

# **STATUTES OF NON-PROFIT ASSOCIATION “METAL FORCE”**

## **Chapter I GENERAL PROVISIONS**

**Art. 1.** (1) “Metal Force” Association, hereinafter referred to as “The Association”, is a non-profit legal entity for activities in compliance with the Law for non-profit legal entities.

(2) The Association is a voluntary organization of adherents, sympathizing with world and Bulgarian metal and rock music.

(3) The Association has a round seal with the inscription of its name in Bulgarian and English language.

(4) In English language the name of The Association shall be written as follows: “Metal Force”.

## **Chapter II SEAT AND TERM**

**Art. 2.** (1) The seat of The Association shall be at the following address:

(2) All outgoing written statements, documents and issues of the Association shall indicate its name, its seat and address, and the information of its court registration, including telephone, fax and email address .

(3) The Association may establish branches.

**Art. 3 .** The Association is not limited by duration or any other termination clauses.

## **Chapter III OBJECTIVES OF THE ASSOCIATION AND MEANS TO ACHIEVE THEM**

**Art. 4.** The Association shall pursue the following objectives:

1. To help popularize and develop metal music in all its subgenres. (rock and roll, hard rock, heavy metal, speed metal, thrash metal, death metal, etc.) in Bulgaria, Europe and globally;
2. To consolidate rock and metal fans regardless of their race, nationality, ethnicity, sex, origin, religion, education, convictions, political convictions, personal and social status or property status.
3. To contribute to encouraging of free initiative and generating of new ideas, as well as to the exchange of information and experience in the sphere of rock and metal culture.
4. To preserve and make national and world rock and metal legacy accessible to all;
5. To work towards finding and helping talented rock and metal musicians.
6. To help Bulgarian healthcare, education, science and culture through its initiatives.
7. To work towards civil society development in Bulgaria.

**Art. 5.** To achieve the objectives, stipulated in art. 4 of these Statutes, the Association shall use the following means:

1. Promoting of national and international concerts, music festivals, and other music formats and forums in which Bulgarian and foreign rock and metal performers and musicians take part.
2. Participation of representatives of The Association in national and international rock and metal oriented radio programs
3. Promoting, support and participation in sessions, seminars, exhibitions, film shows, and other rock and metal oriented events;
4. Participation in joint projects and programs with government, social, humanitarian and health organizations;
5. Carrying out of information exchange and cooperation events allowed by law, independently and together with other Bulgarian or foreign associations or organizations, legal and physical persons;
6. Publishing of brochures, bulletins and other printed issues aimed at popularizing the activities of the Association.
7. Making and maintenance of internet websites and other internet solutions in the filed of rock and metal music;
8. Creation of a photo and video document stock;
9. Creation of an information center or information data base, containing photo and video documents and specialized literature, referring to rock and metal music;
10. Participation in the development and implementation of national and international rock and metal related initiatives and projects;
11. Establishment of contact and working in collaboration with similar local and foreign organizations;
12. Carrying out of informational, publishing and consultative activities;
13. Organization of conferences, seminars, symposia, work meetings and other events, aimed at popularizing of rock and metal music;
14. All other activities, not prohibited by law.

**Art. 6.** (1) The Association may carry out additional commercial activities, related to the realization of the objectives stipulated in the these Statutes, the revenues from which shall be used only to achieve the objectives of the Association;

(2) The carrying out of commercial activities shall be in compliance with the terms and procedures, appointed in the laws regulating the respective type of business activity;

(3) The Association shall not distribute profit.

**Art. 7.** The scope of the additional commercial activity shall include the following:

1. organization and carrying out of activities to propagandize and popularize rock and metal music and culture;
2. organization of paid cultural events, such as concerts, exhibitions and others;
3. distribution and sale of rock and metal audio cassettes, records and compact discs;
4. other activities, related to the basic objectives of the Association.

**Art. 8.** The activities of the Association and the expenditure of its property may not be related to political objectives and election campaigns, requiring the Association to engage in political propaganda or to take part in election campaigns and/or propaganda in favor of political parties or persons.

