

**STATUTE
OF
BULGARIAN NATIONAL ASSOCIATION ESSENTIAL OILS, PERFUMERY
AND COSMETICS (BNAEOPC)**

GENERAL CONDITIONS

Art.1 *The Bulgarian National Association Essential Oils, Perfumery and Cosmetics (BNAEOPC) is an association for a private benefit according to the Non-profit making Legal Entities Act, and its members can be legal entities and natural persons registered as per the Commerce Act (Law for trade registration) and engaged in production, trade, science and education in the field of essential oils, perfumery and cosmetics industries in the Republic of Bulgaria.*

Art.2 BNAEOPC shall be established and shall function on the principles of autonomy, democracy, mandate structure, delegacy and self-financing.

Art.3 BNAEOPC shall possess and use its own seal and emblem and shall have the following legal address and registered main office: town of Plovdiv, 8 (eight) Tsar Kaloyan str.

Art.4 BNAEOPC shall operate and base its activities on legislation, including the applicable legislation in the field of competition on its Statute, Code of Ethics as well as on the decisions of its management bodies, made within the extent of their authorities.

Art.5 The existence of the BNAEOPC shall not be limited within a specific period.

II PURPOSES, TASKS AND MEANS

Art.6 The main purpose of BNAEOPC shall be uniting and supporting the efforts of its members for the protection of their creative and professional interests and for the promotion of their public image by being an active participant in the development of the essential oils and perfumery and cosmetics industries in the Republic of Bulgaria.

Art.7 The basic tasks of BNAEOPC shall be the following:

1. Accomplishment of a clear, consistent and professional communication among the Association members during BNAEOPC meetings;
2. Accurate definition of the problems in this field of industry and their articulate protection before the state national authorities and international institutions;
3. Participation in the formulation and implementation state and municipal policy and the policy of EU institutions;
4. Participation in the formulation and implementation of activities of other NGOs;
5. Research of the macro-economical environment and assistance in the development of the business strategy of its members by providing the relevant general information;
6. Provision of conditions for the introduction of international quality standards in Bulgaria;
7. Support to its members in implementing the directives and other acts of EU]

8. Support of the business developments in this field of industry through its projects, ideas, proposals, reports and consultations;
9. Assistance in establishing and developing of business contacts and partnership among companies and organizations in Bulgaria and abroad within the limits set by the applicable laws the present statute and the Code of Ethics;
10. Encouragement of the development and qualification of the experts in this branch and assistance for the promotion of their reputation.
11. Execution of references for the experts in this field of industry and support of their right to work in accordance with their education and qualifications;
12. Research and promotion of Bulgarian and international experience in the field of essential oils and perfumery and cosmetic industries.
13. Assistance in the exchange of scientific, technological, economic and commercial information in the field of essential oils, perfumery, and cosmetics in accordance with the Code of Ethics.
14. Support of the activities of SMEs in the field of essential oil, perfumery and cosmetic industry.

Art.8 The means for accomplishing the purposes and for implementation of the tasks and objectives are the following:

1. Execution and substantiation of opinions in the process of development of normative acts and regulations concerning this field of industry;
2. Establishing and maintaining a register of the competent business organizations in this field of industry;
3. Execution of a Code of Ethics and establishment of an Ethics Commission in relation to adherence to ethics and the rules of fair competition market behavior in this field of industry.
4. Research, development and solutions to specific assignments, consultations, preparing projects, public assessment and expert evaluations of projects and programs.
5. Partnership with organizations in Bulgaria and abroad such as the International Federation of Societies of Cosmetic Chemists (IFSCC), International Federation of Essential Oils and Aroma Trades (IFEAT), The European Cosmetic Toiletry and Perfumery Association (COLIPA); European Federation of Essential Oils (EFEO), aiming at establishing conditions for more active international contacts of its members;
6. Creation and maintenance of a national information system and database for this field of industry;
7. Organization of an annual chart of companies and giving awards for high achievements in technology;
8. BNAEOPC can be authorized by its members to protect their interests before the respective authorities and organizations in Bulgaria and abroad (to negotiate and carry out other activities in compliance with its purposes, including protection against illegal actions);
9. Assistance in the settlement of disputes in this field of industry, without the necessity of taking the issue to the Court or Arbitration Commission.
10. Recruitment of famous Bulgarian and international experts in this field of industry.

