

Composed-15.08.2016

Consists- 21 pages

APPROVED

by "NORTHERN UNIVERSITY" LLC

(*meeting protocol № 12 of  
participants' assembly's 15.08.2016*)

*"Northern University" LLC*

*Director*

*B. Makichyan*

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*15.08.2016*

Printed in 5 examples

Example "1"

REGISTERED

BY THE STATE REGISTER OF ENTERPRISE  
OF THE RA 30.07.1996

Registration № - 273.110.01549

Certificate- 01U027572

Tax Code- 01515952

001.2 change of the registered regulation

in 10.05.2007 is registered by the

State Register Agency of Staff of Ministry of

Justice

" \_\_\_\_\_ " \_\_\_\_\_ 2016

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**“NORTHERN UNIVERSITY”**  
Limited Liability Company Regulation  
(new edition)

**I. GENERAL PROVISION**

1. “Northern University” Limited Liability Company is a legal entity which is a commercial organization established for the purpose of obtaining profit. The Northern University’s statutory capital is divided into shares defined by the present regulation. The participants of the Company are not responsible for the obligations of the Company and share the risks regarding to the activities of the Company in the value of their contributed deposits.
2. “Northern University” LLC (hereinafter-University) is a legal entity of educational and research autonomous Higher Education Institution. Northern University is aimed at social-economics, humanitarian, pedagogical and technical education, as well as to organizing fundamental and craft scientific research and studying on the level of additional and other educational agencies set by the legislation of RA and educational programs.
3. The University acts in accordance with the Constitution, Civil Code, “Law on Limited Liability Companies”, “Law on Education”, “Law on Higher and Postgraduate Education” of RA, other legal acts and present regulation.
4. The University is authorized to implement the following entrepreneurial activities:
  - 1) to organize secondary, vocational, higher profession, postgraduate and additional education
  - 2) to perform scientific research activities
  - 3) to publish, print and sale the results
  - 4) to train pedagogical staff and enhance its quality level
  - 5) to organize preparatory and higher education for foreign students
  - 6) to organize studies for computer and accounting programs and foreign languages
  - 7) to organize the accommodation and service of the students in hostels
  - 8) to organize the food and leisure of the students and employees
5. The University has its own stamp with the emblem of RA and other means of individualization.
6. The name of the University is:
  - 1) Full name in Armenian- «ՀՅՈՒՄԻՍՍՅԻՆ ՀԱՄԱԼՍԱՐԱՆ» սահմանափակ պատասխանատվությամբ ընկերություն
  - 2) Short name in Armenian-«ՀՅՈՒՄԻՍՍՅԻՆ ՀԱՄԱԼՍԱՐԱՆ»

- 3) Full name in Russian- Общество с Ограниченной Ответственностью «СЕВЕРНЫЙ УНИВЕРСИТЕТ»
- 4) Short name in Russian- “СЕВЕРНЫЙ УНИВЕРСИТЕТ” ООО
- 5) Full name in English- “NORTHERN UNIVERSITY” Limited Liability Company
- 6) Short name in English- ՄՊԸ “NORTHERN UNIVERSITY” LLC
7. The location and the legal (post) address of the University is – The Republic of Armenia, city Yerevan 0025, Aleck Manukyan 15 street, 9 apt.

## **II. THE MISSION, OBJECTIVES AND COMPETENCIES OF THE UNIVERSITY**

8. The Northern University considers its mission to provide availability and transparency in education along with international advanced experience and best national traditions, implementation of education ensuring accessibility, availability, organization transparency and humanitarian values combining the best national traditions and international advanced experience-aimed at training specialists able to apply obtained knowledge for the following fields- enterprise economics and management, law, informatics, journalism, philology, psychology, education.
9. The Northern University’s main purpose is:
  - 1) to train high - quality specialists on more prospective professions considering the internal requirements of the Armenian society and market needs and combining international experience of higher professional education and own initiatives.
  - 2) to ensure upbringing and strengthening of students’ patriotic spirit with the help of the educational activity, to contribute to the implantation and dissemination of humanism, democratic ideas, moral, cultural and scientific values of the society,
  - 3) to pay greater attention to the development of professors’ research potential, their trainings directed to the improvement of professional skills, foreign languages, computer skills and innovative methods. To take measures to expand relations with foreign higher educational institutions and to internationalize the University, having Russian-Armenian educational-cultural relations as a priority.
  - 4) to fulfil the aims that no potential student should be deterred from applying to Northern University because of financial or other barriers and that no student’s success should be hampered by financial difficulties.
  - 5) to provide quality assurance and contribute the relevant system of improvement
  - 6) to provide the continuity, transparency and publicity of the education process
  - 7) to disseminate the knowledge among the population and enhance the level of education and culture
10. The University is competent:

