

**STATUTE  
of**

***A NON-PROFIT ORGANIZATION BULGARIAN ASSOCIATION OF RECYCLING***

(Amended by a decision of the General Meeting on 27.05.2016)

**I. GENERAL PROVISIONS**

**Status and type:**

**Art. 1 (1)** Bulgarian Association of recycling, hereinafter referred to as the ASSOCIATION, is a non-party, voluntarily, independent association, which carries out its activities in accordance with the Constitution of the Republic of Bulgaria, the Laws and this Statute;

**(2) The** Association is a non-profit legal entity within the meaning of the Non-profit Legal Persons Law, which carries out activities for private benefit.

**Headquarters and Management address:**

**Art. 2** The association is with headquarters: 1309 City of Sofia, "Krasna Poliana" District and Management address: Bulgaria blvd. "Al. Stamboliyski" 205, fl. 2, office 224 B.

**Name:**

**Art. 3** The name of the association is BULGARIAN ASSOCIATION OF RECYCLING (BAR) displayed in Latin Alphabet: **BULGARIAN ASSOCIATION OF RECYCLING /BAR/**.

**Term:**

**Art. 4** The Association is not limited by period.

**Subject of activity:**

**Art. 5** The association carries out activities in favour of its members, while respecting its basic objectives and means.

**The main goals of the Association:**

**Art. 6** The association aims:

1 To protect the interests of the enterprises, which carry out activities with waste;

2 To investigate the legal, technical, economic, financial, customs, environmental and other problems related to the recycling of waste;

3 To help in the professional development of its members, the business relationships between them and the relevant international organizations;

4 To work to increase the prestige of the enterprises, which carry out activities with waste in Bulgaria and abroad;

5 To maintain contacts and to cooperate with the state institutions, regulating the regime of the activities with the waste from metals, paper, plastic, glass, rubber, etc;

6 To assist in the attraction of foreign investments, for the implementation of projects for the greening of the natural environment.

**Activities:**

**Art. 7** The Association carries out the following activities:

1 Coordinates the common actions of the members of the Association, creates an information system, to which the members have direct access;

2 Creates contacts with the state bodies, non-governmental organizations, financial institutions, related to its activities;

3 Takes account of normative acts regulating the activities of collecting, storage, transport and mechanical treatment of waste, and lobbies for the conduct of the legislative amendments to the regulations on waste;

4 Seeks and coordinates the interaction with governmental and non-governmental organizations in achieving the goals of the Association;

5 Carries out international exchange, activity and cooperation with similar organizations from the country and abroad and is a member of other local and international organizations;

6 Attracts for participation in the Association physical and legal persons associated with the recovery and recycling of waste;

7 Organises seminars and other meetings to promote the objectives and tasks of the Association;

8 Organises legal and advisory assistance on the problems of the activities with waste;

9 Issues a newsletter with materials, commentary articles and information about the problems of the activities with waste.

## **II. MEMBERSHIP RIGHTS AND OBLIGATIONS**

### **Membership:**

**Art. 8 (1) /Am. 09.09.2011/** The Association has four types of members - associate members regular members, observers and Honorary members.

**(2) /Am. 07.06.2013/** Regular members of the Association may be legal entities and sole traders, registered under the Commercial Law, performing activities with waste within the meaning of the Waste Management Law, as well as commercial representations of such companies registered in the BCCI, which adopt the Statute and the objectives of the Association.

**(3)** During the first year of the admittance, the regular members may have the status of an observer. They have all the rights and obligations of the regular members without the right to vote in the General Assembly.

**(4)** During the second year of their admittance, the members, referred to in paragraph 2, become regular members or leave the Association.

**(5) /new 09.09.2011/** For special merits to the activities of the Association, the General Assembly may also accept Honorary members of the Association. Honorary members of the Association could be Bulgarian or foreign capable physical persons who adopt the statute and the objectives of the Association, and who, at the discretion of the General Assembly have merit in its activity.

