

STATUTE

Adopted on the founding meeting on 31.08.2006, changed by decision of the General Assembly of ATEB from 01.10.2008, changed by decision of the General Assembly of ATEB from 29.09.2010, changed by decision of the General Assembly of ATEB from 20.02.2013, changed by decision of the General Assembly of ATEB from 29.12.2014, changed by decision of the General Assembly of ATEB from 16.11.2021

I. GENERAL PROVISIONS

Status

Art. 1. (1) *(changed by decision of the GA of ATEB from 20.02.2013)* “Association of traders with energy in Bulgaria” /ATEB/, called shortly in this statute “Association”, is a legal entity, founded according to the Law on non-profit legal entities.

(2) The Association defines itself as an organization working for private benefit.

(3) The Association holds liability with its property.

(4) The members does not personally take responsibility for the liabilities of the Association .

(5) The members are responsible for depositing their membership fee and other fees.

Name

Art. 2. (1) The name of the Association is “Association of traders with energy in Bulgaria”.

(2) The name alongside with the headquarter’s address and the BULSTAT number ought to be mentioned in the correspondence of the Association .

(3) The Association could open local branches in the country or abroad in accordance with the Bulgarian or the foreign legislation.

(4) Name of the branches of the Association is formed by adding to the Association’s name the word “branch” and the name of the local city.

Headquarter and address

Art. 3. *(changed by decision of the GA of ATEB from 01.10.2008, changed by decision of the GA of ATEB from 20.02.2013)* The Headquarter and the address of the Association are: Republic of Bulgaria, Sofia 1000, sq. Pozitano No 2, fl. 7.

Term

Art. 4. The existence of the Association is not limited by any terms or conditions.

Defining the activities

Art. 5. As an organization operating in private benefit the Association performs the following activities:

1. protects the rights and interests of the electricity and natural gas traders in Bulgaria;
2. conducts surveys and analysis, consultancy and education in electricity and natural gas trading as well as in other areas, which are related to the development of energy markets;
3. facilitates the exchange of information;
4. represents and safeguards the economic interests of its members.

Art. 6. (*changed by decision of the GA of ATEB from 20.02.2013*) In its activities the Association is governed by the laws of Republic of Bulgaria and by the provisions of the current Statute.

Art. 7 (1) In its activities the Association does not strive for political goals and cannot be associated with any political parties or organizations.

(2) The members are forbid to use the Association in favor of political parties or organizations .

Main goals of the Association

Art. 8. The main goals of the Association are:

1. to create and to affirm modern economic relationships in the energy sector;
2. to improve the market infrastructure, the principles and mechanisms of the current legislation system, regulating the relations in the energy sector;
3. to represent and safeguard the rights and interests of its members before the state, public and international bodies and organizations;
4. to facilitate its members in their trading activities related to selling and purchasing of electrical energy and natural gas;
5. to support the effective and transparent competition and loyal business relationships in the electricity sector.

Means to accomplish the goals of the Association

Art. 9. The means used by the Association to achieve its goals are:

1. developing strategies improving the conditions of the energy business in Bulgaria;
2. preparing statements and propositions for changes and amendments of the current energy legislation framework;
3. participating in the working groups of the state authorities;
4. investigating and analyzing the problems in the energy sector;
5. organizing various events (conferences, discussions, etc.) as well as educational forums in electricity and natural gas trading for its members and employees;
6. investigating and adapting the European social and economic standards and best practices in the energy sector;
7. supporting the development of the Bulgarian energy market and the professional development of the Bulgarian electricity and natural gas traders;
8. support for:
 - 8.1. creating, consolidating and expanding the economic relations and establishing new relations and markets in the country and abroad ;
 - 8.2. creating favorable conditions for investments and business activities;
 - 8.3. (*changed by decision of the GA of ATEB from 20.02.2013*) disseminating and informing its members for the best economic and managing practices, endorsed in the European Union and in the leading economies in the world;
 - 8.4. (*changed by decision of the GA of ATEB from 20.02.2013*) effective participation of Association members in specialized programmes of the European Union.

