

**ARTICLES OF INCORPORATION
OF THE FOUNDATION IN PUBLIC BENEFIT "BALKAN
HERITAGE"**

Adopted on May 1, 2008 in Stara Zagora, amended and supplemented at meetings of the Board of Directors on August 23, 2009 in the village of Emona, Municipality of Nessebar, district of Burgas; on July ,1 2012 in Stara Zagora, on May 5, 2020 and November 30, 2020 in Sofia.

Today May 1, 2008 in the city of Stara Zagora, we, the undersigned:
- **IVAN NIKOLAEV VASILEV**, Personal Identification Number 7502147584;
- **NAYDEN LYUBOMIROV PRAHOV**, Personal Identification Number 7906016289;

ESTABLISHED in accordance with the provisions in the Non-profit Legal Entities Act a public benefit FOUNDATION with the name "**БАЛКАНСКО НАСЛЕДСТВО**", which shall have the following transcription in the English language: "**BALKAN HERITAGE**", and under the following conditions:

STATUS

Article 1. (1) The "**BALKAN HERITAGE**" Foundation, hereinafter referred to as "the Foundation" is a voluntary, independent, non-governmental, non-religious and non-political organization, a legal entity under the Bulgarian legislation.

- (2) The Foundation is a public benefit organization.
- (3) The Foundation has been established without any term.
- (4) The Foundation has its own bank account and seal.

NAME, HEAD OFFICE AND ADDRESS

Article 2.(1) The name of the Foundation is "БАЛКАНСКО НАСЛЕДСТВО", which shall have the following transcription in the English language: "BALKAN HERITAGE"

(2) The head office of the Foundation is in the city of Stara Zagora, Municipality of Stara Zagora, District of Stara Zagora. The registered office of the Foundation is 204 "Sveta Troitsa" Str.

(3) The name of the Foundation, its head office and registered office, as well as the information about its registration, including BULSTAT number, shall be placed on each written statement on behalf of the Foundation.

GOALS OF THE FOUNDATION

Article 3. The Foundation shall pursue the following goals:

1. Research, preservation, management and sustainable use of the cultural heritage of Southeast Europe and that of geographically or culturally related regions and countries.
2. Encourage dialog and cooperation between all interested parties in the field of cultural heritage from a Balkan, European and global perspective.

MEANS FOR ACHIEVING THE GOALS

Article 4. (1) The means for achieving the non-profit goals of the Foundation include the following non-profit activities:

1. Realization of projects for research, preservation and management of the cultural heritage of Southeast Europe and that of geographically or culturally related regions and countries, as well as restoration, digitalization, sustainable use and management of cultural properties;
2. Creation of cultural policies and strategies, as well as advocacy for their implementation;

3. Organization of events, campaigns, conferences, seminars, debates and other initiatives for the benefit of cultural heritage;
 4. Realization of training seminars and the creation of education programs and products related to cultural heritage;
 5. Support for individuals whose activities are pertinent to the goals of the Foundation to acquire specialization, qualification, exchanges and participation in international seminars and conferences;
 6. Publishing activities pertinent to the goals of the Foundation;
 7. Realization of volunteer exchange projects pertinent to the goals of the Foundation;
 8. Raising of funds and material assets pertinent to the goals of the Foundation;
 9. Creating and managing databases connected to cultural heritage;
 10. Cooperation with international, state, and municipal (regional) entities, in the country and abroad and membership in national and international organizations.
- (2) The non-profit activities of the Foundation cannot be used for political, ideological or religious purposes.

OTHER ECONOMIC ACTIVITY

Article 5.

- (1) The Foundation carries out other economic activities related to its main activity, for which it was registered, in compliance with the current national legislation, and uses the income for achieving the goals defined in the present Articles of Incorporation with no allocation of profit.
- (2) The scope of the additional activities under the previous paragraph includes:
- a) provision of services for remuneration such as consulting, documentation, digitalization, conservation and restoration, evaluation of the condition of cultural properties; and the carrying out of research and analyses related to the goals of the Foundation;
 - b) Production and dissemination of materials and organization of events to further the goals of the Foundation;
 - c) Pre-press, publishing, and dissemination of media products, and printed and electronic publications related to the goals of the Foundation;
 - d) Organizing paid trainings, seminars and other events which advance the goals of the Foundation

e) Generation of income from other activities closely connected to the ones specified above

PROPERTY

Article 6. The property of the Foundation consists of funds in BGN (Bulgarian Leva) and foreign currency, rights of ownership and possession of movable and immovable property, claims, intellectual property rights, including copyrights and related rights and other rights and obligations granted by the founders, by third parties, or acquired as a result of the activity of the Foundation.