**(6) /new 09.09.2011/** Traders, members of the Association are represented by their legal representatives or by another authorized representative. The authorization for representation before the Association shall be carried out with a notarized power of attorney

**Art. 9** In addition to the regular members, the Association may also have associate members. Associate members may be Bulgarian or foreign active physical persons or traders who carry out one or more of the economic activities related to the activities under Art. 8 and who accept the Statute and the objectives of the Association.

**Art. 10 (1)** Associated members shall have all rights of regular members but shall be entitled only to deliberative vote in the General Assembly of the Association.

**(2) /new 09.09.2011/** Honorary members shall have all the rights of regular members but shall be entitled only to deliberative vote in the General Assembly of the Association.

### **The acquisition of membership:**

**Art. 11 (1)** The members of the Association pay membership fees in amounts and terms laid down by the Statute.

**(2)** Applicants for membership submit a written request to the Management Board of the Association. In the application, the applicant declares that he satisfies the conditions of Article 8 or Article 9 that he accepts the Statute and will work for the achievement of the objectives of the Association.

**Art. 12 (1)** Membership is acquired by decision of the Management Board taken by a qualified majority of 2/3 of its members and after payment of the introductory subscription fee.

**(2) /Am. 05.07.2012./** Regular members pay an annual membership fee of 1500 BGN

**(3) /Am. 05.07.2012./** Associate members pay dues in amount ½ of the amount referred to in paragraph 2.

**(4) /Am. 05.07.2012./** Observers pay dues in the amount of 500 BGN

**(5) /Am. 05.07.2012./** Golden members pay a membership fee of 3000 BGN

### **Membership rights and obligations:**

**Art. 13** Rights and obligations of the Members:

1 To participate in the work of the Association;

2 To elect and to be elected as a member of the bodies of the Association;

3 To express his opinion freely on all issues related to the activities of the Association;

4 To use the property of the Association, the results of its activity, insofar as it is related to the realization of its objectives;

**5 /Am. 07.06.2013/** To pay in an introductory fee and to pay his membership fee in two equal instalments respectively: The first until 01 March and the second until 01-June of the current year;

6 To obtain from the Association information available to it, which do not constitute a company's secrecy.

7 To obtain from the Association consultations and recommendations related to the activities within its capabilities.

### **Representation before the UN General Assembly**

**Art. 13a. /Drops out 09.09.2011/** ~~Article of the association may be represented before the general meeting by another person who may not be its article, only with the express notary-certified power of attorney.~~

### **Termination of membership:**

**Art. 14 (1)** The membership in the Association is terminated:

1 By a written application for leaving from a member of the Association to the Management Board;

2 /Am. **09.09.2011/** The exclusion of a member of the Association by a decision of the General Assembly of the Association

3 In the event of a death of a physical person or in the placement under a full prohibition as well as with announcement of liquidation (for legal persons);

4 Upon termination of the Association;

**5 /Am. 07.06.2013/-** In case of dropping out. A member of the Association is deemed to be discharged with the non-payment of the first due instalment under article 13 item. 5. At the latest by 30-th September of the current year or in the payment of the second due instalment under article 13 item. 5 at the latest by 31 December of the current year, as well as with undermining the prestige of the Association, which makes the membership inadmissible. The specified-above circumstances are ascertained in documents.

**(2)** The Management Board shall notify in writing the discharged member of the Association for the occurrence of this circumstance. A discontinued membership due to dropping out may be reinstated after the procedure laid down in Article 11 and art. 12 of the Statute.

### **III. BODIES OF THE ASSOCIATION**

**Art. 15** Bodies of the Association are the General Assembly, the Management Board, the Supervisory Board, and the Chairman.

#### **The General Assembly:**

**Art. 16** The General Assembly is a Supreme Body of the Association and consists of all regular members.

The right to vote:

#### **Art. 17 /Am. 09.09.2011/**

**(1)** Each regular member of the Association has the right to one vote when taking decisions, exercised through his representative

or his authorized representative.

**(2)** Member of the Association may be represented at meetings of the General Assembly by another person who may

not be a member of the same, only with a notarized power of attorney.

**(3)** One person may represent no more than three members of the General Assembly on the basis of a written notarized power of attorney. Re-authorization is not allowed."