II. MEMBERSHIP

Members' rights and obligations

Art. 10. (1) Membership in the Association is voluntarily.

(2) Member of the Association can be a legal entity, owning a license for electricity trading, also sharing and accepting the goals and the means of the Association and its Statute.

(3)(*changed by decision of the GA of ATEB from 16.11.2021*) Member of the association can be a legal entity, trading with natural gas also sharing and accepting the goals and the means of the Association and its Statute;

(4) Members of the Association preserve their legal and economic independency.

Art. 11. Every member of the Association has the right to:

1. participate in the activities of the Association and in the work of the General Assembly;
2. be elected and to elect the managing body;
3. raise issues regarding its activity for consideration and support;
4. exercise control over the work of the Association and the managing body;
5. be informed about the activities of the Association and the work of Board of Trustees;
6. use the results of Association's activities;
7. ask for support for protecting its interests;

8. (*new, adopted with decision of the GA of ATEB from 29.09.2010*) to be informed by the chairman of the Board of Trustees for forthcoming new members of the Association, no later than two weeks before the date of the meeting of the Board of Trustees on which the application of the new member will be reviewed.

Art. 12. (1) Each member of the Association is obliged to:

1. pay membership fee according to the Association rules;
2. follow the Statute and to carry out the decisions of the body of the Association;
3. cooperate for performing its activities and for accomplishing its goals;
4. work for increasing the social influence of the Association;
5. provide information required to accomplish the goals and the tasks of the Association;
6. make additional contributions defined by the Board of Trustees.

(2) When failing to fulfill the obligations in para.1 the Board of Trustees could send reprimand or suspension notification as well as to suspend the corresponding member .

Art. 13. (1) Membership rights and obligations could not be transferred to other entities or people, when the member is suspended, except in case of succession.

(2) The membership rights are exercised by the lawful representatives of the legal entities – members of the Association. The power to exercise membership rights could be transferred to other person by signed and stamped power of attorney.

(3) For the obligations towards the Association, members are responsible to the size of their fees.

Becoming a member

Art. 14. (1) To become a member of the Association the legal entity fills an application form complying with the Statute and provides documents, requested by the Board of Trustees.

(2) The new members are accepted by the Board of Trustees. The candidates send a written request to the Board of Trustees, who review their documents and request.

(3) Accepting a new members is made by majority voting .

(4) The decision of the Board of Trustees is announced in a written form and send to the candidate.

Suspending a membership

Art. 15. (1) A membership is suspended:

1. (*changed by decision of the GA of ATEB from 20.02.2013*) with single suspension request to the Board of Trustees

2. when the legal entity member of the Association is liquidated;

3. in case the legal entity – member of the Association loses its status of an electricity trader or its status of natural gas trader;

4. with exclusion;

5. suspension due to constant lack of payment of membership fee and lack of participation in the activities of the Association;

6. due to suspension of the Association itself.

(2) The decision for suspension is taken by the Board of Trustees of the Association, when a representative of the Association's member is accused of violating the Association's rules or decisions.

(3) Member of the Association can be suspended when he heavily or constantly violates its obligations and undermine the name of the Association .

(4) Before the decision for suspension is taken the member is invited to a meeting of the Board of Trustees to explain his behavior and reasons. His explanations are taken into consideration by the Board.

(5) The decision for suspension could be appealed according to the Law on non-profit legal entities.

(6) *(changed by decision of the GA of ATEB from 20.02.2013)* The cancelation of membership takes place, when constant lack of payment of membership fee and lack of participation in the activities of the Association is in place. The reason for suspension is concluded by the Board of Trustees according to the documentation and then unanimous decision for suspension is taken by the Board. The decision is announced to the representatives of the suspended legal entity.

(7) When the membership is suspended, membership fee and admission fee are not reimbursed.

Art. 16. The transferees of a current member of the Association could become full members, if they fulfill the requirements in this Statute and if they notify in written form their intention to become full member and agree to follow the Statute of the Association. In this way they will be accepted without following the procedure described in art. 14.