**Art. 9.** The Association may be a member of Bulgarian and foreign non-profit

organizations, whose activities correspond to its objectives and are in compliance with the laws of the Republic of Bulgaria and the relevant foreign legislations.

## **CHAPTER IV**

### **ACCUMULATION OF RESOURCES, PROPERTY MANAGEMENT AND DISPOSITION**

**Art. 10. (1)** The Association accumulates resources for its activity and gathers its property from:

1. membership fees and/or property contributions;
2. donations and/or testaments in favor of the Association from Bulgarian and foreign physical and legal persons and unincorporated partnerships;
3. revenues from management of the property of the Association and/or initiatives and projects, carried out in relation to its activity;
4. revenues from additional commercial activity, related to the basic objectives of the Association;
5. other revenues and means allowed by law;

**(2)** Bulgarian and foreign physical and legal persons may make unconditional or conditional donations or testaments in favor of the Association in correspondence to its objectives.

**(3)** The articles of a donation or testament may be as follows: financial resources, movable and real estate property and property rights, rights of intellectual and industrial property, securities, and other property rights.

**(4)** The Association may refuse to accept a donation or testament, made under unacceptable terms and in conflict with its objectives, with the present Statutes or with the laws of the Republic of Bulgaria or of The European Union.

**(5)** The property of the Association shall be managed in compliance with the laws of the Republic of Bulgaria.

**Art. 11. (1)** The Association, based on a resolution of the general meeting, may invest its financial resources in movable and real estate properties, necessary for the carrying out of its activity.

**(2)** The property of the Association shall be managed in a manner which guarantees its preservation and provides appropriate financing for the carrying out of its activity and for the achieving of the objectives of the Association.

**(3)** The Association shall be liable for its obligations to the extent of its property. All members shall be liable for the obligations of the Association to the extent of the property contributions specified in these Statutes. The members of the Association are not personally liable for the obligations of the Association.

## **Chapter V**

## **BODIES OF THE ASSOCIATION**

**Art. 12. (1) The bodies of the Association are:**

1. General meeting;
2. Managing Board.

(2) By resolution of the Managing Board auxiliary bodies may be established - expert committees and commissions, consultant units, work groups etc..

**Art. 13. (1)** The General meeting shall be the supreme body of the Association, and shall consist of all its members – physical or legal persons, who will participate in its meeting in person or by proxy.

(2) Each member of the Association or his/her proxy may represent only one other member of the Association at the General meeting with his/her express written authorization.

**Art. 14. (1)** The General meeting of the Association shall:

1. amend and supplement these Statutes;
2. adopt other internal acts;
3. elect and dismiss members of the Managing Board;
4. accept and dismiss members of the Association;
5. make decisions regarding open and closing of branches;
6. make decisions for participation in other organizations;
7. take decisions for transformation or termination of the Association and for going into liquidation, as well as for distribution of its property remaining after liquidation as provided in art. 15 of the Law for non-profit legal entities;
8. adopt the basic directions and programme for the activities of the Association;
9. accept the budget of the Association;
10. determines if and in what amount the membership fee or property contributions shall be due; of
11. abolish resolutions of the other bodies of the Association, which are in breach of the law, of the present Statutes or other internal acts, regulating the activity of the Association;
12. elect a Chairman of the Association, who is also Chairman of the Managing Board;
13. determine the amount of the membership fee

(2) The decisions of the General meeting shall be obligatory for the other bodies of the Association.

(3) The resolutions of the General meeting shall be subject to judicial control, regarding their compliance with the law and conformity to the Statutes.

(4) Decisions of the Bodies of The Association, which are in breach of the law, these Statutes or of a previous decision of the General meeting, may be appealed at the General meeting at the request of interested members of the Association or its bodies, made in written form within one month from being notified of them, but not later than one year from the date of taking the decision.

(5) Disputes under the previous paragraph may be brought to the registration court of the Association by any member of The Association or its bodies or by the prosecutor, within one month of being notified of them, but not later than one year from the date of taking the decision.

(6) The General meeting shall be convened by the Management Board on its own initiative or at request of one third of the members of The Association regularly at least once a year in the city where the seat of the Association is located. If n the latter case the Managing Board does not send a written invitation to convene a general meeting within one month, it

shall be convened by the court at the seat of the Association upon a written request of the interested members or of a person, authorized by them.

