (INSTITUTE) * (NEI HE NES)

(NES New Economic School) * OGRN (Primary State Registration Number) 1037739159424

NES

New Economic School]

[Stamp:

Chief Department of the Ministry of Justice of the Russian Federation for Moscow

State registration date OCT 31, 2017]

The decision on state registration of changes made in the charter of the Non-Governmental Educational Institution of Higher Education "New Economic School" (Institute) was taken by the Chief Department of the Ministry of Justice of the Russian Federation for Moscow on 31.10.2017 (registration No. 7714040893).

Data on state registration of changes in the charter were recorded in the Uniform State Register of Legal Entities on 17.11.2017, state registration No. 2177700376742 (OGRN 1037739159424 dd. 21.01.2003).

Twenty-eight pages numbered, bound and sealed.

Acting Head of the Chief Department of the Ministry of Justice of the Russian Federation for Moscow

E.R. Gerchikova _____ <Signature>

December 4, 2017

[Round official seal:

Ministry of Justice of the Russian Federation

Chief Department of the Ministry of Justice of the Russian Federation for Moscow

(Chief Department of Ministry of Justice for Moscow) * OGRN 1087746888866]