

ARTICLES OF ASSOCIATION
OF NON-PROFIT ORGANIZATION
“BULGARIAN SEED INDUSTRY ASSOCIATION”

These Articles of Association are accepted on 16.11.2018 at the Constituent Assembly of legal non-profit entity according the Non-Profit Legal Entities Act.
(amended and supplemented on 24.09.2020 at the General Assembly of the Association)

I. GENERAL PROVISIONS

Article 1. STATUTE

1.1. These Articles concern the foundation and organization of the **“BULGARIAN SEED INDUSTRY ASSOCIATION”** (hereinafter called the “Association”) that is a non-profit legal entity.

1.2. The Association is a voluntary, independent, nonpartisan and nongovernmental organization.

1.3. The Association is legal entity, separate from its members, established and existing under the active Bulgarian legislation, the provision of the Non-Profit Legal Entities Act, this Articles and decisions of the Constituent assembly.

1.4. The Association is liable for its debts with its assets.

1.5. Members of the Association are not liable for the obligations of the association

Article 2. NAME, ADDRESS, TERM

2.1 The association is named:

„АСОЦИАЦИЯ НА СЕМЕНАРСКАТА ИНДУСТРИЯ В БЪЛГАРИЯ“ (АСИБ).

The name shall be written also in Latin letters as **“BULGARIAN SEED INDUSTRY ASSOCIATION” (BgSIA).**

2.2 The headquarters of the Association shall be in Bulgaria, Sofia, and the address of management 1111, 67B Postoyanstvo str., entrance A, office 25.

The address of management could be changed under the provision of art. 31, point 7 of Non-Profit Legal Entities Act and art. 20, point 20.2.7. of these Articles.

2.3 The Association shall be established for an unlimited term.

2.4. The Association operates in private benefit under art. 2 of the Non-Profit Legal Entities Act.

II. PURPOSE AND OBJECTIVES

Article 3. PURPOSE

The Association is established for following purposes:

- 3.1. Supporting and advocacy on EU related / European Seed Association (ESA) initiatives and projects (in alignment with ESA agenda, key projects).
- 3.2. Cooperation and open dialog with Bulgarian Ministry of Agriculture and other authorities to protect common interests of the seed industry members.
- 3.3. To protect the interests of its members before professional and other organizations related to the production of seeds.
- 3.4. Fight against illegal seeds, non-certified seeds, etc.
- 3.5. Issue management on topics related to seed multiplication, and any other relevant matters.
- 3.6. By „seed industry” is meant any entity that produces process and/or commercializes seeds, as well as if it performs: research, amelioration, selection, development, testing, multiplication, industrial processing and/or commercialization of the seeds.
- 3.7. To promote knowledge of seed industry’s activities and reputation building.

Article 4. OBJECTIVES

The Association has the following main activity object:

- 4.1. To act in cooperation with similar organizations and relevant state authorities at the Bulgarian and international level, in particular within the framework of the European Union.
- 4.2. The activities of the association shall include information to the general public regarding the seed industry’s activities.
- 4.3. To act vis-à-vis its members to ensure that the technical, scientific and regulatory recommendations, legislation and guidelines issued by the Bulgarian and European bodies are correctly interpreted.
- 4.4. To accomplish all necessary actions in order to protect the rights and interests of the Association, including but not only, to fight against illegal seeds, non-certified seeds.

Article 5. MEANS OF ACHIEVING THE OBJECTIVES

The Association takes following measures to achieve its objectives:

- 5.1. Scientific studies and analysis of all fields of interest to the seed industry in all its dimensions, in particular those of a technical, documentary, and institutional nature;
- 5.2. The Association may take any measures or steps and initiate any course of action, capable of promoting the achievement of its objective in accordance with the Bulgarian law.
- 5.3. Different partnership events (agricultural organizations, growers organization, bee keepers, agricultural media events).