(7) The invitation shall contain the agenda, date, time and place of holding of the general meeting and on whose initiative the meeting has been convened. The invitation is sent electronically to the email of each member with a confirmation and is placed on the notice board in the building where the management of the Association is located, at least two weeks prior to the scheduled day.

(8) The General meeting is lawful, if more than half of all members are present. In the absence of quorum, the meeting shall be postponed with one hour and shall be held at the same place and with the same agenda, and shall be held regardless of the number of members present.

(9) Each member of the General meeting shall have one vote.

(10) A General meeting member may not vote when resolving issues related to:

1. him/her, his/her spouse or his/her ascendants and descendants – without restrictions, on the lateral line – up to the fourth degree, or relatives by marriage – up to the second degree inclusive;

2. commercial associations in which he/she is a manager or owner.

(11) Resolutions of the General meeting shall be made with simple majority vote of those present.

(12) Resolutions regarding amendment or supplementation of these Statutes, transformation or termination of The Association or its going into liquidation, as well as distribution of its property which has remained after the liquidation under Art. 15 of the Law for non-profit legal entities, are made with a two-third majority of the members of the Association present at the meeting.

(13) Resolutions regarding issues not listed on the agenda, announced in the invitation, cannot be made.

(14) The meetings of the General meeting shall be chaired by the Chairman of the Managing Board of the Association. For each session minutes shall be recorded. The Chairman of the Managing Board and the record-keeper he/she selects for each particular case, who records the minutes from the session, shall certify the minutes by signing them and shall be responsible for the truthfulness of the recorded minutes.

**Art. 15. (1)** The Managing Board is the managing body of the Association, It consists of at least three members, including the chairman and the managing director. Distribution of positions shall be carried out by the Managing Board, except for the position of chairman, who is also a chairman of the Associations and is elected by the General meeting.

(2) The Association shall be represented by the chairman and the managing director individually or together before third parties.

(3) Financial obligations are taken and approved payments are made by the chairman and the managing director – together.

(4) The mandate of the chairman and managing director of the Association and of the other members of the Managing Board shall be three years, with the right to be re-elected.

**Art. 16. (1)** The Managing Board:

1. shall organize the activity of the Association (as well as decide on organizing of national and international events such as concerts and music festivals) in compliance with the law, these Statutes and the decision of the General meeting which it implements;

2. shall approve the elected governing bodies of the branches;

3. shall propose members of the Association for acceptance or expulsion at the General meeting;

4. disposes of, ensure the good management and protection of the financial resources and the property of the Association;
5. determines the seat and address of the Association;
6. provides the raising of financial resources for the activities of the Association;
7. convene the regular and extraordinary meetings of the General meeting;
8. keep books for the minutes from all sessions held;
10. make decisions on all issues which are not within the competence of the other bodies of the Association;
11. go into liquidation of the Association in the case under Art.14, paragraph 1, item 7;
12. decide on forming of expert committees, work groups etc, to facilitate the implementation of the activity of the Association as well as supervise their work.
13. elect the managing director of the Association.

(2) The Managing Board shall convene regularly not less frequently than once every three months upon a written invitation or an invitation over email, sent at least 10 days prior to the date of session. The meetings shall be convened and chaired by the chairman, and in case of absence of the latter, by the managing director or by a member, appointed by the Managing Board. Extraordinary meetings of the Managing Board shall be convened by the chairman via written invitation or an invitation over email, sent at least 5 days prior to the date of the meeting or upon a written request of one third of the members of the Managing Board. If in the latter case the chairman does not convene a meeting of the Managing Board within one week, the meeting can be convened by any of the interested members.

(3) The sessions of the Managing Board shall be held if more than one half of the members are present.

(4) As present shall be considered also a person with whom there is a bilateral telephone or other connection, ensuring his/her identity and allowing participation in the discussion and decisions. The vote of this member shall be certified in the minutes by the person chairing the meeting.

(5) Resolutions of the Managing Board shall be made with a majority vote of those present, except for resolutions under paragraph 1, item 4, which shall be taken by a majority vote of all its members.