III. PROPERTY

Property

Art. 17. The property of the Association consists of deposits, donations, fees and other contributions described in the current legislation and made by the Association members.

Sources of income for the Association

Art. 18. (1) All members of the Association have the obligation to pay their membership fee and an admission fee.

(2) *(changed by decision of the GA of ATEB from 16.11.2021)* The size of the membership fee and the admission fee is determined by a decision of the Management Board.

(3) The admission fee is paid in the first ten days after the official membership admission in the Association . For the founders of ATEB the admission fee is paid in the first month after the registration of the Association in Sofia City Court.

(4) *(removed by decision of the GA of ATEB from 16.11.2021)*

(5) The deadline for paying the membership fee is 20th of January of the current year for which the fee is paid.

(6) The membership fee in the year of registration of the Association is paid by the members proportionally to the above stated size for the period from the registration date till the end of the year. The fee is paid during the first month from the registration date of the Association in the Sofia City Court.

(7) *(changed by decision of the GA of ATEB from 20.02.2013)* By decision of the General Assembly members of the Association could make additional contributions to the Association's budget in order to achieve certain goal, determined by the Statute or by a decision of the Board of Trustees.

(8) *(removed by decision of the GA of ATEB from 20.02.2013)*

(9) Members of the Association could provide loans to the Association.

(10) The size and the conditions under para. 9 are determined by the Board of Trustees of the Association.

(11) The Association could receive donations by individuals or legal entities.

(12) The Association does not distribute profits.

Art. 19. The Association keeps its financial assets in banks.

Art. 20. (1) The Association makes its expenditures according to the decisions of the General Assembly in compliance with the yearly budget.

(2) *(removed by decision of the GA of ATEB from 20.02.2013)*

Art. 21. (1) All income regardless of type and source is included in the Association assets and is used by the Association to achieve its goals.

(2) The income mentioned in the previous point could be distributed as a profit among the members of the Association.

IV. Management Bodies of the Association

Art. 22. The main bodies of the Association are the General Assembly and the Board of Trustees.

Members of the General Assembly

Art. 23. (1) In the General Assembly all the members of the Association are participating.

(2) The members of the Association participate in the General Assembly with their legal representatives or lawful attorneys.

Representatives

Art. 24. (1) The members are represented in the General Assembly by their lawful representatives or attorneys.

(2) An attorney of a legal entity could be a specially assigned person.

(3) The letters of attorney should be explicitly issued for participation in the General Assembly of the Association. The letters could be issued for unlimited or particular number of meetings of the General Assembly.

(4) The attorneys do not have the right to commission their power to third person.

(5) The attorneys could represent only one member on the General Assembly.

Jurisdiction of the General Assembly

Art. 25. General Assembly:

1. changes and amends the Statute of the Association;

2. elects and suspends members of the Board of Trustees and controls its activities;

3. may substitute members of the Board of Trustees, before the end of their mandate;

4. *(new, adopted with decision of the GA of ATEB from 20.02.2013)* takes decision for establishment and suspension of branches;

5. *(new, adopted with decision of the GA of ATEB from 20.02.2013)* takes decision for participation in other organizations;

6. *(changed by decision of the GA of ATEB from 20.02.2013)* takes decision for changing or suspending the Association, in the latter case it appoints a liquidator;

7. *(new, adopted with decision of the GA of ATEB from 20.02.2013)* adopts new guidelines and programmes for the activities of the Association;

8. accepts the activities report prepared by the Board of Trustees;

9. defines a budget for the Association;

10. *(new, adopted with decision of the GA of ATEB from 20.02.2013)* takes decisions regarding the size of the membership fee and of the additional contributions;

11. changes or cancels decisions of Board of Trustees, when they are in contradiction to the law, the Statute or to other internal documents, regulating the activities of the Association;

12. takes other decisions provided in the Statute or in the legislation.

