



## **On Agricultural Partnership and its Associations (Unions)**

### *Invalidated Unofficial translation*

The Law of the Republic of Kazakhstan dated 25 December, 2000 № 133-II. Repealed by the Law of RK from 29.10.2015 № 372-V.

### **Unofficial translation**

Footnote. Repealed by the Law of RK from 29.10.2015 № 372-V (effective from 01.01.2016).

The Law determines the legal status of agricultural partnerships regulate relations between partnership and its members.

## **Chapter 1. General provisions**

### **Article 1. Basic definitions used in the Law**

The following definitions shall be used in the Law:

1) association (union) of agricultural partnership - a voluntary association of agricultural partnership, created on the basis of decisions of general meeting of agricultural partnerships for ensuring protection of their common property and other rights, coordination of activity, presentation of their interests in the state bodies, bodies of local self-government and international organizations, as well as render of legal, informational and other services to the members of partnership;

2) unit – a share of member of agricultural partnership in its property, proportional to the amount of paying up of share contribution by member;

3) share contribution – an asset contribution of member of agricultural partnership to the share fund by money, land plots, land and property shares or other property, having money value;

4) compulsory share contribution – share contribution, paying in a mandatory manner and granting right of equal vote in the bodies of management of partnership, use their services and favours, provided by charter;

5) additional share contribution – share contribution of member of agricultural partnership, voluntarily paying them in excess of compulsory share or in the cases, provided by the general meeting of partnership;

6) share fund – fund, consisting of property (share) contribution, paid by the members of agricultural partnership, and being one of sources of the formation of the assets of partnership;

7) agricultural products – plant and animal products, past the complete manufacturing composite lead time and relevant to the established standards;

8) agricultural goods producers – individual or legal entity, engaging in commodities production of agricultural products;

9) services of partnership – issuing, agriproduct processing, supplies of material and technical resources, maintenance service or any other services, rendering by agricultural partnership to the commodity producer;

10) member of agricultural partnership – an individual or a legal entity, being an agricultural producer and entering into partnership according to the procedure, established by this Law and charter of partnership.

## **Article 2. The legislation on agricultural partnerships**

The legislation on agricultural partnerships shall consist of Civil Code, this Law and other regulatory legal acts.

## **Article 3. Agricultural partnership**

1. Agricultural partnership is a legal entity, created on the basis of membership by voluntary association of asset contribution of agricultural goods producers for satisfaction of its demands in issuing, storage, agriproduct processing, supplies of material and technical resources, water service or other maintenance service of members of partnership.

Members of agricultural partnership may be individuals and legal entities, engaging in commodities production of agricultural products, relevant to the profile of partnership.

2. Agricultural partnership shall be noncommercial organization and may carry on entrepreneurial activity only insofar as this corresponds to its charter purposes.

Net income, earned by the agricultural partnership, may not be distributed between their members and shall direct to the charter purposes.

3. Agricultural partnership shall be considered as established for a specified period, unless the constitutional documents provide that it is created for the specified period or for achievement of defined objectives.

## **Article 4. Purposes of creation of agricultural partnerships**

Agricultural partnerships shall be created in order:

1) satisfaction of social and economic needs of agricultural goods producers by its voluntary association for providing of issuing, storage, agriproduct processing, supplies of material and technical resources, water service or other maintenance service of members of partnership;

- 2) ensuring a profit of agricultural goods producers upon operation of partnership on profitless basis;
- 3) establishment of competitive environment in the scope of issuing, storage, agriproduct processing, supplies of material and technical resources;
- 4) providing of direct supplies of agricultural products from producers to consumer ;
- 5) assistance to acquisition of desired service life and gaining access to financing its economic activity on beneficial terms by the agricultural goods producers.

#### **Article 5. Basic principles of creation and activity of agricultural partnerships**

Agricultural partnerships shall be created and carry out their activity on the basis of the following principles:

- 1) voluntary membership in the partnership and possibilities to entry for any agricultural goods producer, who is in want of services on profile of partnership and ready enter into the duties of his (her) member;
- 2) democratic nature of management, based on equality of co-partner: one member one vote;
- 3) electivity and periodic interchangeability of membership of governing bodies and their accountability to co-partner;
- 4) carrying out of activity of partnership on principle “service at cost” in the interest of their members;
- 5) establishment of amount of obligatory and additional share contributions depending of consumption of services;
- 6) obligation consumption of services, provided by the partnership of its members in the amount, provided by the contract;
- 7) information availability on activity of agricultural partnership, association (union ) for all its members.