(6) The Managing Board may make resolutions without holding a meeting, if the minutes of the decision are signed without remarks and objections by all members of the Board.

(7) Until the election of a new Managing Board, the previous one continues to perform its functions.

**Art. 17. (1)** The chairman of the Managing Board is elected for 3 /three/ years by the General meeting of the Association. He is also the chairman of the Association.

**(2)** The chairman has the following powers:

1. to convene and chair the meetings of the Managing Board;
2. to represent the Association individually or together with the Managing Director;
3. resolve other issues, related to the activity of the Association in compliance with these Statutes, with the resolutions of the Managing Board and General meeting and other internal acts of the Association (when such exist);
4. sign official documents of the Association.

(3) In case of absence (due to sickness, business trip, or leave) of the chairman or inability to perform his/her functions, he is replaced by the Managing Director of the Association. The managing director is elected by the members of the Managing Board.

(4) The chairman has no right to dispose with resources and assets of the Association

without the unanimous decision of the Managing Board and the signature of the Managing Director.

**Art. 18. (1)** The managing director shall be elected and dismissed by a resolution of the Managing Board for three years. He is directly subordinate to the Managing Board and reports before it.

**(2)** The managing director:

1. organizes and exercises the operational management of the activity of the Association;

2. shall ensure the technical and organizational aspects of the events of which the Association is a host;

3. shall exercise direct management of all the members of the Association;

4. shall be responsible for the correct and regular book keeping;

5. shall represent the Association before third parties individually or together with the chairman of the Managing Board;

6. is obligated to coordinate his/her representative actions before third parties with the chairman of the Association;

7. perform other functions, when such are assigned to him/her by the Managing Board.

## **Chapter VI**

### **RULES OF ACQUISITION AND TERMINATION OF MEMBERSHIP**

**Art. 19. (1)** Membership in the Association is voluntary. The founders of the Association are its members by right.

**(2)** Members of the Association shall be proposed by the Managing Board after filing a written application and a declaration of acceptance of the Statutes. Such applications shall be considered at the next meeting of the General meeting.

**(3)** Members of the Association may be all persons of legal age as well as legal entities which carry out activities similar to these of the Association and share the objectives and accept these Statutes and are ready to work towards their achieving. The membership of the legal entities is exercised by an authorized representative.

**(4)** Each member of the Association shall be entitled to the following:

1. to participate in the activity of the Association and in the work of the General meeting with the right to vote;

2. to be elected in the managing bodies of the Association;

3. to be informed of its activity;

4. to benefit from the property and the results of the activities of the Association;

**(5)** Each member of the Association shall be obliged:

1. to comply with these Statutes of the Association and to work towards achieving of its objectives;

2. to participate actively in the activity of the Association and perform conscientiously and on time the tasks assigned to him/her;

3. to pay his/her member's fee in the amounts and in the manner determined by the General meeting;

4. to pay property contributions, if the General meeting takes such a decision in compliance with these Statutes;

5. to work for the good name of the Association.

**(6)** Membership in the Association shall be terminated:

1. by an unilateral notice in written form to the Managing Board of the Association;

2. in case of dropping out;
3. in case of death of a member who is a physical person;
4. in case of termination of the member which is a legal entity;

**(7)** Decision for exclusion is taken by the General meeting due to behavior which makes further membership incompatible in the following cases:

1. failure to pay the membership fee or property contributions within the terms determined by the General meeting;
2. failure to comply with these Statutes, guilty non-execution of the resolutions of the General meeting or of the Managing Board or systematic failure to participate in the activities of the Association;
3. carrying out of activities incompatible with the objectives and tasks of the Association or hindering the implementation of its objectives.
4. damage to the good name of the Association;

**(8)** Termination due to failure to make property contributions, when such failure is established, and due to systematic failure to participate in the activities of the Association, shall be ascertained on the basis of documents following the procedures stipulated in these Statutes.

**(9)** In case of termination of the membership, return of membership fees for previous period is not due.

**(10)** Each member of the Association is entitled to methodical and consultative help, as well as using the material and technical foundation of the Association for those of his/her activities, which are directly related to its objectives..

