

STATUTES
Of Chamber of Professional Valuers (CPV)

(Adopted at the Constituent Assembly held on 21.05.2009 in Sofia city)

Chapter One
GENERAL PROVISIONS

Art.1. (1) „Chamber of professional valuers" is a legal non-profit entity.

Art.2. (1) "Chamber of professional valuers" hereinafter "The Chamber" is a not-for-profit organization operating in the private benefit as a professional organization of independent valuers – physical persons and legal entities, which supports the occupation of an independent appraiser in the public interest.

(2) The full name of the professional organization of independent valuers is “Chamber of Professional Valuers” which is abbreviated KPIO in Bulgarian and CPV is written in English.

(3) The headquarters of the Chamber is in Sofia city.

(4) The Chamber has a round seal/stamp with graphic logo and wording “Chamber of professional valuers”.

(5) The Chamber is established for an indefinite period.

(6) The Chamber may open branches in the country and abroad.

Chapter Two
OBJECTIVES AND MEANS TO ACHIEVE THEM

Art.3. The Chamber’s main objective is to support the activities of professional valuers in Bulgaria, providing the deployment and implementation of European and international valuation standards, observing the valuers’ Code of Ethics and the introduction of best international practices in the valuation.

Art.4. The main ways and means to achieve the stated objectives are:

1. to develop and implement uniform national valuation standards conforming with the European and international valuation standards and to work for their approval between professional valuers;

2. to protect the rights and interests of its members;

3. to register and maintain a public register of the professional valuers;

4. to organize and conduct courses for maintaining and raising the qualification level of professional valuers and to issue a certificate on completion of a course or on a specialization assignment of a valuer;

5. to issue and approve manuals and other materials and publications, by which shall be carried out methodological guidance of the activities of professional valuers;

6. to help resolve disputes between professional valuers, and between valuers and third parties;

7. to represent professional valuers in public, government bodies/public authorities and international organizations;

8. to carry out other activities that are not in conflict with the statutes of the Chamber and Independent Valuers Act.

Art.5. To achieve the objectives in Art.3 The Chamber has the right to carry on business, and any other activity not prohibited by the law.

Chapter three

MEMBERSHIP, RIGHTS AND OBLIGATIONS

Art.6. (1) Members of the Chamber are legal and natural/physical persons who carry out professionally the activity valuer.

(2) Members of The Chamber are natural/physical and legal persons that shall meet at least one of the following conditions:

1. have at least 5 years of activity as valuers;

2. a significant portion of their annual income over the last three years have been formed from the valuation activity/business

(3) shall submit two letters of recommendation for membership of actual members of The Chamber of professional valuers.

(4) The founders of The Chamber of professional valuers are members by right.

Art.7. Bulgarian legal entities/persons and foreign natural/physical and legal persons can be members of the CPV, if they meet the conditions of Art. 6.

Art.8. The Chamber members are entitled:

1. to elect, be elected and participate in the activities of the Management Board of The Chamber;

2. to challenge and appeal decisions of the Management Board of The Chamber;

3. to present proposals, recommendations and complaints concerning The Chamber activities to the Management Board;

4. to receive expert assistance and advice on issues related to their direct business/activities;

5. to participate in The Chamber's activities and to be informed of the activities of The Chamber and its bodies.

6. to receive a CPV membership certificate and use the sign/logo of The Chamber in its appraisal reports.

Art.9. The Chamber members are obliged:

1. to support The Chamber objectives achievement specified in the Statutes of professional valuers;

2. to comply with the Statutes of The Chamber and to implement the adopted resolutions of the General Assembly, the Managing Board and Control Committee of the Chamber and Committee of Professional Ethics;

3. to pay in a joining fee and regularly pay membership fees to the amount and in terms set by the General Assembly of The Chamber;

4. to inform the Chamber about changes in the circumstances entered in the CPV Register, and for lost or destroyed membership certificate.

5. to observe the following principles: professional competence, independence, objectivity, impartiality, avoid bias and conflicts of interest, confidentiality, professional conduct, integrity and responsibility;

6. to maintain their professional competence;

7. to perform their duties for valuation conscientiously by applying approved standards;

8. maintaining qualification is an indispensable condition for membership in The Chamber;

9. to respect the Code of Professional Ethics of the professional valuers;

10. to be insured for their professional activity risks;

11. to assist the authorities of the Chamber of professional valuers.

Art.10 (1) Membership in The Chamber is terminated in the following cases:

1. erasing /deletion of/ the person from the commercial register or subject to insolvency proceedings or winding up;

2. failure to comply with the Independent Valuers Act;

3. (amended 19.05.2011) non-payment of membership fees for one year;

4. request for membership termination.