#### **Chapter 2.Types of agricultural partnerships**

##### **Article 6. Main types of activity of agricultural partnerships**

Agricultural partnerships may be divided into: marketing, processing, supply, service and combined types depending on the basic activity.

Basic activity of agricultural partnership shall be affected in its name.

##### **Article 7. Marketing agricultural partnerships**

Marketing partnerships shall sell goods, produced by the members of partnership. As well as gathering, storage, marking, dehydration, sale of raw products in fresh or

reworked type by wholesale or by retail and transportation of products of partnership members.

#### **Article 8. Processing agricultural partnership**

Processing agricultural partnership shall be processed of agricultural products and its sales through self-system of wholesale and retail trade.

#### **Article 9. Supply agricultural partnership**

Supply partnerships shall provide the agricultural goods producers by necessary resources and materials in the productive process: fuel and lubrication materials, seeds, manures, toxic chemicals, foodstuffs, repair parts, construction and other associated materials for agricultural production.

#### **Article 10. Service agricultural partnership**

Service partnership shall render services to their members, linked with production process and sales of agricultural products, as well as by satisfaction of gross requirements in other fields (material and technical and agrochemical service, water supply, electrical supply, repair and engineering service, telephone penetration, tribal and selective activity, investigation in animal production and plant production, arboriculture and other).

### **Chapter 3. Creation of agricultural partnerships**

#### **Article 11. Procedure for creation of agricultural partnerships**

1. Agricultural partnerships may be created by resolution of general meeting of incorporators by its formation, as well as resulting from reorganization of current agricultural partnership.

2. Legal capacity of agricultural partnership in the scope of activity on occupation of which it is required to receive a license, shall arise from the date of acquisition of such license.

3. Constitutional documents of agricultural partnership shall be the constitution.

4. Incorporator shall accept a decision on establishment of agricultural partnership, confirm its charter, elect persons, authorized to sign and file documents of partnership for state registration, conduct money assessment of property in accordance with the established procedure, as well as property rights, included in the share fund by the incorporators on the constitutive meeting.

**Footnote. Article 11 as amended by the Law of the Republic of Kazakhstan dated 16.05.2014 No. 203-V (shall be enforced upon expiry of six months after the date of its first official publication).**

## **Article 12. Name and location of agricultural partnerships**

1. Name of partnership shall involve its name and specification to legal form of organization. Use of names, contradicted to the requirements of legislation or norms of public morals, own names of persons, if they do not coincide with the name of participants or if participants did not obtain a permit of these persons (their heirs) for use of own name.

2. Location of the partnership shall be recognized location of its permanent body.

3. Name and location of the partnership shall be specified in its constitutional documents.

## **Article 13. Foundation agreement**

1. Foundation agreement shall be concluded between incorporators.

2. Foundation agreement shall contain:

1) decision of establishment of agricultural partnership, principal directions of its activity, full and brief name on state and Russian languages, location;

2) the list of its incorporators with specification of its name, location, bank details (if incorporator is a legal entity) or surname, name and patronymic, the date of birth, permanent place of residence and data of document, certifying personality (if incorporator is an individual);

3) procedure of establishment of agricultural partnership; obligations of incorporators, linked with its institution, as well as other conditions of carrying out of activity on establishment of partnership by the incorporators; authorization of specified persons, as well as other persons, who are instructed to represent interests of established agricultural partnership in the process of establishment and registration;

4) the amount of share fund of agricultural partnership;

5) information on composition, amount and terms of depositing of money deposit or contribution in kind of each incorporator to the share fund of agricultural partnership, as well as consequences of untimely paying up of contributions to the share fund of partnership;

6) procedure of withdrawal of incorporators;

7) record of confirmation of a charter of agricultural partnership.

3. Foundation agreement shall include into the documents contents, commercially confidential and shall be submitted on requirement of the authorized bodies and organizations in the cases, established by the legislative acts.

## **Article 14. Charter of an agricultural partnership**

1. A charter of agricultural partnership shall be the document, determining the legal status of partnership as a legal entity.

2. A charter shall be accepted by the majority votes of incorporators of partnership on the constitutive meeting and shall contain:

- 1) name;
- 2) location;
- 3) subject and purposes of activity;
- 4) procedure of formation and competence of bodies of management of partnership, procedure of adoption by them decisions;
- 5) procedure and conditions of entry into partnership, grounds and procedure of termination of membership or temporary suspension of use of rights in the partnership;
- 6) rights and obligations of members of partnership;
- 7) sources of formation of property of partnership;
- 8) procedure of introduction of amendments and supplements in the constitutional documents of partnership;
- 9) audit procedure;
- 10) procedure of formation and use, types and amounts of funds;
- 11) condition of reorganization and termination of activity of partnership.