Conflict of interests:

**Art. 18** Member or his representative cannot participate in the vote for:

1 Claims against him;

2 Undertaking or refusal of actions to fulfill his responsibility to the Association;

3 In resolving issues related to him, his spouse or relatives in a direct line - without restrictions, in collateral line - up to the fourth degree, or by marriage - up to the second degree including.

***Convening of the General Assembly:***

**Art. 19 (1)** The General Assembly is convened at regular meetings in the locality in which the Association headquarters is located at least once a year by decision of the Management Board, or at the request of 1/3 /one third/ of the members of the Association;

**(2)** The Convocation shall be done by a written invitation, which contains: The date, location, hours, agenda and on whose initiative the assembly is convened. Matters which are not included in the stated in the invitation agenda cannot be discussed.

**(3)** The invitation for the convening of the General Assembly shall be published in the Official Gazette and shall be placed in a suitable place in the building where the headquarters of the Association is at least one month before the scheduled day.

**Art. 20** An extraordinary General Assembly shall be convened:

1 By the decision of the Management Board of the Association;

2 At the request of the Control Board;

3 At the request of 1/3 of the members of the Association.

**List of the present members:**

**Art. 21** At the meeting of the General Assembly, a list of the present members is prepared. The members' representatives shall certify their presence by signature and shall establish their identity. The list shall be certified by the chairman and the secretary of the General Assembly.

**Protocol:**

**Art. 22** For the meeting of the General Assembly minutes are kept in a special book. The minutes shall be certified by the Chairman and the secretary of the General Assembly. A list of the attendees and the documents related to the convening of the General Assembly are attached to the minutes.

**Quorum:**

**Art. 23 (1)** The General Assembly is legitimate and may take decisions when more than half of all regular members of the Association are present;

**(2)** If the meeting does not have the required quorum at the time specified in the invitation, the general meeting shall be postponed by one hour later, and shall be held at the same place and at the same agenda, and shall be considered legal, if 1/3 /one third/ of the regular members of the Association appear.

**Majority:**

**Art. 24 (1)** The decisions of the General Assembly shall be taken by a simple majority of the regular members present;

**(2) The** decisions for amendments and supplements to the Statute and the termination or transformation of the Association shall be taken by a majority of 2/3 /two-thirds/ of the members present at the meeting.

**Competence:**

**Art. 25 (1)** The General Assembly shall have the following rights:

1. It adopts, amends and supplements the Statute and the Regulations of the Association;  
2 **/Am. 07.06.2013./** Elects for a period of three years, Management Board and Supervisory Board; dismisses their members, when they do not fulfill their obligations in accordance with these Statutes and the laws of the country and elect new ones in their place;

3 **/Am. 07.06.2013/** Elects for a period of three years the Chairman of the Association, who is also the Chairman of the Management Board; deselected him ahead of schedule, if he does not fulfill his obligations in accordance with these Statutes and with the laws of the country;

3a. **/Am. 07.06.2013/** Elects for a period of three years the Deputy Chairman of the Association, who is also the Vice Chairman of the Management Board.

4 Adopts a program for the activity and the development of the BAR;

5 Adopts the financial reports and the reports of the Management Board and the Supervisory Board for their activities;

6 Approve the Budget of the Association for each calendar year;

7 Dismembers the members of the Association;

8 **/ 12.08.2015/**~~Take decisions for opening and closing of branches;~~

9 Takes decisions for transformation or termination of the Association;

10 Takes decision for the debt and the membership fee;

11 Repeals decisions of other bodies of the Association which contradict to the Statute and other internal acts of the Association;

12 **/new 05.07.2012/** Adopts, amends and supplements the Code of Ethics of BAR and selects the members of the Ethics Committee.

**(2)** Rights under paragraph 1, items 1, 2, 3, 5, 6, 9 and 11 may not be assigned to other bodies of the Association.

**Art. 26 (1)** The decisions of the General Assembly are mandatory for the other bodies of the Association;

**(2)** The decisions of the General Assembly shall be a subject to judicial control on their legality and compliance with the Statute;

**(3)** The decisions of the organs of the Association which are contrary to the law, the Statute or a prior decision of the General Assembly can be challenged before the General Assembly at the request of the interested members of the Association or another authority of it, made within one month of the acquaintance, but not later than one year from the date of the relevant decision.