5. under Committee of Professional Ethics decision.

(2) Upon membership termination The Chamber shall not refund any cash contributions.

(3) Individuals/persons with terminated membership are not entitled to property share in case of liquidation of The Chamber.

Art.11. (1) Chamber of professional valuers shall keep a public register of its members, which shall contain the following data for the persons:

1. identification details of the professional valuer:

a) for legal entities/persons - headquarters and registered office, field of activity, tel. number, competence;

b) for physical persons - full name, address and telephone including valuation company if any, type of license;

(2) Register under par. 1 is maintained in electronic form and published on the website of the Chamber of professional valuers.

Chapter four

(valid from 06.06.2013)

ASSOCIATE PARTNERSHIP RIGHTS AND OBLIGATIONS

Art.12. (1) Associates of the Chamber are Bulgarian or foreign legal and natural/physical persons that carry out professionally the activity valuer.

(2) Persons under Par.1 shall meet at least one of the following conditions in order to be accepted as Associated Partner:

- 1.** have at least 5 years of activity as valuers;
- 2.** a significant portion of their annual income over the last three years have been formed from the valuation activity/business
- 3.** can submit two letters of recommendation for associate partnership of actual members of The Chamber of professional valuers.
- 4.** were regular members of the Chamber of professional valuers and have applied for a change of status to an associate partnership.

(3) Associate partnership is established for a period of one year after expiring that period it shall be terminated or, upon application to the Management Board and approval, and after admitting duly it turns to regular membership.

Art.13. Associated partners of The Chamber are entitled:

- 1.** to receive expert assistance and advice on issues related to their direct business/activities;
- 2.** to participate in activities organized by The Chamber with discount for associated partners and to be informed of The Chamber activities and its authorities, including to receive the newsletters.
- 3.** to receive a CPV associated partners certificate and use the sign/logo of The Chamber in its appraisal reports.

Art.14. Associated partners of The Chamber are obliged:

- 1.** to show commitment to The Chamber objectives achievement specified in the Statutes of professional valuers;
- 2.** to comply with the Statutes of The Chamber and to implement the adopted resolutions of the General Assembly, the Management Board and Control Committee of the Chamber and Committee of Professional Ethics;
- 3.** to pay associate partnership contributions due to the amount and in terms set by the General Assembly of The Chamber;
- 4.** to inform the Chamber about changes in the circumstances entered in the CPV Associate Register, and for lost or destroyed associate partnership certificate.
- 5.** to observe the following principles: professional competence, independence, objectivity, impartiality, avoid bias and conflicts of interest, confidentiality, professional conduct, integrity and responsibility;

6. to maintain their professional competence;
7. to perform their duties for valuation conscientiously by applying approved standards;
8. maintaining qualification is an indispensable condition for associate partnership in The Chamber;
9. to respect the Code of Professional Ethics of the professional valuers;
10. to be insured for their professional activity risks;
11. to assist the authorities of the Chamber of professional valuers.

Art.15 (1) Associate partnership in The Chamber is terminated in the following cases:

1. one year after their associate partnership admission and in case that they are not submitted an application approved by the Management Board for regular members admission.

2. erasing /deletion of/ the person from the commercial register or subject to insolvency proceedings or winding up;

3. failure to comply with the Independent Valuers Act;

4. request for associate partnership termination.

5. under Ethics Committee decision.

(2) Upon partnership termination The Chamber shall not refund any cash contributions.

Art.16. (1) Chamber of professional valuers shall keep a public register of its associated partners, which shall contain the following data for the persons:

1. identification details of the professional valuer:

a) for legal entities/persons - headquarters and registered office, field of activity, tel. number, competence;

b) for physical persons - full name, address and telephone including valuation company if any, type of license;

(2) Register under par. 1 is maintained in electronic form and published on the website of the Chamber of professional valuers.

Chapter five

BODIES AND MANAGEMENT

Art.17. The Chamber is united organization on the territory of the Republic of Bulgaria.

Art.18. (1) Management body of The Chamber are the General Assembly, Management Board, Control Committee and Committee of Professional Ethics.

(2) The Chamber is represented by the Chairman of the Management Board, who is also its Director/Manager.

(3) During the period of their mandate the members of the Management Board, Control Committee and the Committee of Professional Ethics are obliged to observe requirements of Art. 19, para. 4 of the Conflict of Interest Prevention and Disclosure Act.

(4) (amended 19.05.2011) Membership in more than one body/authority under par. 3 and for more than two consecutive terms/mandates shall not be allowed.