- 1) to implement higher, postgraduate as well as secondary, vocational and additional education
  - 2) to implement its autonomy within self-government and collegial principles
  - 3) to be independent in educational process management, educational technologies and current attestation forms of students
  - 4) to organize admission and educational process of alumni as well as foreign citizens
  - 5) to define its structure, the management system of structural subdivisions, to create, reorganize and dissolve faculties, chairs, scientific research institutions, centers, colleges, high-schools, other structural subdivisions, as well as to create economic companies or to be their participant
  - 6) to independently define the list of employees of all categories, implement the casting of employees, approve positions, disseminate and attest them, as well as to replenish the pedagogical staff, positions for teaching staff of scientific and learning departments.
  - 7) to develop and implement the procedures of elective positions and selection of teaching staff
  - 8) to approve and award honorary titles, medals, prizes, nominal scholarships of the University
  - 9) to implement paid education services (paid education and so on)
  - 10) to manage financing, including remuneration, scholarship, compensation of educational fee, provide student allowances, implement the expenses directed to preservation, development and scientific research of the University
  - 11) to give for rent the property set by the “Law on Rent Control” of the RA
  - 12) to sign contracts, agreements with the republic and foreign universities, scientific institutions, educational centers, state bodies and other organizations, legal and physical entities, to establish separated departments in foreign states set by law and so on.
  - 13) to implement other activities allowed by law
11. the establishment and activity of social and political, social and religious organizations are not allowed: profession, cultural, sport, postgraduate and other organizations are exception.

### **III. THE GOVERNANCE OF THE UNIVERSITY**

12. The University governance is implemented in accordance with the Constitution and present regulation based on the autonomy.
13. The governing bodies of the University are as follows:
- 1) General Assembly of the participants,
  - 2) Scientific Council,
  - 3) Rector of the University (Head of Executive body)

14. The entity can be considered a participant from the moment of registration in the company participants' register by the legal entity who implements the state registration. Participants can be changed by order defined by Law and present regulation through admission, removal, firing of participants as well as in case of confiscation of the whole stocks. The University cannot have another economic organization consisting of one entity.

15. Each participant in assembly of the University has number of votes corresponding to its stocks in the statutory capital of the University.

16. The powers of the assembly as well as the formation and activity procedure, the cease of powers of its members, the competences of the head of the assembly are set by the law of RA and present regulation and internal normative documents of the University

17. The participants of the University have right:

1) to participate in governing process of the University and participants' assembly, suggest some offers, discuss agenda issues, vote during making decisions

2) to share the profits from the University's activities

3) to get their profit in case of liquidation of the University

4) to have information about the University's activities both secret materials and accounting and taxation and other documents

5) to leave the participants group of the University anytime (in spite of the other participants opinion)

6) to appeal to the court in case of decisions made against the law

7) to get free corresponding stocks in case of obtaining authorized capital

8) to take advantages of other rights set by this regulation

18. The Participants of the University are obliged:

1) to make inventions into the statutory capital according to this regulation

2) to fulfill commitments towards the University

3) to preserve the provisions of the present regulation

19. Transfer of the shares of the University statutory capital:

20. The participant of the University has a right to sell his shares (or a part of it) or alienate one or some participants and a third person (allowed by law). Moreover, other participants have a preferential right to purchase the shares by the same price. If the other participants of the University did not use the preferential right to purchase the share (or a part of it) or used it partially the University has a right to purchase the shares by the same price.

The shares can be alienated to the third entity in case of not implementing the right of purchasing the shares by participants or the University.

Concession of the purchasing of preferential rights ordered by law is prohibited.