3. Charter of partnership may involve other information, not contradicted to the legislative acts.

#### **Article 15. Introduction of amendments and supplements in the charter of agricultural partnership**

Amendments and supplements shall be accepted in the charter by the supermajority at general meeting or written consent of qualified majority of members of partnership. Qualified majority shall compose two thirds from the aggregate membership of partnership.

#### **Article 16. Branches and representations**

1. Partnership may establish branches and representations in accordance with the legislation of the Republic of Kazakhstan.

2. Branch of partnership shall be the separate subdivision of partnership, located out of place of its location and carrying out of all or part of its functions, as well as functions of representation.

3. Representative of partnership shall be the separate subdivision of partnership, located out of place of its location and carrying out protection and interest intermediation of partnership, making transactions and other legal actions on its behalf.

4. Branches and representations shall not be the legal entities. They shall be vested by property of established its partnership and shall act on the basis of confirmed by them provision.

5. Registration of branches and representatives shall be carried out according to the procedure, established by the legislation.

#### **Article 17. The state and agricultural partnership**

1. State bodies and bodies of local self-government shall not have a right to intervene into economic, financial and other activity of partnership, its association (union), except of cases, provided by the legislative acts of the Republic of Kazakhstan.

2. The acts of the state bodies or bodies of local self-government, violating the rights of partnership, its association (union), may be recognized as invalid according to the procedure, established by the legislative acts and Republic of Kazakhstan.

3. Losses, inflicted to the partnership, its association (union) as a result of illegal actions of the state bodies, bodies of local self-government and their civil servants, shall be recouped according to the procedure, provided by the civil legislation.

#### **Chapter 4. Membership in the agricultural partnership**

##### **Article 18. Membership in the agricultural partnership**

1. Members of partnership may be individuals and legal entities, engaging in marketable agricultural production in the appropriate field of partnership.

2. Individual and legal entity may be the members of several partnerships, unless otherwise provided by the charter of this partnership.

##### **Article 19. Admission to membership of agricultural partnership**

1. Admission of new members to the partnership shall be effected in compliance of this Law and charter of partnership and shall be formed by decision of government or general meeting in accordance with the charter.

2. Application requesting on admission to the membership of partnership shall contain obligations on compliance with the requirements of charter, as well as shall deposit the share contribution, provided by the charter and use services of the partnership.

3. Applicant shall be recognized as accepted to the membership of partnership from the date of depositing of compulsory share contribution.

4. Membership book shall be granted to the member of partnership, in which the following shall be specified:

the amount of obligatory share and terms of its depositing;

the amount and quantity of additional share contributions (money, property).

## **Article 20. Termination of membership in the agricultural partnership**

1. Membership in the partnership shall be terminated in the following cases:

- 1) alienation of share to other persons;
- 2) termination of activity of peasant or farm enterprise or liquidation of legal entity being a member of partnership;
- 3) elimination from partnership;
- 4) death of individual, being a member of partnership;
- 5) termination of activity or reprofiling of agricultural goods producers to other types of activity;
- 6) liquidation of partnership.

2. Each member of partnership shall have a right to voluntary terminate his (her) membership in the partnership according to the procedure, established by this Law and charter. Application on voluntary withdrawal from membership of partnership shall be examined during thirty days.

**Footnote. Article 20 as amended by the Law of the Republic of Kazakhstan dated 24.03.2011 No. 420-IV (shall be enforced upon expiry of ten calendar days after its first official publication).**

## **Article 21. Sale, payment (withdrawal) of share upon withdrawal from agricultural partnership**

1. Member of partnership shall have a right to execute alienation of his (her) share to other persons and withdraw from partnership. Alienation of share to the persons, non-member of partnership, shall be allowed, unless otherwise established by the charter and if these persons shall be the agricultural goods producers on profile of partnership. Upon sale of share the members of partnership shall be used the right of preemptive purchases.

2. Upon termination of membership in the partnership on the grounds, specified in the subparagraphs 2)-5) of paragraph 1 of Article 20 of this Law, a share shall be paid (withdraw) to the member of partnership or his (her) assignee. Decision on withdrawal or payment of share in accordance with the charter shall be accepted by the general meeting or government of partnership.