Art.9 BNAEOPC shall achieve its goals by carrying out the following business activity in compliance with Art. 3, paragraph 3 from the Non-profit making Legal Entities Act:

1. Rendering of consulting services and development and substantiation of projects;
2. Creation of an independent branch laboratory with an implemented European quality assurance system.
3. Organization of training for management personnel and specialists in relation to all issues concerning the branch;
4. Organization and participation in science and technology congresses, symposia, conferences, round tables, discussions, meetings, exhibitions, degustation activities, educational and other events with regional, national and international participation;
5. Active publishing activity with the purpose of informing the member community for the legislation, scientific achievements and the dynamics of the markets in the EU and throughout the world.

III. MEMBERSHIP. ARISING AND TERMINATION OF MEMBERSHIP

Art.10. Membership in BNAEOPC shall be voluntarily.

Art.11 Members of the BNAEOPC shall be the persons who comply with the requirements of Article 1 from the Statute and who accept to abide by the Statute, the Rules and Regulations of admission and dismissal of members, the Code of Ethics, as well as other instruments issued by the management bodies of the Association, approved within the extent of their authorities.

Art.12 Legal relations among the members shall arise in the following cases:

1. Admission;
2. Merger and incorporation.

Art.13, paragraph 1: Admission of new members shall be accomplished based upon a written request of the applicant with enclosed written statement that the said person accepts the provisions and stipulations of the BNAEOPC Statute, the Rules and Regulations of admission and dismissal of members, the Code of Ethics, as well as other instruments issued by the management bodies of the Association, approved within the extent of their authorities.

Paragraph 2: The applicant shall present references by two BNAEOPC members.

Paragraph 3: The Ruling Board shall state its decision on the first meeting after the filing of the applicant's written request

Art.14 The refusal of the candidature by the Ruling Board can be appealed before the General Assembly of BNAEOPC.

Art.15 Membership shall be terminated:

1. In case of leaving the Association – with one month prior written notice addressed to the Ruling Board;
2. In case of termination of the legal entity, respectively with the death of or total injunction imposed on the natural person.
3. In case of expulsion;
4. In case of dropping out, because of unpaid property deposits or systematic failure to participate in the activity of BNAEOPC;
5. In case of termination of the BNAEOPC;

Art.16 A member can be excluded based on a decision of the Ruling Board in the following cases:

1. Such member performed actions discrediting the BNAEOPC;

2. Such member was engaged in activities contradicting the provisions and stipulations of the BNAEOPC Statute, the Rules and Regulations of admission and dismissal of members, the Code of Ethics, as well as other instruments issued by the management bodies of the Association, approved within the extent of their authorities.

3. Such member used the name of the BNAEOPC for political and other purposes, not in compliance with the Association purposes and objectives.

Art.17, paragraph 1. The decision for expulsion can be appealed before the General Assembly of the BNAEOPC.

Paragraph 2. The General Assembly shall make its decision with an ordinary majority of its members.

Art.18 The member with terminated membership shall not be reimbursed with the paid property deposits.

IV. RIGHTS AND OBLIGATIONS

Art.19 Every member shall have the following rights:

1. To appoint or to be appointed in all the management bodies of BNAEOPC;
2. To receive protection for their professional activity;
3. To use the property and the achievements of the BNAEOPC activity;
4. To have the advantage of taking part in all the activities and events organized by the BNAEOPC;
5. To have access to and use information and other materials or consultations related to issues of interest.
6. To be informed about the decisions of the management bodies of BNAEOPC and of their implementation;
7. To receive the assistance of BNAEOPC in the organization of science and technology events.
8. To attend the meetings of the Ruling Board and the Supervisory Board whenever issues of their interest are discussed.

Art.20 Each member shall be obliged to do the following:

1. Abide by the provisions and stipulations of the BNAEOPC Statute, the Rules and Regulations of admission and dismissal of members, the Code of Ethics, as well as other instruments issued by the management bodies of the Association, approved within the extent of their authorities.
2. Actively participate in the BNAEOPC activities;
3. Regularly pay the property deposits specified;
4. Be liable for the liabilities of BNAEOPC to the extent of their property deposits.