21. In case of impossibility of alienation of the third entity the University is obliged to purchase the share of the participant by his demand, to realize it to the participants or the third person

during a year, or to make decisions about decreasing the statutory capital due to the redemption of retained shares.

22. The implementation process period of preferential right (purchasing of other participants' shares) is one month.

23. The heirs of the participants and legal entities inherit the shares of the statutory capital of the University not considering the opinion of the other participants. Moreover, the purchasing process of the waiver from the share by the heir is done according to the present regulation order.

24. The participant(s) of the University, who is the owner of 10 percent of the shares has a right to demand an alienation of another participant from the University, in case if he make the University's activity unable. The University owes the alienated participant's share and must compensate the share price ordered by the present regulation.

25. The share of the alienated participant is transferred to the University from the moment of his resignation.

The calculations of the alienated participant are done by the following ways:

- compensate the charter price in statutory capital
- the share price is defined according to the accounting report of the last period
- the general assembly together with the participant can make a decision to compensate the share price by correspondent property
- if the participant invested a right to use the property as a deposit the University uses it till the deadline of the right of usage.
- The participant is not obliged to refund his profit.

The University is obliged to compensate the share price during 6 months from the moment of resignation.

26. The participant of the University has a right to mortgage his shares (or a part of them) to other participants and the third entity from the moment of mortgage registration. In case of confiscation of the shares the University and other participants take advantage of using the right to purchase the shares ordered by law and present regulation.

27. The assembly of the participants of the University is organized by the rector at least one time in each academic year; an additional assembly can be organized by initiative of each participant.

28. The organizer(s) of the assembly are obliged to notify all the participants about the meeting beforehand-during 20 days.

29. The assembly of participants of the University:

- 1) the assembly has a right to make any final decisions concerning the management and activity issues of the University;
- 2) the assembly has a right to make changes in the regulation of the University;
- 3) the assembly has a right to confirm the new edited regulation of the University;

- 4) the assembly has a right to make decisions about the liquidation, reorganization and reunion of the University;
  - 5) the assembly has a right to create a liquidation commission, confirm liquidation balances (including intermediate and final balances);
  - 6) the assembly has a right to confirm the budget of the University;
  - 7) the assembly has a right to increase or decrease the amount of the statutory capital;
  - 8) the assembly has a right to confirm the annual accounting balance of the University;
  - 9) the assembly has a right to make decisions concerning the deviation of the benefits and damages between the founders;
  - 10) the assembly has a right to make decisions concerning the issued securities (bonds);
  - 11) the assembly has a right to make decisions concerning the large transactions for gaining and alienation of the property;
  - 12) the assembly has a right to establish branches and representative offices;
  - 13) the assembly has a right to confirm regulations and other fundamental regulations and documents of the University facilities and its branch(es) and other sub departments;
  - 14) has a right to form the executive body of the University;
  - 15) the assembly receives the annual review of the University.
30. The Scientific Council of the University (hereinafter Scientific Council) is formed according to the present regulation. It is a Collegial Body which is planning, monitoring and regulating the methodological, research and scientific and technological activity of the University.
31. The Scientific Council is headed by the Rector. The authorization period of the Scientific Council is 3 years. The Scientific Council is held for 4 times during the academic year.
32. The Scientific Council is formed by teaching and learning (students, postgraduates) staff and participants' representatives.
33. The Rector, Vice-Rectors, scientific secretary, the heads of branches, departments and faculties and other heads of structural sub departments as well as elective members, according to the regulation of Scientific Council, in their official capacity are included in Scientific Council. At least 25% of the scientific council is students.
34. The Scientific Council Session can be considered competent if more than 50% of its participants are present. The decisions are made by the majority of the voices of the Council members (50% +1).
35. The special sessions can be called by the president as well as by Scientific Council members' 1/3 demand.
36. The Scientific Council staff is confirmed by the Rector.
37. The Scientific Council can:
- 1) establish its regulation;