3. Payment (withdrawal) of share shall be made within the terms, established by the government of partnership, but no more than one year from the date of termination of membership.

4. If the partnership have not possibility to pay (withdraw) a share to the retiring member of partnership in the cases, specified in paragraph 2 of this Article, general meeting shall make a decision on depositing of additional contributions by other members of partnership at the expense of which a share is paid (withdrawal).

**Article 22. Temporary suspension or elimination from the members of agricultural partnership**

1. Conditions upon which elimination from membership of partnership or temporary suspension of use of rights, as well as procedure of elimination or temporary suspension of rights are executed, shall be provided by the charter. Person, eliminated from the members of agricultural partnership shall be informed in written form during ten days.

2. Person, eliminated from the members of partnership or use of rights of which is temporary suspended, shall have a right to dispute decision of general meeting in a court.

**Article 23. Levy of execution on share on debts of member of agricultural partnership and right of assignees of member of partnership upon inheritance and reorganization of legal entity, being a member of partnership**

1. A share of member of partnership may be the subject of application on requirements of its creditors according to the procedure, established by civil and civil procedural legislation, upon deficiency of other property for settlement of such debt.

2. Heirs of individual shall have a right to acquire a right of member of partnership on the basis of application, unless otherwise established by the charter of partnership. Such persons may acquire the rights of member, if they are agricultural goods producers on profile of partnership.

3. Upon reorganization of legal entity by its reorganization into other legal forms of organization, the newly established legal entity shall acquire the right of member, except of those cases, when there is the ground for termination of membership because of reprofiling.

4. Upon reorganization of legal entity by joining, the membership of joined legal entity shall be terminated. Its share shall transfer to the legal entity, to which the joining is performed. If last one is not a member of partnership, its admission to membership of partnership shall be carried out according to the standard procedure.

5. Upon reorganization of legal entity by division or merger, the membership of reorganized legal entities shall be terminated. Right for acquisition of share of such members shall transfer to the newly formed legal entity in accordance with the dividends and transfer act. Such persons shall acquire the right of member of partnership on the basis of application.

6. In the case, when the heirs of member of partnership shall not acquire the right of member, their share shall be paid or allocate during a year from the date of opening of inheritance.

## **Chapter 5. Management of agricultural partnership**

### **Article 24. Structure of management bodies of agricultural partnership**

1. Management bodies of agricultural partnership:  
superior body – general meeting of members of partnership;  
executive body – management, head by the dean;  
supervising body – audit commission.

2. Powers, structure of management bodies of partnership, method of naming and revocation of management members of partnership, as well as order of convening and conducting of general meeting of members of partnership shall be established in accordance with this Law and charter of partnership.

3. Members of agricultural partnership may appeal a decision in a judicial procedure and actions of management bodies.

### **Article 25. General meeting of agricultural partnership**

1. General meeting of members of partnership shall be highest management body of partnership.

2. Each member of partnership shall have a right of one vote upon adoption of decisions of all issues of partnership activity, independent from the amount of his (her) share in the share fund or volume of consumed by them services, rendering by partnership.

3. General meeting shall elect the executive body represented by management and supervising body (audit commission).

4. Exclusive competence of general meeting shall be:

- 1) elections of governing bodies and their release;
- 2) elections of audit commission;
- 3) introduction of amendments in a charter of partnership;

4) order establishing and periodicity of presentation of financial statement of executive bodies, as well as procedure for the conduct of verification by supervising body and confirmation of their results;

5) establishment and change of the amount of share contributions;

6) establishment of types, amount, procedure of formation and use of funds of partnership;

7) reduction or expansion of the amount of share fund;

8) expulsion from membership of partnership or temporary suspension of use of rights;

9) establishment of basic rules of conclusion of contracts with members of partnership for providing of principle of obligation of consumption of services by the members of partnership, provided by the partnership;

10) reorganization and liquidation of partnership;

11) adoption decision within established by this Law on participation of partnership in establishment or activity of other legal entities, as well as its branches and representations;

12) other issues, provided by the charter.

General meeting shall have a right to accept any issues to its consideration, relating to the partnership activity.

5. General meeting shall be convened not less than twice a year. Extraordinary meeting shall be convened by request not less than one third of members of partnership . Order of convening of general meeting shall be determined by the charter of partnership.

6. General meeting is competent to pass decisions, if not less than half of members of partnership participate in it. Decision on the meeting shall be adopted by open ballot and shall be considered as adopted by majority of votes of attendees. Voting may be secret by request not less than one third of attendees.