DONATIONS

Article 7. (1) For achieving the goals of the Foundation, each of the founders grants gratuitously the sum of 100 BGN /one hundred leva/, or in total the sum granted by the said persons amounts to 200 BGN /two hundred leva/ deposited in a bank, in an accumulation account in the name of the Foundation.

(2) The funds contributed by the founders shall be used for setting up the activity of the Foundation.

(3) Bulgarian and foreign legal entities and individuals may make their donations subject to conditions only when the conditions are connected to and permissible with the non-profit aim of the Foundation and with regard to it being defined as one of public benefit.

(4) When the donor or the testator wishes to set up a prize, scholarship, specialized financial fund and the like, he/she may request for the prize, scholarship or fund to bear his/her name, or another name, specified by him/her.

ADMINISTRATIVE BODY

Article 8. The Foundation has the following administrative body:

1. Board of trustees

2. Chairperson
3. Advisory board
4. Branch managers

MEMBERS OF THE BOARD OF TRUSTEES

Article 9. (1) (changed November 30, 2020) The Board of Trustees consists of 3 (three) to 5 (five) members. The following members are members ex-officio and subject to the conditions of irremovability:

- IVAN NIKOLAEV VASILEV, Personal Identification Number 7502147584;
- ANGELA PENCHEVA PENCHEVA, Personal Identification Number 8010216270;

(2) In the case of death of one of the members ex-officio of the Board of Trustees, the place of said member, Chairperson's position respectively, shall be taken up by the other member or by a person designated by them.

POWERS OF THE BOARD OF TRUSTEES

Article 10. The Board of Trustees has the following powers:

1. Amend and supplement the Articles of Incorporation
2. Adopt other internal acts
3. Elect and dismiss the members of the Board of Trustees, except its members ex-officio
4. Elect and dismiss members of the Advisory Board
5. Make decisions regarding the opening and closing of branches
6. Make decisions regarding the participation in other organizations
7. Adopt the main guidelines and program regarding the activity of the Foundation
8. Make decisions regarding the management of immovable property
9. Designate the budget of the Foundation
10. Evaluate the activity report of the Foundation
11. Repeal decisions of the other administrative bodies of the Foundation which contradict the law, the Articles of Incorporation or other internal acts regulating the activity of the Foundation

12. Make decisions regarding reorganization and dissolution of the Foundation and in the latter case implements the liquidation or authorizes another person to do it

13. Elect Branch managers

14. Make decisions on other matters, provided for in the Articles of Incorporation.

DECISIONS OF THE BOARD OF TRUSTEES

Article 11. (1) The Board of Trustees may make decisions if ½ of its members attend the meetings. An attending person is a person with whom there is a two-way telephone or other connection, which ascertains his/her identity and permits his/her participation in the deliberation and making of decisions. The vote of this member is attested by the person chairing the meeting.

(2) Decisions regarding amendments and supplements of the Articles of Incorporation, management of the immovable property of the Foundation, defining the Foundation's activity and the appointment or dismissal of members of the Board of Trustees (except members ex-officio) are to be made unanimously. Decisions regarding the reorganization and dissolution of the Foundation are to be made unanimously.

(3). Other decisions are to be made with a simple majority - more than ½ of the attending members.

CONVENING OF THE BOARD OF TRUSTEES

Article 12. (1) The Board of Trustees convenes at the request of the Chairperson or at the request of one third of its members.

(2) The invitation should contain the agenda, date, time and place of the meeting and the name of the person who requested it.

(3) The invitation shall be sent to the respective member of the Board of Trustees by mail /to the permanent address or to an address specified by said member/ or via e-mail /to an address specified by said member/ at least a week before the scheduled meeting.

(4) Each member of the Board of Trustees is entitled to one vote.

(5) Decisions shall be made in accordance with the procedure outlined in the current Articles of Incorporation and Art. 32, par. 4 of the Non-profit legal entities Act.

FIRST MANAGEMENT BOARD

Article 13. (abolished. May 21, 2020)

CHAIRPERSON

Article 14. (1) The Foundation shall be represented and managed by a Chairperson. He/she shall carry out the entire executive and operative-regulatory activity of the Foundation.

(2) The Chairperson of the Foundation is a member ex-officio of the Board of Trustees and its Chair.

