

Order of the President of the Republic of Azerbaijan on “Establishment of Azercosmos Open Joint-Stock Company”

In order to implement the launch, operation and maintenance of the telecommunication satellite of the Republic of Azerbaijan regarding execution of “the State Program on Creation and Development of Space Industry in the Republic of Azerbaijan” adopted by the Order 443 of 17 August 2009, and the Order 27 of 4 November 2008 of the President of the Republic of Azerbaijan “On Creation of Space Industry and Launch of the Telecommunication Satellites Into Orbit in the Republic of Azerbaijan”, **I order:**

1. To establish “Azercosmos” Open Joint-Stock Company with state-owned shares under the Ministry of Communications and Information Technologies of the Republic of Azerbaijan in order to implement the launch, operation and maintenance of the telecommunication satellite.
2. To authorize the following state agencies to fulfill powers of the stockholder’s meeting of “Azercosmos” Open Joint-Stock Company (hereinafter - Company):
 - 2.1. the Cabinet of Ministers of the Republic of Azerbaijan:
 - 2.1.1. To adopt Charter and structure of the Company, define the volume of the chartered capital.
 - 2.2. Ministry of Communications and Information Technologies of the Republic of Azerbaijan:
 - 2.2.1. To define trends of development of the Company;
 - 2.2.2. To give its consent on appointment and dismissal of heads of the representations, affiliates and subordinated legal entities;
 - 2.2.3. To confirm annual reports, accounting balances, accounts of profits and losses and to share-out profits and losses of the Company;
 - 2.2.4. To give its consent on conclusion of a contract, which is in the amount of more than 25 % of the Company’s net assets (contract of significant importance);
 - 2.2.5. To confirm the number of employees and budget for expenditure of the Company;
 - 2.2.6. To appoint and dismiss the Deputy Chairmen of the Company.
 - 2.3. State Committee on Property Issues of the Republic of Azerbaijan:
 - 2.3.1 To give its consent on establishment or liquidation of representations and affiliates, establishment, re-establishment or liquidation of the subordinated legal entities of the Company;
 - 2.3.2 To solve other issues related to the powers of the stockholder’s meeting in accordance to the Civil Code of the Republic of Azerbaijan except for those mentioned in this Order;

3. The President of the Republic of Azerbaijan may appoint and dismiss the Chairman of the Company, re-establish and liquidate the Company.
4. To instruct the Cabinet of Ministers of the Republic of Azerbaijan:
 - 4.1. After having confirmation of the President, to adopt the Charter and structure of the Company within two months;
 - 4.2. To provide the allocation of certain funds for manufacture and launch of the telecommunication satellite into orbit, establishment of the primary and backup Ground Satellite Control Facility and its construction in accordance with the international standards in the draft state budget of the Republic of Azerbaijan for the following next years provided that such funds will be refunded;
 - 4.3. To implement financing of administrative costs of the Company at the expense of the state budget by the period of the launch of the telecommunication satellite of the Republic of Azerbaijan into orbit;
 - 4.4. To take certain measures for allocation of a suitable land area for the Company regarding construction of the primary and back-up Ground Satellite Control Facility within two months;
 - 4.5. To solve other issues arising from this Order.
5. To instruct the Ministry of Taxes and State Committee on Property Issues of the Republic of Azerbaijan to take certain measures for state registration of the Company within their powers.
6. To instruct the Ministry of Communications and Information Technologies of the Republic of Azerbaijan to establish an appropriate Council to study scientific-technical achievements and an advanced experience in the field of space activity in the Republic of Azerbaijan, participate in realization of the state policy in this field and prepare proposals regarding the development of this field.
7. To instruct the Company to establish specific collection fund in order to refund the financial resources allocated according to the Article 4.2 of this Order and provide collection of the resources obtained from the telecommunication satellite services in this fund and refund to the state budget of the Republic of Azerbaijan.

Ilham Aliyev

President of the Republic of Azerbaijan

Baku, 3 May 2010.

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