5.4. Growers education - knowledge transfer, trainings, clarify GMO topic to farmers.

III. MEMBERSHIP. RIGHTS AND OBLIGATIONS OF MEMBERS

Article 6. CRITERIA

6.1. The Membership in the Association is voluntary.

6.2. Members are organizations can be legal entities or physical persons that on their own or as representatives of entity that produce, process and/or commercialize seeds, as well as if they perform in Bulgaria or abroad one of the following activities: research, amelioration, selection, development, testing, multiplication, industrial processing and/or commercialization of the seeds. Entities that share the purposes of the Association and the means of achieving them, pays regularly its membership fee.

Article 7. CATEGORIES

7.1. **Full members** might be companies, corporations, physical person representative of company which fulfill all the following conditions:

- having a center of operations in Europe;
- being engaged in research and production of seeds in at least one European country, and in distribution of seeds in at least two European countries;
- they are registered as «breeder» (licensee) for varieties (species/hybrids) registered in the European Catalogue.

7.2. **Associate members** might be companies, associations, trade representatives, physical bodies that do not fulfill the conditions set out above for full membership.

Article 8. MEMBERS' RIGHTS AND OBLIGATIONS

8.1. Every member shall have the right:

- to participate in the management of the Association, according the provision of the present Articles.
- to be informed about the activity of the Association.
- to use its property of the Association and the results from its activity by the order stipulated by the General Assembly.

8.2. Every member shall be obliged to:

- to work to achieve the objectives of the Association.
- to act according this Articles.
- to fulfill the decisions of the governing bodies of the Association.
- to make proprietary instalments when it is stipulated by the statutes.

- to perform its duties conscientiously in the bodies it's elected.

8.3. The members of all categories must be committed to respect the present articles of association and respect and defend intellectual property rights, must fulfill any further conditions set out in the Inner rules, Antitrust guidelines and etc., duly accepted by the Association.

8.4. All members are expected to co-operate loyally and to contribute in pursuing the objectives of the Association.

8.5. The member shall be responsible for the liabilities of the association up to the amount of the proprietary instalments stipulated by these Articles.

8.6. The membership rights and obligations, with exception of the proprietary ones, shall be non-transferrable and shall not be passed on to other persons in cases of death, respectively termination.

8.7. Full members of the Association have maximum rights according to this Statute, also they are member of the Executive Committee.

8.8. Each full member has one vote in the Executive committee and two votes in the General Assembly

8.9. Associated members of the Association have a seat in the General Assembly; each shall have one vote in the General Assembly.

8.10. The policy of the Association is to conduct all activities (including those of the committees, specialized groups and work groups, if any) in strict compliance with all applicable anti-trust and competition laws.

The Association expects all participants in its activities, including all members and invited guests, to also comply with the aforementioned policy.

This policy includes but is not limited to the following:

The Association and its members, personnel and other participants in its activities shall not, in substance or in appearance, engage in any activity that could be considered to prevent, restrict, or distort competition.

Committees, specialized groups and work groups shall have and maintain written terms of reference regarding their composition, organization and scope of work (and all activities shall remain within the scope of work).

All meetings, including General Meetings and telephone conferences (including those of its committees, specialized groups and work groups) shall have proper notification, prior written agenda, and an anti-trust reminder at the start and in the minutes.

Should the members, personnel or other participants in the Association's activities have any doubt concerning the propriety of any matters under discussion at any meeting of the Association, they shall promptly raise their concern and the discussion shall cease on the affected subject until legal advice is obtained allowing continuation.

Article 9. ADMISSION

9.1. Taking into account the provisions of art. 25, par. 2 of Non-Profit Legal Entities Act, the General Assembly assigns to the Executive Committee to decide on all matters regarding admission and exclusion of members of the Association.

9.2. New member of the Association shall be accepted on the grounds of application for membership submitted to the Executive Committee, where the candidates declare acceptance of the active Articles and the working rule of the Association.

