

Unofficial translation

Registered by Tbilisi Tax Inspection
On December 25th, 2006
Registration No. 204521400

CHARTER
OF
THE FOUNDATION
“LIBERAL ACADEMY - TBILISI”

2010

- conferences;
- expert meetings;
- advice and consultancy;
- regional and international dialogue;
- study trips to the region and to countries abroad;
- printed and electronic publications (brochures, books);
- research and analytical activities
- advocacy
- etc.

2.3 To accomplish its purposes the Foundation may undertake the following activities in accordance with the law:

- a) To purchase, acquire, take by gift or bequest, lease, hold, manage, exchange and dispose of property, whether real, personal or mixed, tangible or intangible, of whatever nature or kind and wherever situated;
- b) acquire, produce, export, import and distribute any literature within the activities of the Foundation, as well as other printed, audio and video materials and other materials related to its purposes;
- c) To enter into and perform all kinds of contracts, agreements and obligations for any lawful purpose by or with any person, legal entity or governmental division;
- d) To open and maintain Georgian Lari and foreign currency bank accounts, to deposit and invest funds or values of any kind;
- e) To solicit, borrow and receive funds, grants and contributions from any lawful source and to administer and disburse such funds, grants and contributions in furtherance of the purposes of the Foundation;
- f) To engage in economic activity in order to achieve its objectives;
- g) To exercise any other functions permitted by law, which is necessary, suitable and/or proper to the attainment of its purposes and the proper functioning of the Foundation;

ARTICLE III Contributions

3.1 In order to fulfill the purposes of the Foundation, engage in activities stated in Article 2 above and otherwise achieve its objectives, within a month from the date of registration of the Foundation the Founder will transfer ten thousand (10,000) EURO equivalent in

Georgian Lari to the bank account of the Foundation.

- 3.2 The Foundation shall accept donations and/or contributions in any amount and any form.

ARTICLE IV

Founder

- 4.1. The founder of the Foundation is Ketevan Tsikhelashvili, citizen of Georgia, born on August 21, 1978 in Kutaisi, personal identification card No. a0523177, personal number 60001001002, residing in Tbilisi, at 33 Sairme Str., Apt 4, International Relations Specialist by profession (the "Founder")
- 4.2. The rights and authorities of the Founder include:
- a) approval of the charter, amendments and addenda thereto;
 - b) appointment of the members of the Board;
 - c) changes in the objectives of the Foundation;
 - d) determination of the main activities of the Foundation and any changes thereto;
 - e) making decisions on liquidation and/or reorganization of the Foundation and the performance thereof;
 - f) any other authority accorded to the founder of the Foundation under Georgian laws.
- 4.4. To the extent that the Founder is unable to continue serving in its capacity as a founder, for any reason, the Founder may designate in writing any individual, to whom its rights and obligations shall be delegated. Such individual shall be designated at the sole discretion of the Founder and upon designation shall be entitled to perform all duties and take all actions permitted by this Charter to be performed or taken by the Founder.

ARTICLE V

Governing Board

- 5.1. Leading organ of the foundation is the Governing Board which consists of 3 members. It implements its plenipotentiaries based on this charter.
- 5.2. Founder of the foundation is the constant member of the Governing Board. Two members of the Governing Board are appointed by the founder for one year. Member of the Governing Board can be any person who reached 25 years, without regard to his/her citizenship.
- 5.3. Members of the Governing Board are:

* Constant member – Ketevan Tsikhelashvili, citizen of Georgia, born on: 21 August 1978 in Kutaisi, ID Card #: A0523177, Personal #: 60001001002, living: 4 app, #33 Sairme str, Tbilisi, Profession – specialist of international relationships.

* Appointed member – Koba Turmanidze, citizen of Georgia, born on: 2 December 1970 in Sachkhere, ID Card #: A0210178, Personal #: 38001004513, living: 29 app, #43 Pekini str, Tbilisi, Profession – specialist of political science.

* Appointed member – Lasha Tughushi, citizen of Georgia, born on: 23 January 1964 in Tbilisi, Georgian citizen passport #: 07AF52568, Personal #: 01018002674 living: #3 Khoshtaria str, Tbilisi, Profession – journalist.

5.4. The Governing Board meeting is held at least once in two months, it is called and chaired by the director. An extraordinary meeting of the Governing Board is called by the director of the foundation or by any other member of the Governing Board based on pre-determined agenda.

5.5. Decisions of the governing board are made by simple majority voting. Board is authorized if the meeting is attended by not less than two.