Conducting a General Assembly

Art. 26. (1) The regular General Assembly is called at least once a year.

(2) General Assembly could be called by the Board of Trustees at any time.

Calling the General Assembly

Art. 27. (1) *(changed by decision of the GA of ATEB from 20.02.2013)* The General Assembly is convened by the Board of Trustees. It could be convened by a request from one third of the members of the Association located in the same city as the Association headquarters.

(2) *(changed by decision of the GA of ATEB from 20.02.2013)* If in two weeks' time from the request of convening a General Assembly the Board of Trustees does not send a written invitation, the meeting is convened by the local court on written request prepared by members or by a person appointed by them .

(3) *(changed by decision of the GA of ATEB from 16.11.2021)* The call for the General Assembly is through an invitation send via email to all members of the Association.

(4) The invitation consists of: programme of the meeting, date, hour and place of the meeting and the name of the person convening it.

(5) *(changed by decision of the GA of ATEB from 16.11.2021)* The period from sending the invitation till the General Assembly is held cannot be shorter than one month.

(6) *(removed by decision of the GA of ATEB from 20.02.2013)*

Information rights

Art. 28. The written materials related to the programme of the General Assembly should be made available for the members in the headquarters of the Association at latest on the date the invitation is published. After a request, the materials are provided free of charge to every member of the Association.

List of participants

Art. 29. (1) On the sessions of the General Assembly a list of participants is prepared. The legal representatives or attorneys confirm their participation by signing the list. Then the list is certified by the chairman and the secretary of the General Assembly

(2) *(removed by decision of the GA of ATEB from 20.02.2013)*

Quorum

Art. 30. The General Assembly could be held, if more than half of the representatives of members are present. If there is a lack of quorum, the meeting is postponed by one hour and it is held on the same place with the same programme despite the number of the represented members.

Voting rights

Art. 31. *(changed by decision of the GA of ATEB from 20.02.2013)* Every member of the General Assembly have one vote.

Conflict of interests

Art. 32. Representative of a member of the Association could not participate in the vote on issues regarding:

1. starting or ceasing of activities for its liability to the Association;
2. deciding issues, related to him or to his relatives;
3. *(changed by decision of the GA of ATEB from 20.02.2013)* legal entities in which he/she is the manager/executive director or in which he could force or prevent the decision making process.

Majority

Art. 33. (1) *(changed by decision of the GA of ATEB from 20.02.2013)* The decisions of the General Assembly are made by open voting with simple majority, except in the case when General Assembly decides to vote secretly.

(2) *(changed by decision of the GA of ATEB from 20.02.2013)* Decisions on art. 25, point. 1, and point. 6 are accepted with majority of 2/3 of present members.

(3) *(removed by decision of the GA of ATEB from 20.02.2013)*

Decisions

Art. 34. (1) The General Assembly could not accept decisions related to issues, which have not been published in the invitation.

(2) The decisions of the General Assembly come into force immediately, except in cases when their effect is postponed or due to the law they come into force when registered in the corresponding register

Protocols

Art. 35. (1) *(changed by decision of the GA of ATEB from 20.02.2013)* The General Assembly elects its chairman, secretary and scrutineer.

(2) *(changed by decision of the GA of ATEB from 20.02.2013)* A meeting minutes (protocol) are taken on the General Assembly. The protocol from the General Assembly is signed by the chairman, the secretary and the scrutineer. To the protocol, a list of participants is attached and documents related to the decisions taken on the General Assembly

(3) Every member present on the General Assembly has the right to request and follow the correct recording of the decisions in the protocol.

Board of Trustees

Art. 36. (1) *(changed by decision of the GA of ATEB from 29.09.2010)* The Association is managed by the Board of Trustees.

(2) *(changed by decision of the GA of ATEB from 29.09.2010, changed by decision of the GA of ATEB from 20.02.2013)* The Board of trustees consists of 7 /seven/ members from which one chairman and two deputy chairman. The legal entities, members of the Association could appoint as members of the Board of Trustees individuals who are not members of the Association.