7. Member of agricultural partnership shall have a right to participate in the general meeting by himself (herself) or through representatives. Any person, holding a power of attorney shall have a right to act as a representative.

## **Article 26. Management of agricultural partnership and its powers**

1. An executive body of partnership shall be its management, members of which shall be elected by the general meeting only from the number of members of partnership. Management shall carry out current administration of activity of partnership.

2. Management may sign on a person, who is not a member of partnership, for performing of management functions of daily activity of partnership.

Management shall conclude a contract with such person, in which shall determine the rights and obligations of administrator (manager), the amount and order of payment for his (her) labour, grounds of termination with him (her) the employment relations. Powers to sign on other persons, as well as perform functions, necessary for effective carrying out of its activity by the partnership shall be given to administrator.

3. Numerical composition and duration of management shall be determined by the charter.

4. Management members of partnership may be released from discharge of duties in any time by the decision of general meeting of partnership.

5. Management members of partnership are authorized to jointly decide the issues, relating to its competence, determined by the general meeting and charter of partnership.

6. General meeting shall have a right to adopt decision on compensation of expenses to the members of elective bodies, directly relating to discharge by them duties of members of such bodies, and payment for labour of dean of management.

Labour legislation of the Republic of Kazakhstan, the legislation of the Republic of Kazakhstan on social security and insurance shall be distributed on the staff employees of agricultural partnership.

**Footnote. Article 26 as amended by the Law of the Republic of Kazakhstan dated 15 May, 2007 No. 253.**

### **Article 27. Audit commission of agricultural partnership**

1. General meeting of partnership for the purpose of control of activity of executive body of partnership shall form an audit commission.

2. Members of partnership, persons, carrying out of auditing activity, the specialists in the field of finance and accounting and other persons may enter into the composition of audit commission.

Members of executive bodies may not be the members of audit commission.

An audit commission of agricultural partnership is accountable to the general meeting of partnership.

3. An audit commission shall possess a right of unqualified access to all documentation of partnership upon conduct of verification of financial and operational activity. Members of executive body shall be obliged to offer necessary explanations verbally or in writing form by request of audit commission. An audit commission shall direct the results of verification to the general meeting of partnership.

4. An audit commission shall draw up conclusion on annual statement and other reports of partnership. General meeting shall not have a right to approve an annual statement and other reports of partnership without conclusion of audit commission.

5. Procedure of work of audit commission shall be determined by the charter.

**Footnote. Article 27 as amended by the Law of the Republic of Kazakhstan dated 5 May, 2006 No. 139 (the order of enforcement see Article 2 of the Law of the Republic of Kazakhstan No. 139).**

### **Article 28. Audit of agricultural of partnership**

1. Partnership shall have a right to engage an audit organization, irrelevant of property interests with partnership, members of its executive, supervising and other bodies or members of partnership in the cases and procedure, provided by the charter

for verification and substantiation of annual financial reporting of partnership, as well as current state of its cases.

2. A member of partnership shall have a right to require conducting of financial audit of partnership at his (her) own expense.

3. An audit may be appointed by the court decision, adopted upon application of the interested person or member of partnership, if an executive body of partnership is evaded from conduct of financial audit of partnership, when an audit is obligatory or when a member of partnership shall require of its conducting.

**Footnote. Article 28 as amended by the Law of the Republic of Kazakhstan dated 5 May, 2006 No. 139 (the order of enforcement see Article 2 of the Law of the Republic of Kazakhstan No. 139).**

## **Chapter 6. Property of agricultural partnership.**

### **Article 29. Property of agricultural partnership and sources of its formation**

1. Property of partnership shall be formed at the expense of share contributions of its members, incomes from own activity and other sources, not prohibited by the legislation.

2. Property of partnership shall belong to it on proprietary right.

3. Disposition of property of partnership shall be carried out by the decision of general meeting in the cases, provided by the charter of agricultural partnership.

4. A partnership shall form the funds for carrying out its activity. Types, amounts of these funds, procedure of its formation and use shall be established by the general meeting of members of partnership in accordance with its charter.

### **Article 30. Share contributions of members of agricultural partnership**

1. Property, belonging to the partnership shall be divided on shares of members in monetary terms.

2. Amount of share contribution, compulsory and additional share contribution for each member of partnership, shall be determined by general meeting depending on the volume of services, rendering to him (her) by partnership.