Art.21 The amount of the property deposits shall be determined by the Ruling Board.

V. ORGANIZATION STRUCTURE AND MANAGEMENT

Art.22 The BNAEOPC management bodies shall be:

1. General Assembly(GA);
2. Ruling Board (RB);
3. Chairperson of the Ruling Board;
4. Executive Manager;
5. Supervisory Board (SB);

Art.23 The General Assembly is the supreme management body of the BNAEOPC and shall consist of all its members.

Art.24 Any legal entity that is a BNAEOPC member shall participate in the General Assembly with its own representative.

Art.25 A single person can represent no more than three members of BNAEOPC at the General Assembly with the grounds of an explicit written power of attorney.

Art.26 No reauthorization is allowed.

Art.27 Authorities of the General Assembly:

1. To modify and amend the Statute;
2. To appoint and dismiss the Ruling Board and Supervising Board;
3. To make decisions concerning arrangements with the BNAEOPC property exceeding 2/3 of the whole property of the Association.
4. To make decisions for transformation or termination of the BNAEOPC, for the announcement of its liquidation and to appoint the Ruling Board or any other person chosen by the Ruling Board as the receiver.
5. Along with the decision for termination of the Association, to decide upon the distribution of the property left after liquidation and after satisfying all creditors.
6. To determine the general strategy and directions for development of the BNAEOPC;
7. To approve the annual reports of the Ruling Board and the Supervisory Board;
8. To accept the annual reports of the BNAEOPC;
9. To repeal the decisions of other bodies of the BNAEOPC, which are not in compliance with the Law, the Statute or other internal acts or instruments regulating its activity.

Art.28 The General Assembly shall be summoned by the Ruling Board at least once per year with a written invitation, which shall specify the agenda, the date and the hour of the event and the initiator of the meeting summoned. The initiative of 1/3 (one third) of the BNAEOPC members shall be required for summoning of an urgent session.

Art.29 The invitation for General Assembly shall be promulgated in the State Gazette and shall be placed on the notice board in the building where the Association administration is located at least one month in advance.

Art.30 Upon a decision of the Ruling Board, the invitation can also be sent to all the members.

Art.31 The General Assembly shall be considered legal provided when more than half of the members are present. If the respective quorum does not exist, the session shall be postponed with one hour with the same agenda and the same location; after that it can take place regardless of the number of members present.

Art.32 The sessions of the General Assembly shall be presided by the Chairperson of the Ruling Board and in case of the Chairperson's absence – by another member of the Ruling Board.

Art.33, Paragraph 1. The decisions of the General Assembly shall be taken upon a common majority of the attending members.

Paragraph 2: Qualified majority of 2/3 (two thirds) of the attending members shall be necessary for the modification or amendment of the Statute, the termination of the BNAEOPC or its transformation.

Art.34 Issues not included in the agenda shall not be discussed.

Art.35 Each member of the General Assembly of BNAEOPC shall have the right to one vote.

Art.36 Members of the General Assembly shall not be entitled to vote when deciding on issues related to:

1. The said members or their spouses or relatives of direct line of descent – with no limitations, relatives of indirect line of descent – each relative till fourth degree, including those connected by marriage – up to second degree inclusive;
2. Legal entities where the said member is the manager or has the power to impose or hinder the decision;

Art.37 All decisions of the General Assembly shall be documented in minutes, signed by the person presiding at the session and by the person writing the minutes and shall be kept in the BNAEOPC archives.

Art.38 The Ruling Board shall consist of:

1. Chairperson;
2. Deputy-chairpersons;
3. No more than 20 /twenty/ members.

Art.39 The Ruling Board shall be elected by the General Assembly for a period of three (3) years from a list of the candidates. Board members can be reelected.

Art.40 (1) At the first session of the Ruling Board the Chairperson and Deputy-chairpersons shall be elected.

(2) At the first session of the Ruling Board the Executive Manager shall be elected and he may not be a member of the Ruling Board.