## **Chapter VII**

### **DETERMINATION OF THE AMOUNT AND MANNER OF PAYMENT OF MEMBERSHIP FEES AND OF PROPERTY CONTRIBUTIONS**

**Art. 20. (1)** The type and amount of payment of property contributions of the members of the Association are determined by the General meeting, which also specifies the manner of payment in its decision.

**(2)** The General meeting may take a decision for additional fees in cash or property contributions.

**Art. 21.** Each member of the Association shall pay monthly membership fee within the amount, determined by the General meeting of the Association under Art. 14, paragraph 1, item 10, payable not later than the tenth day of the following month.

## **Chapter VIII**

### **DETERMINATION OF THE ACTIVITY**

**Art 22.** The Association is a non-profit legal person and shall carry out private benefit activity.

## **Chapter IX**

### **TERMINATION**



**Art. 23 (1)** The Association may be terminated:

1. with a resolution of the General meeting;
2. with a resolution of the district court according to the seat in the following cases:
  - a) when it is not founded in compliance with the law;
  - b) when it carries out activity which is contrary to the law, to the social arrangements or to good tempers;
  - c) is declared bankrupt, The court resolution under paragraph 1, item 2 is made at a claim from each interested party or of the prosecutor.

(2) The Court may designate an appropriate term for removal of the basis for termination and its consequences.

(3) In the cases under Art. 2 termination is entered *ex officio* and a liquidator is appointed.

## **Chapter X**

### **DISTRIBUTION OF PROPERTY AFTER SUFFICING OF THE CREDITORS**

**Art. 24. (1)** In case of termination of the Association a liquidation shall be carried out.

(2) The liquidation shall be carried out by the management body or by a person, appointed by it.

(3) If a liquidator has not been appointed under the previous paragraph, as well as under Art. 13, paragraph 1, item 3 of the Law for non-profit legal entities, they shall be appointed by the district court according to the seat of the Association.

(4) Regarding insolvency, the procedures of liquidation and the powers of liquidator, the relevant provisions of the Commerce Act are applied.

**Art. 25. (1)** In case of liquidation, the liquidator is obliged, if possible, to suffice the creditors of the Association through the following means:

1. from the available financial resources;
  2. by selling the movable assets;
  3. by selling the real estate property;
- (2) The property of the Association may not be transferred to:
1. founders, present or former members;
  2. persons who have been or are members of the managing bodies;
  3. liquidator (except for his/her remuneration, when such is provided);
  4. spouses of the persons under items 1-3;
  5. relatives of the persons under items 1-3;
    - a) ascendants and descendants – without limitations;
    - b) on the lateral line – up to the fourth degree inclusive, or
    - c) relatives by marriage - up to the second degree inclusive;
  6. legal persons, where the persons under items 1-5:
    - a) are managers, or
    - b) can impose or hinder the making of resolutions.

## **Chapter XI**

### **PROPERTY AFTER LIQUIDATION**

**Art. 26. (1)** The distribution of the left part of the property after sufficing the creditors may not be distributed among the members of the Association.

**(2)** The distribution of the left part of the property after sufficing the creditors shall be resolved by the General meeting of the Association, if the Law for non-profit legal entities does not provide otherwise. When such a resolution has not been made until the termination of the Association, the distribution shall be resolved by its liquidator.

**(3)** In case a resolution under paragraph 2 is not made, the left part of property after sufficing the creditors shall be granted at the discretion of the court to a non-profit legal person with the same or similar non-profit objectives to those of the Association.

**(4)** In case a resolution under paragraph 2 is not made and no persons under paragraph 3 exist or are not determinable, the property shall be granted to the municipality where the Association had its seat. The municipality is obliged to use the granted property for an activity as close as possible to the objectives of the terminated non-profit legal person.

## **CONCLUDING PROVISIONS**

**§ 1.** “Metal Force” Association may associate with other similar organizations, while preserving its independence and the provisions of these Statutes.

**§ 2.** For the issues not stipulated in these Statutes the provisions of the Law for non-profit legal entities shall be applied as well as the other relevant laws of Bulgarian legislation in force.

**§ 3.** This Statute was adopted at the Founding meeting of “Metal Force” Association, held on July, 23, 2011.