(3) *(changed by decision of the GA of ATEB from 20.02.2013)* Members of the Board of Trustees are elected by the General Assembly for a 3 /three/ year mandate.

(4) The first Board of Trustees defined in the founding protocol is with a mandate of 3 /three/ years.

(5) For members of the Board of Trustees an individuals are elected, who:

1. have a permanent residence in the country;
2. have the appropriate professional qualification and experience;
3. have not been condemned for intentional crimes of general character.

(6) Could not be elected in the Board of Trustees:

1. individuals deprived from the right to take leadership or accounting positions;
2. members of leading bodies of political parties or organization;
3. members of the managing bodies of suspended legal entities;

4. individual who have a relative member of the Board of Trustees;
- (7) Members of the Board of Trustees could be reelected without restrictions.

Rights and obligations of the Board of Trustees

Art. 37. Board of Trustees:

1. *(changed by decision of the GA of ATEB from 29.09.2010, changed by decision of the GA of ATEB from 20.02.2013)* elects from its members a chairman and two deputy chairmen;
2. *(removed by decision of the GA of ATEB from 20.02.2013)*
3. ensures the execution of the decisions made by the General Assembly and reports its activities to the General Assembly;
4. *(changed by decision of the GA of ATEB from 20.02.2013)* prepares and presents to the General Assembly the budget plan of the Association;
5. *(changed by decision of the GA of ATEB from 20.02.2013)* prepares and presents to the general Assembly a report of the activities of the Association;
6. *(changed by decision of the GA of ATEB from 20.02.2013)* adopts plans for the activities of the Association as well as main working principles;
7. *(removed by decision of the GA of ATEB from 20.02.2013)*
8. defines the steps and organizes the activities of the Association and holds responsibility for these actions;
9. accepts donations made in favor of the Association;
10. manages the assets of the Association and takes decisions regarding the finances with accordance to Statute and law;
11. *(removed by decision of the GA of ATEB from 20.02.2013)*
12. *(removed by decision of the GA of ATEB from 20.02.2013)*
13. accepts and suspends members of the Association;
14. *(removed by decision of the GA of ATEB from 20.02.2013)*
15. *(removed by decision of the GA of ATEB from 20.02.2013)*
16. takes decisions for the distribution of the finances after the liquidation of the Association;
17. *(removed by decision of the GA of ATEB from 20.02.2013)*
18. *(changed by decision of the GA of ATEB from 20.02.2013)* it determines the address of the Association;
19. manages the properties of the Association in accordance to the Statute;
20. discusses and resolves all other issues that are not in the competence of the General Assembly;
21. fulfills its duties stated in the current Statute.

Art. 38. (1) The members of the Board of Trustees have equal rights and obligations despite the internal division of their tasks.

(2) The members of the Board of Trustees are obliged to fulfill their tasks in favor of Association and to keep in secret the confidential information of the Association even after their mandate expires.

Art. 39. (1) Chairman of the Board of Trustees:

1. represents the Association before third parties and fulfills the tasks assign to him by the Board of Trustees;
2. manages the current affairs of the Association;
3. organizes the execution of decisions of the Board of Trustees;

4. organizes the activities of the Association, manages its current affairs and ensures the right maintenance of its property;

5. organizes the work of the Board of Trustees and chairs its meetings;

6. reports in short notice to the Board of Trustees about events, which are related to the activities of the Association;

7. *(removed by decision of the GA of ATEB from 20.02.2013)*

(2) *(new, adopted with decision of the GA of ATEB from 29.09.2010, changed by decision of the GA of ATEB from 20.02.2013)* Deputy chairmen of Board of Trustees support the activities of the chairman. Deputy chairmen represent the Association in case the chairman is absent.

(3) *(removed by decision of the GA of ATEB from 20.02.2013)*

Meetings of the Board of Trustees

Art. 40. (1) The Board of Trustees is called on regular meetings at least once in three months.