Art.41 Powers of the Ruling Board:

1. It shall determine the procedures and organize the activity of BNAEOPC and shall be responsible accordingly;
2. It shall represent BNAEOPC, as well as determine the extent of the representative power of every individual member;
3. It shall admit, dismiss and expel members of the BNAEOPC;
4. It shall decide upon summoning the General Assembly, as well as specify the agenda, time and location of the sessions;
5. It shall organize the development of the materials for discussion by the General Assembly;
6. It shall prepare an annual report and the current plans of the BNAEOPC;
7. It shall submit a motivated proposal for pro-term dismissal of members of the Ruling board and Supervisory Board;
8. It shall decide upon the acquisition of and arrangements with the property of BNAEOPC up to 2/3 (two-thirds) of the total property.
9. It shall establish auxiliary bodies and temporary teams and groups whenever necessary for working out the development of specific issues;
10. It shall maintain contacts and regulate the relations of the BNAEOPC with other national, foreign and international bodies and organizations;
11. It shall prepare and present a draft annual budget before the General Assembly;
12. It shall determine the remuneration of the management bodies from art.22, p.3 and 4, in compliance with the annual budget approved by the General Assembly;
13. It shall determine the amount and payment of the property deposits;
14. It shall organize target funds;
15. It shall make a decision for membership and termination of membership in other Associations;

16. It shall execute Rules and Regulations for admission and dismissal of members;
17. It shall develop rules and principles for professional ethics of the Association members;
18. It shall appoint a receiver;
19. It shall decide upon all issues, which do not fall within the powers of any other authority according to the Law or the Statute.

Art.42 The meetings of the Ruling Board shall be summoned by the Chairperson. He/she shall be obliged to summon a meeting of the Ruling Board upon a written request of 1/3 of its members. If the Chairperson does not summon a meeting of the Ruling Board within a period of one week, then any interested member can summon a meeting. The Chairperson shall preside at the meetings. In case of absence of the Chairperson, one of the deputy-chairpersons of the Ruling Board shall preside.

Art.43 The Ruling Board shall take any decisions if more than half of its members attend the meetings.

Art.44 The decisions of the Ruling Board shall be approved with the majority of the members present, and decisions in connection with Art. 41, clauses 1, 3, 8 and 18 shall be approved with the majority of all members.

Art.45 The Ruling Board can also take a decision without conducting a meeting, provided that the minutes for such a decision shall be signed without any remarks or objections by all the members of the Board.

Art.46 All decisions of the Ruling Board shall be documented in minutes, signed by the Chairperson presiding at the meeting and the person responsible for the minutes and shall then be kept in the BNAEOPC archives.

Art.47 Powers of the Chairperson of the Ruling Board:

1. The Chairperson shall represent the BNAEOPC before the national and municipal authorities, the public organizations and other natural persons and legal entities in Bulgaria and abroad, together with or separately from the Executive Manager of BANEOPC;
2. The Chairperson shall summon the meetings of the Ruling Board and preside at them;
3. The Chairperson shall immediately report to the Ruling Board in relation to any substantial circumstances concerning the activity of the BNAEOPC;
4. The Chairperson shall report for the activity of the BNAEOPC before the Ruling Board of the BNAEOPC;
5. The Chairperson shall present the annual draft-budget of the BNAEOPC before the Ruling Board;
6. The Chairperson shall present the annual report of the BNAEOPC Ruling Board before the General Assembly.

Art.48, paragraph 1. The Chairperson of the Ruling Board shall be dismissed upon a decision of the Ruling Board before the expiry of the period of appointment under the following circumstances:

1. Upon a request by the said Chairperson;
2. Whenever a sentence has been enforced in relation to a serious willfully committed crime by said Chairperson;
3. In a case of permanent actual incapability of the said Chairperson to perform his/her duties for more than six months;
4. In case of total or limited injunction;

5. In case of systematic non-execution of the Statute and the decisions of the Managing bodies of the Association, which are in the scope of their authorities;

Paragraph 2: The procedure of paragraph 1, clauses 2,3,4 and 5 shall start upon a request of 1/5 (one fifth) by the members of the Ruling Board;

Paragraph: 3: The election of a new Chairperson of the Ruling Board shall be performed as per the same procedure and for the same period as the dismissed Chairperson has been elected;

Art.49 The deputy-chairpersons shall replace the Chairperson, when the latter is prevented from the performance of their duties;

Art.50 The Executive Manager of BNAEOPC shall be appointed at the first meeting of the Ruling Board for a period of 3 (three) years.