### **Management Board**

**Art. 27 /Am. 27.05.2016/ (1)** The Management Board consists of seven persons - regular members of the Association elected by the General Assembly for a term of three years.

**(2)** Legal persons, regular members of the Association may also appoint persons who are not members of the Association as members of the Management Board.

**(3)** Persons referred to in paragraph 2 cannot be more than 1/3 of the members of the Management Board.

**(4)** Until the entry in the Court Register, of the newly elected Management Board, the old one continues to work by performing its rights and obligations.

**(5) /new 09.09.2011/** A member of the Management Board may not be a person associated with another member of the Management Board of the Association within the meaning of section 1, paragraph 1 of the Commercial Law.

### **Meetings of the Management Board:**

**Art. 28. (1)** Management Board shall meet at least three times a year and shall be convened by its Chairman, as well as at the request of any of its members. The Chairman is obliged to convene a meeting of the Management Board at the written request of one-third of its members;

**(2)** The Management Board may take a decision without holding a meeting if the minutes of the decision is signed without comments and objections to this by all the members of the Management Board;

**(3)** The meetings are held by the Chairman of the Management Board, and in his absence by the Deputy Chairman of the Management Board or by its member thereof.

### **Quorum:**

**Art. 29. (1)** The meetings of the Management Board shall be regular if more than half of its members are present (usually majority), and in the absence, there shall be an hour waiting and the meeting shall be held with those who have appeared;



**(2)** With issues on the agenda under Art. 32 item 5 and 8 the meeting is regular with the quorum of 2/3 /two thirds/ of the members of the Management Board.

**(3)** In accordance with the provision of Article 32, paragraph 3 of the Law for Non-Profit Legal Persons "present" is the person with whom there is a bilateral telephone or other connection, ensuring the establishment of his identity and allowing his participation in the discussion and the decision-making.

**Majority:**

**Art. 30.** The Management Board shall take decisions by a simple majority of the present members and decisions concerning the election of a liquidator of the Association, as well as the decisions for disposition with the property of the Association and determining the order and the organization of the Association activity shall be taken by a majority of all members of the Management Board.

**The right to vote:**

**Art. 31.** Each member of the Management Board, including its Chairman, shall be entitled to one vote. The vote of a member of the Management Board, made by the order of Article 29, paragraph 3 shall be certified in the minutes by the Chairman of the meeting of the Management Board.

**Competence:**

**Art. 32.** The Management Board:

1. Organises and supervises the implementation of the decisions of the General Assembly;
2. Manages the overall activity of the Association between two reporting meetings;
3. Shall draw up rules of procedure shall draw up plans and programs for the attainment of the objectives of the Association, adopt other internal acts related to the activities of the authorities of management;
4. Prepares and submits to the General Assembly, the draft budget of the Association.
5. Takes decisions on the acquisition, management, and disposal of the assets of the Association;
6. Sets up the awards and symbols of the Association;
7. Sets up groups or committees to carry out specific tasks where necessary, appoints an Executive Director to carry out administrative work;
8. Concludes contracts and undertakes commitments on behalf of and for the account of the Association;
9. Maintains contacts with the state, public, scientific, cooperative societies and other bodies and organizations, and with private persons;

10. The General Assembly can provide other powers to the Management Board as well.

11. Accepts the new members of the Association.

12. Carries out any other action related to the activities of the Association which do not contradict the Statute, decisions of the General Assembly and the law.

13. Takes a decision about the participation of the Association in other organizations.

14. Takes decisions for the participation of the Association in projects funded by the structural and cohesion funds and others.

15./new 05.07.2012/ takes, on behalf of and for the account of the Bulgarian Association of Recycling, as the sole owner

of the capital of other companies, all decisions which, under the Commercial Law are of the competency of the sole owner of the capital."

16. /new 12.08.2015/ Take decisions for opening and closing of branches.

#### **Control Board /CC/**

**Art. 33 /Am. 07.06.2013/** The Control Board consists of at least three persons who are elected by the General Assembly for a period of **three** years.