(2) Every member of the board could request from the chairman to convene a meeting to discuss certain issues. The chairman has the duty to announce a meeting of the Board of Trustees in a period of one week after the request was made. If in this time period the meeting of the Board of Trustees is not announced, each of the concerned members of the Board of Trustees has the right to do convene it.

(3) *(changed by decision of the GA of ATEB from 20.02.2013)* The meetings are chaired by the chairman, in his absence they are chaired by one of the deputy chairmen.

(4) A meeting minutes (protocol) is prepared during the meeting, it is signed by all the members of the Board of Trustees.

(5) *(new, adopted with decision of the GA of ATEB from 29.09.2010)* The other members of the Association could attend the meetings of the Board of Trustees, but they have no voting rights .

Quorum and majority

Art. 41. (1) The decisions are made if more than half of the members of the Board of Trustees are present or are represented by another member of the board. Each present member could represent only one of the absent members.

(2) The decisions are taken by majority voting of the present members, except in cases described in art. 37, point. 8, 10, 16 and 19 of the Statute then the decisions are taken unanimously by all present members of the Board of Trustees.

(3) The Board of Trustees could make decisions without a meeting only if all the members are informed in written form for that type of voting and no one of them is against it.

Art. 42. The Board of Trustees has the obligation regularly to prepare the accounting reports in compliance with the law for the activities of the Association, following the principles of transparency, authenticity and propriety.

Responsibility of members of the Board of Trustees

Art. 43. (1) Members of the Board of Trustees hold personal responsibility for their actions that might affect the image of the Association .

(2) Every member of the Board is not considered personally responsible for any harm done on the Association, if he is found out to be innocent.

Art. 44. The decisions of the Board of Trustees could be canceled or changed by the General Assembly on the demand of any member of the Association. The request should be made in one month time after the decision is announced, but no later than one year after the day the decision was taken.

Art. 45. During lawsuits between the Association and member/s of the Board of Trustees the Association is represented by individuals elected by the General Assembly.

Books of the Association

(heading, changed by decision of the GA of ATEB from 20.02.2013)

Art. 46. (1) In protocols of the meetings of the General Assembly and the Board of Trustees all the discussions, propositions and decisions are recorded. The protocols are collected in special books. Keeping the books is responsibility of the chairman. The members of the Association and the members of the Board of Trustees have the right to access the books of protocols and to receive copies from the protocols.

(2) *(changed by decision of the GA of ATEB from 20.02.2013)* The Association have a book of its members in which the name, the headquarters, the address and the VAT number of the member companies are written.

V. SUSPENSION AND LIQUIDATION

Reasons for suspension

Art. 47. The Association is suspended:

- (1) by a decision of the General Assembly;
- (2) by a decision of the Sofia City Court, in cases defined by the law .

Liquidation

Art. 48. (1) When the Association is suspended a liquidation is made, except in cases of transitions of the Association.

(2) The liquidation is made by a liquidator appointed by General Assembly.

(3) After all the debts are paid the property is distributed among the members of the Association according to decision of the General Assembly.

(4) Individuals acquired property in the way stated in the previous paragraph, are responsible for the liabilities of the Association to the size of that property.

VI. TRANSITIONAL AND FINAL PROVISIONS

Art. 49. Changes in the current Statute could be made according to the rules described in it or in the Law on non-profit legal entities.

Art. 50. Regarding interpretation and application of the rules of current Statute all provision of Bulgarian social legislation and the provisions of Law on non-profit legal entities are valid and relevant.

(changed by decision of the GA of ATEB from 29.12.2014) The changes in the current Statute are adopted on the General Assembly of “Association of traders with electricity in Bulgaria” /ATEB/ that took place on 29.09.2010 in Sofia and on the General Assembly that took place on 20.02.2013 as well as on the General Assembly that took place on 29.12.2014, as well as on the General Assembly that took place on 16.11.2021

Chairman of the General Assembly of ATEB that took place on 16.11.2021:

Martin Georgiev

Secretary and scrutineer of the General Assembly of ATEB that took place on 16.11.2021:

Krasimir Zhivachki