- 2) discuss the main and prospective directions of scientific activities, accepts scientific reports on the results of the most important research, methodological and research activities;
  - 3) award titles of Professor and Associate Professor and present to the Supreme Certifying Commission of the RA for their confirmation, accept decisions concerning awarding honorary titles, prizes, nominal scholarships, the University medal and the best friends of the University,
  - 4) establish the regulations of the structural sub departments of the University as well as other internal normative documents regulating the educational procedures of the University:
  - 5) establish, reorganize, abolish other Faculties, research institutions, centers, colleges, high schools as well as Chairs and other structural sub departments defined by law
  - 6) confirm the electing processes of Deans of Faculties, Heads of Chairs and teaching staff;
  - 7) elect Deans of Faculties, Heads of Chairs;
  - 8) discuss and confirm educational programs;
  - 9) discuss and confirm publishing monographs, textbooks, educational manuals, collections and other materials;
  - 10) establish the education fee;
  - 11) implement other functions defined by the Codex of RA, international contracts, present regulation and other internal regulations of the University;
38. The Scientific Council of the University has a Scientific Secretary (hereinafter- Secretary) who is elected by the Scientific Council.
39. The Scientific Council sessions are recorded by the Scientific Secretary.
40. The current activities of the Northern University are headed by the Rector of the University.
41. The Rector is elected by the members of the assembly due to free competition (if it is elective)- with secret ballot, for a period of 5 year.
42. The Rector election results are confirmed by the assembly of the participants.
43. A person who has a scientific title, pedagogical working experience of at least 10 years can be elected as a Rector.
44. The rights and responsibilities of the Rector are defined by the Codex of RA, present regulation and the working contract signed with him.
45. The University Rector;
- 1) runs the educational, scientific, industrial, economical, financing and international activities;
  - 2) acts without warrant on behalf of the University (including in the court) as well as to sign such transactions, contracts and other agreements which are not assigned to the



- members of the University's Assembly of participants or to other governing bodies of the University;
- 3) disposes the property of the University, including financial funds;
  - 4) opens banking accounts;
  - 5) organizes and provides balanced activities of the Scientific Council and structural sub-departments of the University;
  - 6) calls Rectories' and Scientific Council assemblies;
  - 7) represents annual reports to the General Assembly of the participants;
  - 8) provides the implementation of decisions of Assembly of the participants and Scientific Council;
  - 9) represents projects concerning the establishment, reorganization or dissolution of structural sub departments;
  - 10) represents the regulations of sub-departments, internal disciplinary rules and other internal normative acts of the University;
  - 11) forms the Scientific Council of the University and collegial bodies of structural sub-departments according to the present regulation, defines authority and official duties of employees;
  - 12) orders to admit, release, recover students, forms corresponding vacations, uses encouragements and penalties, awards qualification degree, allocate student allowances and so on;
  - 13) approves positions, employs and removes employees by order defined by law, uses encouragements and penalties, arranges the attestation process of employees;
  - 14) approves positions and removes directors of branches, departments Vice-Rector(s) and head(s) of other structural departments of the University;
  - 15) signs working contracts with elected deans, heads of Chairs;
  - 16) ceases those decisions of Scientific Council and governing bodies of structural departments which are not competent and are against to the legislation of RA and present regulation;
  - 17) in case of absence of Rector one of Vice-Rectors implements his duties;
  - 18) gives credentials to act on behalf of the University including the reauthorization right;
  - 19) implements authorizations which are not against to the legislation of RA and are not reserved to other governing bodies of the University.

#### **IV. NORTHERN UNIVERSITY STRUCTURE**

46. The University can have Institutions, Branches, Representative offices, Departments, (Faculties), Chairs, Administrations, Sections, Laboratories, Scientific Library, Colleges,

High-schools, Schools, kindergarten and so on. The rights of structural departments are defined by the legislation of RA, present regulation and their regulations and statutes.

47. The University is an educational and scientific unity with its sub departments, which boosts the organizational process of educational or scientific research. The participation of all sub departments is a mandatory.

48. The University forms its structures independently.

49. The Departments' (Faculties') actions are based on their regulations and the present regulation.

50. The Department, (Faculty) is the main sub departments implementing Higher Professional and Postgraduate education in one or more professions.

51. The Department, (Faculty) designs its projects of staff-lists and present to the Rector of the University, based on the pedagogical, education-support works.

52. The Chairs are the main sub departments of the Department and Faculty. Research institutes, laboratories, centers and other educational sub divisions can act in Department and Faculty.

53. The governing bodies of the Department and Faculty are the Department (Faculty) Council and the Dean.

54. The Department (Faculty) Council in their official capacity consists of invited and elected members. At least 50% of the Department (Faculty) Council should be composed of elected members, whose candidacies are nominated by structural sub departments of Department (Faculty).

55. The Dean- as a president, his assistants, heads of Chairs in their official capacity are included in the Department (Faculty) Council staff. At least 25% of the Department Council and Faculty Council is students-elected by the Student Council of the Department (Faculty).

56. The Department (Faculty) Council Staff is confirmed by the Rector.

57. The authorization period of the Department (Faculty) Council is 3 year. The Dean presents new staff of the Council to the Rector's confirmation after the expiry date of the authorization period.

58. The Department (Faculty) Council;

1) admits the regulation of the Department (Faculty) based on the regulation accepted by the Scientific Council of the University;

2) accepts annual report of the Dean and evaluate his activities;

3) suggests offers concerning the establishment of new Chairs and other structural sub departments, ceasing and reorganizing their activities in the Department (Faculty) structure:

4) suggests offers concerning awarding honorable titles, University's prizes, nominal scholarships and presenting candidates for international prizes and titles.

- 5) nominates candidates from Department (Faculty) for the University's Scientific Council:
- 6) solves problems connected with Department's (Faculty) methodological, academic organizational and scientific research activities;
59. The Department (Faculty) sessions are held at least 3 times in academic semester. The decisions in the Department (Faculty) Council are made by the majority of the voices in case if at least 2/3 of members voted.
60. The activities of the Department (Faculty) are organized by the Dean in accordance with his competences and present regulation.
61. The Dean is elected for 3 year period by the Scientific Council according to its defined order. The Rector employs the Dean on the base of voting results.
62. The Dean of the Department (Faculty);
  - 1) runs the educational, scientific, industrial, international and other activities of the Faculty:
  - 2) provides the implementation of decisions of the University bodies and Faculty Council.
  - 3) presents candidates for Deans' assistants and Faculty Council Secretary.
  - 4) suggests offers to the Rector concerning releasing students or recovering their rights;
  - 5) implements assignments of the Rector, and functions intended by present and Faculty regulation and other legal acts.
63. Chairs (educational centers, sections, laboratories) are the main structural sub divisions of management of educational procedures of Departments (Faculty), which provide the educational process, implement methodological and scientific research. The Head of the Chair runs the Chair, who is elected for 3 year period, within close, secret voting. The processes of suggesting candidates for Heads of Chairs, holding votes and approve positions for the heads of Chairs are defined by the procedures of electing Heads of Chairs.
64. Professors, docents, assistants and lecturers are included in the pedagogical staff of the Chair.
65. The branch is the structural subdivision of the University, which trains specialists with higher education according to the industrial activities of companies and organizations of the area.
66. The representative offices are established in large cities far from the Mother University and are its separate subdivisions, support its interests and implement their defense.
67. The library is one of the education-support and culture-illuminate sub departments. And its mission is to provide the teaching and learning staff with literature and to boost the improvement process of their knowledge.

68. The inner structural subdivisions of the University (sections, administrations, centers and so on) are established and released by the Scientific Council decision and Rector's appropriate order and act according to corresponding regulations.

## **V. THE MANAGEMENT OF EDUCATIONAL AND SCIENTIFIC PROCESSES OF THE UNIVERSITY**

69. The admission of students to the University including foreign students and students without citizenship is implemented according to the legislation of RA and corresponding documents of the University.

70. The studying process of the University is implemented due to full-time, part-time, distant and extern types.

71. The education process is organized within 2 sessions which are completed with examinations.

72. The University implements the following types of education: lectures, practical, laboratory and individual trainings, seminars, practices, consultations, tests and so on.

73. The Higher Education at the University is implemented by the main academic programs of Bachelor and Master degrees according to state academic criterions. Corresponding qualifications and graduation certificate (Diploma) are given to the postgraduates. Those who incomplete the Higher Education are given an academic reference.

74. The postgraduate study admission is based on Master Degree or qualification of certified professional- in accordance with the Legislation of the RA and the University's appropriate documents.

75. Vocational Councils awarding scientific degree can act at the University.

76. The University organizes and hold assemblies, conferences, consultations, seminars as well as publishes scientific periodicals, collections, monographs, textbooks, educational manuals.

77. The working staff, students and invited specialists can participate in scientific research activities at the University.

78. There is a Quality Inner Assurance and Controlling system in the University which is aimed at continual improvement of the education quality.

## **VI. THE UNIVERSITY WORKING STAFF AND STUDENTS**

79. The University employees are divided into pedagogical (teaching staff (Head of Chair, professor, docent, assistant and lecturer), scientific coworkers), administrative-economic, education-support, engineering and technical categories.

80. The students, externs, applicants, postgraduates and researchers are the learning staff off the University.

81. The rights and responsibilities of teaching and learning staff are defined by the Legislation of the RA, present regulation, internal rules, working contract and other legal acts of the University.

82. The University employee has a right to:

1) elect and be elected for appropriate positions and governing bodies according to the regulation of the University;

2) take participation in discussion and solving of problems connected with the University's activity;

3) be provided with library and informational materials, as well as educational and scientific departments' and social, medical and other services of the University in accordance with the regulation and working contract of the University;

4) choose the teaching methods of the educational process;

5) be provided with organizational and technical conditions for vocational procedures;

6) protest the acts adopted by the governing bodies and heads of corresponding departments in accordance with the Legislation of the RA and the University's internal legal acts;

7) incorporate with Trade unions and other social organizations;

8) receive paid or unpaid/free vacation;

9) receive salary, premiums, (including money) emoluments and stimulations in accordance with the Legislation of the RA, present regulation and working contracts;

10) organize and take participation in scientific research activities, seminars and assemblies as preferred.

83. The employees of the University have other rights in accordance with the Legislation of the RA, present regulation and other legal acts.

84. The employees of the University are obliged:

1) to preserve and implement the demands of present regulation, the University's internal disciplinary rules and other internal normative acts:

2) to implement the legal decisions of the governing bodies of the University:

3) to provide the effectiveness of educational process and scientific research:

4) to constantly keep higher level of vocational qualification, at least once in 3 years participate in trainings;

5) to design profession qualities, proper behavior and patriotism in students;

6) to develop independence, initiation, and creativity in students;

7) to complete all the assignments in deadlines;

8) to preserve and effectively use the property of the University;

9) to implement duties in accordance with the Legislation of the RA, University's regulation, University's internal disciplinary rules and other internal normative acts.

85. The rights and responsibilities of the employees of the University are defined by the Legislation, Working Legislation of the RA, University's regulation, working contracts and corresponding job descriptions.

86. People can be considered a student who are:

- admitted to the University by defined order,
- decreed by the Rector,
- engaged in any educational project of Higher profession.

87. The student of the University has right:

1) to choose profession, method of education, participate in researches, cease and continue Higher and Postgraduate Profession Education;

2) to receive knowledge corresponding to the modern labor market;

3) to take lectures in the University;

4) to participate in quality assurance processes and estimate the teaching staff activity;

5) to combine the main profession education with the second profession education and take second qualification degree;

6) to be provided with library and informational materials, as well as educational and scientific departments' services and social, medical and other services of the University;

7) to be engaged in activities of the governing bodies of the University in accordance with the Legislation of the RA, present regulation and other legal acts;

8) to be engaged in Student Councils, Student Scientific Organizations and other student organizations;

9) to take participation in scientific research activities, seminars and assemblies as preferred.

10) to protest the acts adopted by the governing bodies and heads of corresponding departments in accordance with the Legislation of the RA and present regulation:

11) to get acquainted with internal legal acts and education documents regulating the University's activity;

12) to profit some privileges for the University students like- education fee discounts, education fee partial compensation, scholarships and so on according to defined order;

13) to transfer to another Educational Institution including Foreign Universities according to defined order;

14) to have other rights in accordance with the Legislation of the RA, present regulation and other legal acts.