**Art. 34.** The Control Board:

1. Carries out control for compliance with the law and the Statutes of the Association, in the order, under the procedure laid down in Article 26, paragraph 3 of the Statute;

2. Checks and controls the financial activity and the proper preservation and protection of the assets of the Association;

3. Gives a conclusion on the annual accounts and the balance of the Association;

4. Elects its own Chairman and determines the order of the meetings;

5. Makes a report on its activities to the General Assembly;

#### **Chairman:**

**Art. 35.** Each **member of the Management Board** may be chosen by the General Assembly as a Chairman, respectively as a Vice-Chairman. The Chairman, respectively the Deputy Chairman of the Association becomes by rights a Chairman of the Management Board, respectively the Deputy Chairman of the Management Board.

**Art. 36. (1) Powers of the Chairman:**

1. Organises the direct implementation of the objectives and tasks, coordinates the activity of the Management Board;
2. Represents the Association in the country and abroad in the relations with third persons;
3. Convenes and chairs the meetings of the Management Board.
4. Performs other powers as well, as laid down in the Statute or assigned by decision of the General Assembly of the Association.

**(2)** In the absence of the Chairman, his functions shall be carried out by the Deputy Chairman of the Association.

#### **IV. PROPERTY AND FINANCING OF THE ASSOCIATION**

**Art. 37.** The Assets of the Bulgarian Association of Recycling consists of money, real estate, securities, intellectual property rights, and other rights which the law allows as property of non-profit legal persons.

*Sources of funds:*

**Art. 38. (1) sources of funds of the Association are:**

1. Introductory installments;
2. Membership fee;
3. Rental of real estates;
4. Donations from physical persons and legal entities;
5. Income from the business activity of the Association.

**(2)**The Introductory instalment and the membership fee are determined by the General Assembly of the Association. The introductory instalment shall be paid in at the establishment of the Association and by each new member, and it is paid in within the terms set in Article 13 .item 5, at the Management Board of the Association;

**(3)**The financial resources of the Association shall be spent for the achievement of its objectives.

**Economic activity:**

**Art. 39. (1)** The Association may carry out business activities related to the subject of its main activity:

1. Organizing conferences and workshops;
2. Publishing, issuing of printed and advertisement publications;
3. Translation and dissemination of articles, etc. materials of scientific character

related to the achievement of the main objectives of the Association;

**(2)** The Association uses the income from this activity only to achieve the specified in this Statute objectives;

**(3)** The Association does not distribute profit.

## **V. TERMINATION AND LIQUIDATION OF THE ASSOCIATION**

**Art. 40.** The Association shall be ceased:

1. By decision of the General Assembly of the Association;
2. By a decision of the District Court in the headquarters of the Association, when:
  - A/ the Association is not established under the legitimate order;
  - B/ carries out an activity that is contrary to the law, the public or the good morals;
  - In/ The Association has declared bankruptcy.

### **Liquidation:**

**Art. 41. (1)** Upon termination of the Association, liquidation shall take place;

**(2)** The liquidation shall be carried out by the Management Board or by a person designated by it;

**(3)** Regarding the insolvency, the bankruptcy, the liquidation order and the powers of the liquidator, the provisions of the Commercial Law shall be applied accordingly;

The remaining redemption assets of the Association after the satisfaction of the creditors shall be distributed equally among the members of the Association

## **VI. FINAL PROVISIONS**

**Art. 42.** The Bulgarian Association of Recycling has its own seal, which is a circle, around the periphery of which, is the name of the Association and in the middle - there is a stylized sign of recycling.

**Art. 43.** The Statute is mandatory for all members of the Association, including for the associate members.

**Art. 44.** For all issues not covered by the Statute, the provisions of the Non-profit Legal Entities Law and the relevant norms of the applicable Civil Legislations shall be applied.

**§1" / 09.09.2011/** The accepted members until 09.09.2011, have all the rights and obligations of the regular members without the right to vote in the General Assembly, including until 01.01.2012. After 01.01.2012, the observers become regular members or leave the Association with a written application to the Management Board";

**The present Statutes reflects the changes by the General Assembly held on 27.05.2016**