Art.51 Powers of the Executive Manager:

1. The Executive Manager shall represent the BNAEOPC before the national and municipal authorities, the public organizations and other natural persons and legal entities in Bulgaria and abroad, together with or separately from the Chairperson of the BANEOPC;
2. The Executive Manager shall perform the operative current management of BNAEOPC and organize the implementation of the decisions of the Ruling Board and the General assembly of BNAEOPC;
3. The Executive Manager shall propose to the Ruling Board projects for working programs of BNAEOPC in accordance with its purposes;
4. The Executive Manager shall propose for approval by the Ruling Board a project for the organization structure and personnel schedule in BNAEOPC;
5. The Executive Manager shall appoint and dismiss the BNAEOPC employees and determine the internal rules for their work;
6. The Executive Manager shall sign the payment documents for the spent funds of the BNAEOPC, in accordance with the decisions of the Ruling Board and the General Assembly of the BNAEOPC;
7. The Executive Manager shall present before the Ruling Board the filed requests of candidates applying for membership in the BNAEOPC;

Art.52: The Ruling Board may elect a Honorable Chairperson for exceptional merits and contribution to the development of the BNAEOPC;

Art.53 Members of the Supervisory Board shall participate in the meetings of the Ruling Board with a consultative vote;

Art.54 The Supervisory Board shall consist of no more than 5 (five) members and on its first meeting shall elect a Chairperson;

Art.55 Powers of the Supervisory Board;

1. The Supervisory Board shall supervise the implementation of the decisions of the General Assembly;
2. The Supervisory Board shall control the proper use of the funds and the property of the BNAEOPC;
3. The Supervisory Board issue a conclusion for the annual report and the draft-budget;
4. The Supervisory Board shall appoint financial audits and experts;
5. The Supervisory Board shall control for the adherence to the present Statute;
6. The Supervisory Board may perform other functions upon a decision of the General Assembly;

Art.56 The Chairperson of the Supervisory Board shall organize its activity and present the annual report of the Supervisory Board before the General Assembly;

Art.57 Members of the Supervisory Board shall be elected by the General Assembly for a period of three years;

VI. FUNDS AND PROPERTY.

Art.58 BNAEOPC shall raise funds in Bulgarian leva and in foreign currency from the following:

1. Property deposits;
2. Activity in the field of science, technology and creativity;
3. Aids, donations, wills, sponsorship;
4. Interest rates and dividends;
5. Facilities leased;
6. Exercising its own business activity according to Article 9 of the present Statute;

Art.59 BNAEOPC can be the owner of and can manage movable and real property, necessary for the execution of its activity;

Art.60 All revenues, regardless of their nature and source shall be included in the BNAEOPC property and shall be used for accomplishing of its purposes;

Art.61 BNAEOPC cannot distribute profits among its members;

VII. TRANSFORMATION AND TERMINATION

Art.62 The decisions for transformation and termination of the BNAEOPC shall be taken by the General Assembly with a majority of 2/3 of the attending members;

VIII. LIQUIDATION

Art.63 In case BNAEOPC is terminated with a decision of the General Assembly, its liquidation shall be executed by the Ruling Board or any other person authorized by it.

Art.64 The regulations of the Commerce Act shall be applied in relation to the order of liquidation and the powers of the receivers;

IX. PROPERTY AFTER LIQUIDATION

Art.65 The distribution of property left after fulfilling the creditors claims, shall be performed according to the decision of the General Assembly, as per article 27, item 5 of the Statute.

Art.66 The Ruling Board shall determine the funds for the costs of the liquidation, including the remuneration of the receiver;

X. FINAL STIPULATIONS

Art.67 All issues not settled in the present Statute shall be resolved by applying the Non-profit making Legal Entities Act or rules and decisions in relation to them shall be adopted by the General Assembly of BNAEOPC;

The present Statute has been adopted by the General Assembly of the BNAEOPC held on 21 March 2008 (Friday) at 11 o'clock in the town of Plovdiv, in the Maritsa hotel, hall "Plovdiv" and has been signed by the newly elected members of the Ruling board of BNAEOPC.