88. The students of the University are obliged:

- 1) to complete all the educational assignments in deadlines;
  - 2) to participate in lectures, seminars, practical and extracurricular lessons;
  - 3) to gain all the knowledge and skills for high qualified profession;
  - 4) to preserve and effectively use the property of the University;
  - 5) to implement the financial duties;
  - 6) to keep the honor and authority of the University on high-level;
  - 7) to preserve the University's regulation and internal disciplinary rules;
  - 8) to take active participation in educational, cultural and social events.
89. The Student Council is the self-governing and representative elective body, which regulation is defined by order.
90. Those students who are irresponsible towards the implementation of their duties, both financial and educational, can undergo penalties.

## **VII. THE UNIVERSITY PROPERTY AND RESOURCES**

91. The buildings, equipment, property and other goods are the ownership of the University.
92. The educational fees of the students are the main financial resources of the University.
93. The financial resources can come as a result of:
- 1) entrepreneur activity, intended by the present regulation;
  - 2) participation in local and international grant projects;
  - 3) investments by the RA and Foreign States legal and physical entities including charity, sponsorship and so on.
  - 4) resources intended for the state order and other objectives provided by the state budget of the RA.
94. Other resources allowed by the Legislation of the RA.
95. The financial resources are used to provide the University's everyday activity and strengthen its educational and technical bases.
96. The University has corresponding office work, accounting and statistics, monthly, quarterly and annual reports.

## **VIII. THE UNIVERSITY STATUTORY CAPITAL AND ITS CHANGE**

97. The University statutory capital is 150,530 (one hundred fifty thousand five hundred and thirty) AMD-60.000 AMD (6000/15053 share), 40,000 AMD (4000/ 15053 share), 40.000 AMD (4000/15053 share), 10,160 AMD (1016/15053 share), 210 AMD (21/15053 share) and 160 AMD (16/15053 share) 6 shareholder by nominal values.

The statutory capital defines minimum amount of the University's property. The University statutory capital should not be less than it is defined by "Law on Limited Liability Companies". The shares of the University statutory capital are distributed, totally paid and belong to the members of the University the list of which is presented in the appendix of present regulation.

98. The members of the University can alienate their shares ordered by present regulation.

99. The University can change the amount of the statutory capital after the registration in state register.

The increase of the University statutory capital is possible only after its total payment. The increase of the University statutory capital can be implemented due to the University property, University participants' additional deposits, and third person deposits.

The decision about the above mentioned point is made mutually by the members of the University. Due to this decision the amount of additional investments and deadlines of their implementation is defined. According to that decision the total value of additional deposits and the total ratio of that sum for all the members are defined. During one month after the deadline the General Assembly of the participants is obliged to make decision (by majority of voices) about the results of investments of additional deposits, statutory capital, changes of shares of the University members and confirmation of changes of present regulation.

Additional deposits can be invested after making the decision during one year.

The conditions and discipline of the increase of the University statutory capital, implemented due to additional deposits are defined by Law.

The conditions and discipline of the increase of the University statutory capital, based on application of the University member and third person are defined by Law.

The University has a right, and in case of defined by Law is obliged to decrease its statutory capital.

If after second or each financing year the pure value of shares is less than the statutory capital, the organization must announce about its decrease and register as it is ordered. If the pure value of shares is less than the amount of statutory capital ordered by Law, the University undergoes dissolution.

The University statutory capital can be decreased when all the creditors are informed by defined order and deadlines. During 30 days after receiving written notification the creditors can demand additional guarantees on implementation, prematurely suspension or implementation of duties of the University and compensation of damages.

The decrease of the University statutory capital can be implemented due to the decrease of nominal shares of all participants and/or redemption of the University shares.



The decision about increasing or decreasing the statutory capital is valid from the moment of the state registration of changes.

The confiscation of shares of the member of the University statutory capital is done by order set by law.

## **IX. THE UNIVERSITY REORGANIZATION AND DISSOLUTION**

100. The University is reorganized (incorporated, divided, separated) and dissolved ordered by law and by the University members' decision.

101. In case of dissolution of the University the General Assembly of the participants creates Assembly of dissolution, confirms dissolution balances (including middle and final balances).

102. After the dissolution the University participants get the remained property.