5.6. Governing Board:

- a) Elects the director of the foundation from the members of the Governing Board through the nominative vote;
- b) Approves strategic development plan and budget of the foundation;
- c) Approves activities and financial accounts of the foundation;
- d) Decides upon the questions of membership in registered organizations and participation in the process of finding legal entities;
- e) Ascertains the list of staff and salary;
- f) Approves organizational structure of the foundation based on the director's suggestions;
- g) Makes decision regarding creation and liquidation of the branches based on the director's suggestions;
- h) Performs other activities charged on him/her by this charter.

5.7 The Board is authorized to make decision under any following issues, by only under confirmation of the letter of the founder.

- a) Mortgage or charge real estate or any other properties of the foundation;
- b) Borrow any sum on behalf of the foundation or with any kind of matter, for to have opportunity to make contract as borrower, co-borrower, co-loaner or guarantor.
- c) Sell, pass or alienate any other kind of real estate or property belongs to the foundation.
- d) Form a contract or implement any other kind of corporate action for the cost up to 100 000 (hundred thousand) USD.

- e) Sell the whole property of foundation or the major part of the property.
- 5.8. The authority of the Member of the Governing Board is ceased in case of expiry of the term, upon voluntary withdrawal, upon death or the decision of the founder. Founder is entitled to cease the credentials of the member of the Governing Board if he/she doesn't take place in the activities of the Governing Board for more than 3 months.
- 5.9. In case of early termination of the authority of the member of governing board, founder appoints a new member of the governing board within one month.

ARTICLE VI

Director

- 6.1. Director is the manager high representative of the foundation in relationships with the third parties.
- 6.2. Director of the foundation is elected from the Governing Board with the duration of one year.
- 6.3. Director:
 - a) Leads activities of the foundation to achieve the goals stated in this charter;
 - b) Invites and Chairs the meetings Governing Board and leads it's activities;
 - c) Represents the foundation in relationships with the third parties;
 - d) Is responsible for the management of foundation's financial resources and other material property;
 - e) Signs official documents of the foundation;
 - f) Presents the organizational structure of the foundation to the Governing Board for approval;
 - g) Performs other activities charged on him/her by this charter.
- 6.4. The authority of the director is considered to be ceased upon voluntary withdrawal or the expiration of the term. Before the termination of director's duties, the Governing Board elects the new director within 15 days.
- 6.5. In case of absence of the director his/her functions may be handed over to one of the members of the Governing Board.

ARTICLE VII

Board of Advisors

- 7.1. Consulting body of the foundation is Board of Advisors which comprises of five members.

Board of Advisors assists the Governing Board and the director in decision making process.

- 7.2. The Members of Board of Advisors are elected by the Governing Board for the duration of one year. Member of the Board of Advisors can be any person without regard to his/her citizenship.
- 7.3. Agenda of the Board of Advisors is determined by the resolution of the Governing Board.
- 7.4. Board of Advisors is called by director's initiative.
- 7.5. Authority of the Member of the Board of Advisors is terminated upon the expiry of the duration of the appointment, or upon voluntary withdrawal. After termination of the authority of the member of the Board of Advisors the Governing Board elects the new Board of Advisors within one month's time.

ARTICLE VIII

Property of the Foundation

- 8.1 The Foundation may own or use any movable and immovable property, as permitted under the Georgian legislation.
- 8.2 The property and the funds of the Foundation consist of the initial deposit made by the Founder in the amount mentioned above, as well as movable and immovable property subsequently acquired by the Foundation by purchase, donation or grant, gift, succession or loan, and other income required to ensure the sustainability of the Foundation and its objectives, such income not to be distributed to the Founder, Board members or donors of the Foundation.
- 8.3 The property and income of the Foundation shall be used only for the objectives of the Foundation defined in Article 2 hereof.

ARTICLE IX

Dissolution and Reorganization

- 9.1 The Foundation shall be reorganized (merged, divided, separated, reorganized) in accordance with the laws of Georgia;
- 9.2 The Foundation may be voluntarily dissolved, by a decision of Founder or in accordance with the laws of Georgia;
- 9.3 The dissolution of the Foundation shall be carried out by the Board, or the liquidator appointed in accordance with the law.
- 9.4 Upon dissolution of the Foundation, after paying or providing for the debts and obligations of the Foundation, the remaining assets of the Foundation shall be distributed

to the authorized recipients, in accordance with the resolution of the Board.

ARTICLE X
Amendment of Charter

No amendments to this Charter shall be valid unless approved in writing by the Founder and duly registered with Registration Authority.

ARTICLE XI
Interpretation

All doubts and questions of interpretation and application of this Charter, unless otherwise defined by the laws of Georgia, shall be resolved by the Founder.

ARTICLE XII
Language

This Charter is executed in four counterparts in Georgian.

FOUNDER AND SOLE MEMBER OF THE BOARD

Ketevan Tsikhelashvili

Members of the Board

Koba Turmanidze

Lasha Tugushi