3. A record of share contribution shall be maintained in terms of value. Monetary value of share contributions shall be made by the management of partnership and confirmed by the general meeting in case of depositing of share contribution in the account of property in kind or property rights. General meeting of members of partnership may confirm the method of monetary value of property transferred and instruct management on the basis of this method to organize the work on monetary value of specified property. Monetary value of share contributions may be submitted to independent expertize by the decision of general meeting of members of partnership.

4. A part of assessed value of share contribution, exceeding the amount of compulsory share shall be recognized with consent of the member of partnership by its additional share contribution.

5. The amount of share fund may be expanded or reduced with introduction of relevant amendments in a charter of partnership by the decision of general meeting of members of partnership. Specified amendments shall subject to reregistration in accordance with the procedure established by law.

6. Expansion of the amount of share fund shall be carried out by introduction of additional share contributions.

7. Partnership creditors shall be informed on reduction of amount of share fund or terms of its formation during a month after entry into legal force of specified amendments. Complaints of creditors, submitted requirements to the partnership during six months after publication of information on specified reduction of the amount of share fund, shall be allowed.

### **Article 31. Property responsibility of agricultural partnership**

An agricultural partnership shall incur on its liabilities of all properties, belonging to it in accordance with the legislation.

### **Chapter 7. Basic principles of relations of agricultural partnership with its members.**

#### **Article 32. Contract (agreement) on sale of products and consumption of services by the members of agricultural partnership**

Partnership and its members may conclude the contracts (agreements) on sales of products, as well as volume and types of services, provided to its members by the partnership.

### **Chapter 8. Reorganization and liquidation of agricultural partnership**

#### **Article 33. Reorganization of agricultural partnership**

1. Reorganization of partnership (merger, accession, division, separation, reformation) shall be carried out by the decision of general meeting of members of partnership in accordance with the legislative acts.

A partnership may not be reformed in a rural consumer cooperative.

2. Reorganization of partnership in the form of its division or separation from its composition of one or several legal entities shall be carried out in accordance with the legislative acts of the Republic of Kazakhstan in the cases of outbreak of differences.

3. Amendments in a charter or adoption of new charter shall be carried out in accordance with the requirements of the legislation of the state registration of legal entities upon reorganization of partnership.

4. Upon reorganization of partnership its rights and obligations shall transfer to the assignees in accordance with transfer act or dividends. Specified documents shall contain regulation on assignment of all obligations of reorganized partnership in relation of all its creditors and debtors, including obligations, disputed by the parties.

5. A transfer act and dividends shall be confirmed by the general meeting of members of partnership and represented jointly with the constitutional documents for the state registration.

6. If the dividends is not offer an opportunity to determine the assignee of reorganized partnership, recent legal entities shall bear a solidary responsibility on the obligations of reorganized partnership before its creditors.

#### **Article 34. Liquidation of agricultural partnership**

1. An agricultural partnership may be liquidated by the decision of general meeting or on the basis of court decision.

2. Liquidation of agricultural partnership shall be executed according to the procedure, established by the civil Code of the Republic of Kazakhstan and other legislative acts.

#### **Chapter 9. Associations (unions) of agricultural partnership**

##### **Article 35. Associations (unions) of agricultural partnership**

1. Agricultural partnership may united into associations (unions) on the regionals and republican levels.

2. Associations (unions) of partnership shall be confirmed by primary agricultural partnerships in order coordination of its activity and protection of its economic interests in the state and other structures and shall be the noncommercial organizations.

3. Members of association (union) shall act on the basis of foundation agreement and charter, upon that keep own independency and rights of legal entities.

4. The basic functions of association (union):

1) regulation and development assistance of associations of agricultural goods producers;

2) protection of rights and economic interests of agricultural partnerships;

3) development and execution of interregional relations, improvement of internal and external economic relations;

4) assistance in logistical support of regulation of equivalence of inter-industry change and prices on agricultural products and delivered by industry resources;

5) trend determination of development of enterprises, development on this basis of guideline of further future development;

6) assistance in introduction of new technique, technology, organization of exchange of experience, scientific and technical information and organization of patent and licensing activity and leasing.

5. Associations (unions) shall have a right to carry out other functions, not contradicted to the legislation of the Republic of Kazakhstan, provided by the foundation agreement or charter.

6. Associations (unions) of agricultural partnerships shall be created on the voluntary basis, shall exercise functions delegated by the incorporators.

7. Financing of activity of associations (unions) shall be carried out by annual contract allocations of agricultural partnerships, united in this association (union)

The President  
of the Republic of Kazakhstan