9.3. The Executive Committee shall consider and make decision within one month. The admission of a new member requires a simple majority of the votes of the full members present or represented by proxy.

9.4. When the Executive Committee accepts new full member of the Association he/she shall become member of the Executive Committee after the relevant decision is taken by the General Assembly of the Association and its registration in the Commercial register.

Article 10. RESIGNATION

10.1. The membership in the Association shall be terminated:

- by a unilateral expression of will to the association;
- by the death or placement under full judicial disability;
- by the exclusion;
- by the termination of the non-profit legal entity;
- in case of dropping.

10.2. Any member wishing to resign from membership in the Association shall give one month notice.

The application for resignation shall be submitted to and approved by the Executive Committee after report of the Director General.

The resignation shall come into effect as of the day of the approval of the Executive Committee.

Article 11. EXPULSION

11.1. The General Assembly can suspend or expel from membership any member that:

- does not comply with these Articles of Association or with the By-Laws of the Association,
- fails to pay the membership fee,
- fails to contribute to the expenses of agreed projects,
- no longer fulfils the membership conditions,

11.2. The decision for expulsion requires a simple majority of the votes of the full members present or represented by proxy. The member concerned shall have the right in every case to present its defense.

Article 12. RIGHTS BY TERMINATION OF THE MEMBERSHIP

A member who ceases to be part of the Association through resignation, expulsion or any other cause shall have no claim on the Association's assets.

IV. STRUCTURE AND BODIES OF THE ASSOCIATION

Article 13. BODIES OF THE ASSOCIATION

13.1. The bodies of the Association are:

General Assembly

President

Executive Committee

Director General

Article 14. GENERAL ASSEMBLY. Powers.

14.1. The General Assembly is superior organ of the Association. General Assembly consists of all members of the Association.

14.2. According art. 25 of Non-Profit Legal Entities Act the General Assembly has competence to:

14.2.1. Accept and amend these Articles of Association;

14.2.2. Accept and amend Internal rules and rules for work and funding principles and any other inner acts of the Association;

14.2.3. Elect president and vice-president of the Association;

14.2.4. Elect and dismiss the members of the Executive Committee;

14.2.5. Approve the financial accounts, the annual budget and its funding;

14.2.6. Set the general policy of the Association;

14.2.7. Approve the annual financial statements and auditor's report, if done;

14.2.8. Decide the transformation or dissolution of the Association;

14.2.9. Take decisions regarding the obligation and the size of the membership fee or of the proprietary instalments.

14.2.10. Revoke decisions of the other bodies of the association contradicting the law, the statutes or other internal acts stipulating the activity of the association

14.2.11. Decide any problems and questions of the Association, which are not specified as duties of any other organ.

14.3. The decisions of the general assembly shall be obligatory for the other bodies of the Association.

Article 15. COMPOSITION AND VOTING RIGHTS

15.1 The General Assembly shall be composed of all the members of the Association and each of them has rights to vote according the Articles.

15.2. The members – legal entities shall be represented in the General assembly and before the Association by their legal representatives or by specially authorized person.

15.3. A member who is prevented from attending the General Assembly or meeting of the Executive Committee may be represented by another member. A member may represent no more than two other members, by proxy. Re-authorisation shall not be admitted.

Article 16. VOTING

16.1. Attendance quorum: Except where these Articles of Association provide otherwise, no decision can be taken by the General Assembly, unless at least half of the full members are present or represented. However, where this attendance quorum is not reached, a new General Assembly shall be convened, which shall decide by a simple majority irrespective of the number of members present or represented during the second meeting.

16.2 Voting quorum: For decisions of the General Assembly, a simple majority of the votes of the members present or represented, shall be required, except where these Articles of Association provide otherwise.

16.3. Decisions under point 14.2.1. and point 14.2.8. of art. 14.2. shall be taken by a majority of 2/3 of those present.

16.4. No decision can be taken on an item, which does not appear on the prior circulated agenda, unless all full members are present or represented and unanimously agree to decide on such other issue.