Art.19. (1) The General Assembly is the supreme organ of The Chamber.

(2) All members of The Chamber have the right /are entitled to participate in the General Assembly. Participation in the General Assembly is personal or by a notarized/certified power of attorney.

(3) The General Assembly of The Chamber shall meet in regular sessions or ad hoc /special/ sessions.

(4) General Assembly shall meet in regular session, which shall be held annually.

(5) Ad hoc/ special/ session of the General Assembly shall be convened by decision of the Management Board or at the request of at least one third of the members of The Chamber.

(6) (amended, 19.05.2011) The invitation for the General Assembly shall be sent separately to each member and shall be published on the website of The Chamber.

Art.20. (1) The General Assembly shall be held when more than half of the members attend at the meeting. If there is not a quorum, the general assembly shall be adjourned for one hour, then conducted and considered regular session whatever of the number of members present.

(2) Decisions of the Assembly shall be made by a majority vote of the members present and voting.

Art.21. (1) Authority of the General Assembly:

1. adopt, amend and supplement its statutes;
2. adopt, amend and supplement Professional Ethics Code of the professional valuers;
3. elect and dismiss chairman and members of the Management Board, Control Committee and Committee of Professional Ethics;
4. approve /adopt/ the reports of the Management Board, Control Committee and Committee of Professional Ethics;
5. establishes the valuation standards;
6. considers the warnings against the decisions of the Committee of Professional Ethics;
7. determines the amount of the joining and membership fees;

8. adopts /approves/ the annual accounts and the budget of The Chamber.

(2) Decisions of the General Assembly under par. 1 sections 1 and 2 hereof shall be taken by a qualified majority of two thirds of the voting present members.

(3) Decisions of the General Assembly under sections 1, 2, 4, 5, 6, 7 and 8 are taken by open vote.

(4) Decisions of the General Assembly under section 3 shall be taken by secret vote /ballot/.

Art.22. (1) In accordance with this Statute the Governing Board - a body /an authority of The Chamber manages its activities.

(2) The Chamber's Governing Board shall be composed of 5 members and one of them is also a Chairman.

(3) The Governing Board shall be elected by the General Assembly for 2 years period.

(4) Membership in the Management Board of related parties within the meaning of § 1 of the additional provisions of the Commerce Act shall not be allowed.

(5) For Management Board members shall be nominated and elected only members of The Chamber.

Art.23. (1) The Chamber's Governing Board shall meet regularly every quarter and shall act by a simple majority of mandatory quorum of three members.

(2) Ad hoc (special) session of the Management Board shall be convened by the Chairman or at the written request of at least two of its members.

(3) Minutes shall be taken and entered/stored/ in the Minute-book at each session/ meeting.

Art.24. The Governing Board of The Chamber form committees to develop specific problems and addressing issues of interest to members of the Chamber.

Art.25. (1) Governing Board of The Chamber:

1. shall convene the General Assembly;
2. shall organize the activities of the Chamber and shall manage the property;
3. shall accept new members and associate partners (amended on 06.06.2013);
4. shall create, maintain and publish a professional valuers register and an associated partners register (amended on 06.06.2013);
5. shall address all issues/matters of the Chamber's activities that do not fall within the exclusive competence of the General Assembly;
6. shall carry out information and publishing policy of The Chamber and shall create, maintain and update the website in the overall operation of The Chamber;
7. shall establish contacts with similar organizations and associations in the country and shall participate in joint initiatives and events;
8. shall carry out other functions delegated to it by General Assembly decision.

(2) The Chamber's Governing Board will be accountable to the General Assembly.

Art.26. (1) The Control Committee consists of 3 members and one of them is a Chairperson.

(2) The Control Committee shall be elected by the General Assembly for 2 years period.

(3) The Chamber's Control Committee shall meet regularly every six months and shall act by a simple majority of mandatory quorum of three members.

(4) Ad hoc (special) session of the Supervisory Board shall be convened by the Chairperson or at the written request of one of its members.

(5) Minutes shall be taken and entered in the Minute-book at each session/ meeting.

Art.27. (1) Control Committee:

1. shall monitor the legality of the Management Board's decisions and their implementation and their compliance with the statutes and with decisions of the General Assembly;

2. shall hear appeals against decisions of the Management Board;

3. shall monitor legal and appropriate expenditure of The Chamber funds;

4. shall submit to the General Assembly Annual Activity Report and shall grant discharge to the Management Board members, if it assumes that there are conditions for that;

5. shall address other issues of competence.

(2) Chairperson of the Control Committee shall attend Management Board sessions/ meetings in an advisory capacity.