(3) The Chairperson has the following powers:

1. To represent the Foundation before third parties;
2. To organize the implementation of the decisions made by the Board of Trustees;
3. To be in charge of and manage the property of the Foundation while complying with the requirements in the Articles of Incorporation.
4. To receive assistance in the carrying out of his/her activities by the necessary staff appointed by him/her at his/her own discretion.
5. To prepare and present before the Board of Trustees a draft budget;
6. To prepare and present before the Board of Trustees activity reports;
7. To specify the procedure and organize the carrying out of the Foundation's activities, as well as bear the responsibility for it
8. To make decisions concerning all matters, which by law or according to the Articles of Incorporation, do not fall under the jurisdiction of another administrative body.
9. To fulfil the obligations provided for in the internal acts of the Foundation.

FIRST CHAIRPERSON

Article 15. The Chairperson of the "Balkan Heritage" Foundation is **IVAN NIKOLAEV VASILEV**, Personal Identification Number 7502147584.

ADVISORY BOARD

Article 16. (1) The Board of Trustees can elect an Advisory Board consisting of at least 3 (three) members – individuals or legal entities.

(2) The Advisory Board is a consultative body and has the following powers:

- a) To consider guidelines regarding the activity of the Foundation
- b) To consult the Board of Trustees of the Foundation on fundraising strategies or the organization of special events named after the individual or legal entity which made a donation furthering the goals of the Foundation.
- c) To contribute to expanding the activity of the Foundation through marketing its goals, activities and achieved results.

(3) Upon invitation from the Board of Trustees, the members of the Advisory Board or their representatives have the right to attend meetings without the right to vote, and to acquaint themselves with the internal acts of the Foundation.

(4) Membership in the Advisory Board of the Foundation is honorary and is not bound by term, unless the Board of Trustees decides otherwise.

BRANCHES

Article 17. The Foundation has branches in:

1. Village of Emona, municipality of Burgas (abolished November 30, 2020)
2. Village of Mezek, municipality of Svilengrad
3. Varna
4. Dragoman
5. Sofia

BRANCH MANAGER

Article 18. The Branch Manager manages the day-to-day activities of the branch in accordance with the decisions of the Board of Trustees. The Branch Manager represents the branch before third parties only regarding the activities of the respective branch. The Manager shall carry out legal actions on behalf of the branch and shall represent the branch regarding all matters, except the following:

1. To sign rent contracts, leasing agreements or purchase-sale contracts
2. To make property rights deals with immovable property.

ANNUAL FINANCIAL STATEMENTS

Article 19. Each year the Board of Trustees approves an annual financial statement and activity report for the past calendar year proposed by the Chairperson.

ACTIVITY REPORT

Article 20. The activity report contains information about:

1. Essential activities, the funds spent for them, their pertinence to the goals and programs of the Foundation and the achieved results.
2. The amount of the gratuitously acquired property and the income from the Foundation's other fundraising activities.
3. The type, amount, value and purpose of the received donations, as well as information about the donors.
4. The financial report.

AUDITORS

Article 21. In the cases in which the law requires a mandatory independent audit, the Board of Trustees appoints the registered auditors and approves the report prepared by them.

REPORT OF PROCEEDINGS AND BOOKKEEPING

Article 22. At the meetings of the governing bodies of the Foundation a record of proceedings shall be drawn up in which the debates, proposals, statements and decisions shall be recorded. The records shall be witnessed with the signatures of the Chairperson and the record keeper and shall be bound in special books. The books are kept by the Chairperson of the respective governing body. The members of the Board of Trustees can acquaint themselves with the contents of the record books and receive transcripts or excerpts from them.

DISSOLUTION

Article 23. The Foundation shall be dissolved by unanimous decision of the Founders.

LIQUIDATION

Article 24. (1) In the case of dissolution of the Foundation a liquidation shall be implemented by the members of the Board of Trustees or by a person appointed by the Board, in compliance with the provisions of the Commerce Act and the Non-profit Legal Entities Act.

(2) The property remaining after satisfying the creditors shall be donated to an organization with similar goals of supporting cultural heritage, chosen by the Board of Trustees.

Members of the Board of Trustees:

IVAN NIKOLAEV VASILEV

ANGELA PENCHEVA PENCHEVA

ALBENA NIKOLAEVA TEODOROVA

ELENKA IVANOVA VASILEVA

FOUNDER:

NAYDEN LYUBOMIROV PRAHOV