Article 17. MEETINGS GENERAL ASSEMBLY. AGENDA.

17.1. The Director General convenes the meetings of the General Assembly, with written invitations to the members by letter, fax, E-mail, or any other means of communication at least 30 days before the date of the General Assembly.

17.2. The ordinary General Assembly shall be held once a year.

17.3. The General Assembly shall be held under the chairmanship of the President of the Association.

17.4. The Director General is obliged to convene an extraordinary General Assembly if at least one third of the full members request it.

17.5. The agenda shall be drawn up by the Executive Committee. Additions or changes to the agenda shall be included on the request of at least one third of the full members within 3 days after receiving the invitation for the General Assembly.

17.6. A register shall be established in which all General Assembly decisions shall be recorded. The register shall be kept at the Association's headquarters.

Article 18. PRESIDENCY. ELECTION. MANDATE.

18.1. Upon a proposal from the Executive Committee, the General Assembly shall elect a President and a Vice-President of the Association among the representatives of the full members. They shall be elected for a period of two years.

18.2. Re-election of the President and the Vice-President for another mandate is only possible with absolute majority of the votes of the full members.

Article 19. POWERS.

19.1. The President or, in his absence, the Vice-President, shall preside over the meetings of the General Assembly. S/He shall have charge over the proper functioning of the Association and for carrying out the decisions taken by the General Assembly. S/He will also act as the senior spokesman of the Association.

19.2. The President represents the Association in front of third parties.

19.3 The President can authorize the Vice-President or the Director General about his rights.

Article 20. EXECUTIVE COMMITTEE. POWERS. COMPOSITION.

20.1 In the interval between meetings of the General Assembly, and in accordance with decisions reached by the latter, the Association shall be governed by an Executive Committee.

20.2. The Executive Committee has the competence to:

20.2.1. Ensure the effective operation of the Association by proposing the policies, strategies, budget, and funding of the Association, for approval by the General Assembly;

20.2.2. Provide the fulfilment of the decisions of the general assembly;

20.2.3. Decide the initiation of projects within the scope of the general policy of the Association;

20.2.4. Prepare and present to the General Assembly draft budget and report on the activity of the Association;

20.2.5. Administer the property of the association in compliance with the requirements of the statutes.

20.2.6. Determine the order and organize the activity of the Association, including the one carried out to the common benefit, and shall be responsible for that.

20.2.7. The Executive Committee of the Association can decide by simple majority of its members to transfer the office to any other address in Sofia, Bulgaria.

20.2.8. Appoint the Director General;

20.2.9. Decide on applications for membership as well as all matters related to membership, as also all issues which, according to a law or the statutes do not belong to the rights of another body.

20.3. The Executive Committee shall be composed by one representative of each full member.

20.4. President and Vice-President of the Association are President and Vice-President of the Executive Committee.

20.5. The Executive Committee members shall be pointed/elected by the General Assembly according provision of art. 25, par. 1, point 3 of Non-Profit Legal Entities Act.

Article 21. MEETINGS. AGENDA. VOTING.

21.1. The Executive Committee shall meet on a regular basis and is convened by the Director General. The Director General must convene a meeting of the Executive Committee if at least three members of the Executive Committee request it.

21.2. The Executive Committee can take a decision if more than half of its members attend the meeting.

Attending is a person with whom there is a telephone or other connection guaranteeing the establishment of his identity and allowing his participation in the discussion and taking decisions. The voting of this member shall be certified in the written records by the chairman of the meeting.

21.3. The agenda shall be drawn up by the Director General in consultation with the President.

21.4. Each member of the Executive Committee shall have one vote.

A simple majority of the members present is required for taking decisions. However, where this quorum is not reached, a new meeting shall be convened, where the Executive Committee shall decide, regardless of the number of members present.

21.5. The Executive Committee takes decisions with a simple majority of the votes of the full members present or represented.

21.6. The Executive Committee can take a decision without holding a meeting if the written records for the taken decision is signed without remarks and objections by all members of the Executive Committee.

21.7. A register shall be established in which all Executive Committee decisions shall be recorded. The register shall be kept at the Association's headquarters.

Article 22. DIRECTOR GENERAL

22.1. The Executive Committee shall appoint a Director General who shall be in charge of the day-to-day management of the Association. The Director General shall implement the policies of the Association as proposed by the Executive Committee and approved by the General Assembly.

22.2. The Director General shall be responsible for the Secretariat of the Association, the network of working groups and teams, the services provided to members, the finances of the Association, and the relationships with external bodies.

22.3. The Director General shall participate in the meetings of the General Assembly and the Executive Committee, but shall have no voting rights.

22.4. Acts which bind the Association with regard to third parties, and which are concerned with day-to-day administrative matters, shall be signed by the Director General.

22.5. The Director General may be authorized by the President with notary certified power of attorney with rights to undertake specific actions and to represent the Association before certain authorities.

Article 23. WORKING GROUPS AND TEAMS

23.1. The Director General, in consultation with the Executive Committee, shall be empowered to set up and dissolve working groups and teams. These shall report to the Director General.

23.2. The composition, duration, and terms of reference of working groups and teams may be determined according to the provisions of the By-Laws. The working groups and teams shall implement the decisions taken by the Executive Committee and the General Assembly. They shall have a purely consultative role.

Article 24. SUBSCRIPTIONS, BUDGET, PROJECTS, ACCOUNTS

24.1. All members shall share in the operational expenses of the Association by means of a subscription fee, which amount and way of payment shall be fixed by the General Assembly upon a proposal from the Executive Committee.

24.2. Each member of the Association shall be liable for the payment of the subscription fee, but shall not incur any individual responsibility as regards the commitments entered into in the name of the Association.

24.3. The Association shall perform its accountancy and prepare all statements and reports according the provisions of the Accountancy Act and any other applicable provisions.

24.4. The Executive Committee shall submit every year for approval by the General Assembly, the accounts of the past financial year, along with the reports of the General director or report of auditor, if done, and the budget for the following year.

Article 25. FINANCIAL YEAR

The financial year of the Association shall extend from 1 January to 31 December of each year.

Article 27. BY-LAWS

The General Assembly may issue By-Laws compatible with the provisions of the present Articles of Association, in order to ensure the functioning of the Association and its administration.

Decisions to issue and amend the By-Laws shall be accepted with simple majority vote.

Article 28. AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND DISSOLUTION OF THE ASSOCIATION

28.1. In the case of a proposed amendment to the Articles of Association, the text of the latter and its justification shall be attached to the notice of the General Assembly, which will deliberate on this matter.

28.2. Attendance quorum: The decision to amend the Articles of Association or to dissolve the Association can only be taken with at least two thirds of the votes of the full members.

28.3. Dissolution of the Association

- Upon decision of the General Assembly to dissolve the Association with majority of two thirds of the votes of full members;
- in other cases provided by the law.

28.4. The General Assembly shall decide on the method of liquidation of the Association and the destination of the Association's assets.

The liquidation could be carried out by the managing body or by a person appointed by it.

28.5. Regarding the insolvency, respectively the bankruptcy, and also regarding the procedure of liquidation and the authority of the liquidator applied shall be respectively the provisions of the active Bulgarian legislation.

Article 29. FINAL PROVISION

29.1. The present Articles shall enter into force with its adoption and signature by the General Assembly. Subsequent changes of these Articles may be made by the General Assembly.

29.2. The Association has its own stamp, as its type should be approved by the Executive Committee. With the accepted stamp shall be stamped all official documents of the Association that give rise to legal consequences for the Association.

29.3. All matters that are not covered by the present Articles of Association the provisions of the Non-profit entities act and the provisions of the active Bulgarian legislation shall be applied.