(3) The Control Committee will be accountable for its activity to the General Assembly.

Art.28. (1) Committee of Professional Ethics consists of 3 members and one of them is a Chairperson. The Committee members shall be elected by the General Assembly for three years period.

(2) For members of the Committee of Professional Ethics shall be nominated independent valuers with more than 7 years of working experience as professional valuers.

Art.29. (1) Committee of Professional Ethics is an authority/ a body in charge of monitoring compliance with the code of ethics and professional standards.

(2) Committee of Professional Ethics:

1. shall monitor compliance with the Code of Professional Ethics of the professional valuers;

2. shall hear warnings of concerned third parties for breaches/violations/ related to compliance with the Code of Professional Ethics;

3. shall find breaches/violations and make proposals to the Management Board for taking up a position;

4. shall hear disputes regarding prepared appraisal reports by professional valuers, members of CPV.

(3) Chairperson of the Committee of Professional Ethics shall attend Management Board sessions/ meetings in an advisory capacity.

Art.30. (1) Associated partners shall not be entitled to vote on the General Assembly sessions and shall not be entitled to participate in the management authorities of the Chamber (amended on 06.06.2013).

Chapter Six

FINANCING THE CHAMBER ACTIVITIES

Art.31. The Chamber is self-funded within their annual income and accumulated unspent funds from previous years.

Art. 32. (1) The Chamber activities/operation financing is provided by:

1. joining fee and annual membership fees of The Chamber members and contributions from the associated partners (amended on 06.06.2013);

2. incomes from fees for courses and seminars enhancing the qualifications of its members and other independent valuers;

3. incomes from subscriptions and publishing;

4. incomes from donations;

5. other incomes.

Art.33.(1) The property of the Chamber include: ownership and limited real rights on movable and immovable property; intellectual property rights; Money etc.

(2) The Chamber's property and income from its management are used only to fulfil the purposes specified in this Statute.

(3) Acquisition of real rights on real estate is carried out by The Chamber's Management Board by prior authorisation of the General Assembly. The General Assembly shall give prior authorization in principle to this effect or shall limit/restrict/ the right of the Management Board for a financial year.

(4) Right to dispose of "property rights" is granted to The Chamber's Management Board after the General Assembly decision adopted by a qualified majority - two-thirds of the votes.

Art.34. The Chamber incomes and expenditure are accounted to the General Assembly.

Chapter Seven

BUDGET

Art.35. The budget of The Chamber of professional valuers shall be formed for a calendar year.

Art.36. The Chamber's budget and the income statement are approved by the Chamber's General Assembly on the regular annual session/meeting.

Art.37. By decision of the General Assembly or by decision of the Management Board of the Chamber can be assigned accounting / financial audit to be presented to the General Assembly.

Chapter eight
LIQUIDATION AND WINDING UP

Art.38. (1) The Chamber of the professional valuers shall be terminated:

1. By decision of its supreme authority/body;
2. By decision of the competent court at the headquarters of CPV.

Art.39. (1) Upon termination of the CPV shall be winding up/liquidated

(2) The winding-up proceedings shall be carried out by the governing authority or a person appointed by the same governing authority.

(3) In case that liquidator is not appointed under par. 2, and in the case of Art. 13, para. 1, section 2, it shall be determined by the district court at the headquarters The Chamber.

(4) Regarding insolvency respectively bankruptcy, liquidation procedure and the powers of the liquidator, relevant provisions of the Commerce Act will apply.

Art.40. (1) The distribution of the remaining property after settlement of creditors shall be decided in accordance with the Statute, the Articles of Association or the Chamber's General Assembly. In case that decision was not taken until the end, it shall be taken by the liquidator.

(2) In case that there are no persons under par. 1 or they are not determinable, the property passes to the municipality at the headquarters of the CPV. The municipality is obliged to use the property for activity/business as close as possible to the purpose of the terminated legal non-profit entity.

(3) The property in the preceding paragraphs shall not be distributed, sold or in any way be transferred to a liquidator appointed outside the circle of persons under par. 2 except for their due reward.

(4) Persons acquired property as a result of the liquidation under par. 1-3, are responsible for the liabilities of the terminated legal non-profit entity to the amount/extend/ of the acquired.

Art.41. After distribution of the property, the liquidator must request cancellation of the registration of the non-profit legal entity from the district court at its headquarters.

Art.42. The Law on non-profit legal entities and Bulgarian legislation shall apply in any matter not covered by these Statutes.

Amended by the decision of The Chamber's General Assembly held on 19.05.2011 and 06.06.2013.

CPV Chairman: