

**FOREIGN INVESTORS COUNCIL**  
*An initiative of foreign investors in Serbia*

**STATUTE**

**December 2022**

*Based on Article 17 of the Statute of the Foreign Investors Council association and the Law on Associations (Official Gazette of the Republic of Serbia number 51/2009, 99/2011– other law and 44/2018 – other law), and the proposal of the Board of Directors for amendments of Articles 22, 23, 24, 25 and 26 of the Statute, the Assembly of the association Foreign Investors Council, at the regular annual session held on December 20<sup>th</sup>, 2022, adopts the following*

## **STATUTE**

### **OF THE FOREIGN INVESTORS COUNCIL**

#### **ASSOCIATION** *(clean version)*

## **PART I – GENERAL PROVISIONS**

### **Article 1**

The Foreign Investors Council was founded as an association at the Founding Meeting held on 15<sup>th</sup> July, 2002 in Belgrade, Serbia, and is registered at the ministry competent for state administration and local self-government with the executive decision of the Commercial Court in Belgrade number 1-88025-00 dated 08/22/2002, tax identification number 102443513, registration number 17411888 (hereinafter: the Council).

### **Article 2**

This Statute fully replaces the provisions of the Statute of the Foreign Investors Council association dated 09<sup>th</sup> December, 2015 and is harmonised with the Law on Associations of the Republic of Serbia; the Council continues its activities as a voluntary non-governmental, non-profit organisation based on freedom of association of individuals or legal entities, founded for the purpose of fulfilling and advancing specific mutual and general goals and interests.

### **Article 3**

- 3.1. The Council has been founded for an indefinite period of time.
- 3.2. The Council has the status of a legal entity and is independent of its members. The Council is liable for its obligations with all of its assets.
- 3.3. The Members of the Council are not liable for financial and other obligations of the Council, except in cases provided by law.

## **PART II – NAME, HEADQUARTERS AND SYMBOLS OF THE COUNCIL**

### **Article 4**

#### **Name and headquarters of the Council**

- 4.1 The Council has a name in Serbian and in Cyrillic script:  
Савет странах инвеститора

4.2 The Council has a name in translation to English, which is entered into the applicable registry: The Foreign Investors Council

4.3 The abbreviated name of the Council is: FIC

4.4 The headquarters of the Council are in the Republic of Serbia, Belgrade, at the address Gospodar Jevremova 47.

#### **Article 5**

##### **Visual identity of the Council**

5.1 The Council has a round stamp inscribed with the full name of the Council in Serbian.

5.2 The Council may have its own sign, logo and other symbols.

5.3 Business correspondence and other Council documentation should contain information about the name of the Council, address of its headquarters, logo, telephone and fax numbers, as well as e-mail address.

### **PART III – GOALS AND ACTIVITIES OF THE COUNCIL**

#### **Article 6**

##### **Goals of the Council**

The Council has been established to fulfill the following goals:

- a) To drive improvement of business climate by making concrete reform proposals
- b) To influence more predictable policy framework, developed within EU economic integration process
- c) To advocate for further liberalization and endorsement of market economy principles, with a view to sustain existing and stimulate new foreign investments
- d) To promote experiences from EU and other foreign markets where members operate, as examples for overcoming barriers to business and increasing market competitiveness
- e) To represent, voice and promote shared opinions of its members, in order to advance mutual interests and upgrade doing business conditions
- f) To share best practices of FIC companies and promote principles of good business conduct
- g) To develop strategic communication, co-operation and permanent dialogue with Serbian authorities on all levels
- h) To link with all relevant stakeholders and proactively share views and suggestions of the Council
- i) To communicate with other foreign investors' organizations across the region of Southeast Europe, in order (a) for all sides to benefit from shared common practice exchanges and (b) to examine specific methods for the improvement of regional business
- j) To the extent possible, to promote Serbia as investment location by sharing knowledge about the business climate in Serbia

**Article 7**  
**Activities of the Council**

- 7.1. In order to fulfil the aforementioned goals, the Council shall engage in the following activities:
- a. Publish business and other relevant information that may be of use to its members,
  - b. Submit proposals in relation to draft laws and other regulations or regulatory documents which may pertain to the goals of the Council,
  - c. Maintain a registry of its members and issue the list of members to interested parties,
  - d. Organise meetings, symposiums, seminars, courses etc.
  - e. Take part in international organisations with similar goals and activities, or co-operate with such organisations,
  - f. Organise the editing, publishing and distribution of all periodical publications, magazines, and brochures that the Council deems necessary for the fulfilment of its goals,
  - g. Undertake all other permanent or periodical activities that may be of use for the fulfilment of the goals of the Council.
- 7.2. In order to fulfil its goals, the Council may enter obligations in accordance with applicable laws, this Statute and the decisions of the Assembly of the Council.
- 7.3. The Council may establish contacts with other local and international non-profit organisations or associations of such organisations, and become a member thereof, as well as join alliances and other associations in Serbia and abroad.
- 7.4. The work of the Council is public. The Board of Directors of the Council should regularly inform its members and the public about the work and activities of the Council, directly or through internal publications, public statements, or any other suitable manner.
- 7.5. Activities of the Council are not considered as services provided to members of the Council.

**PART IV – ASSETS AND OPERATION OF THE COUNCIL**

**Article 8**

- 8.1. The Council may acquire assets through membership fees, voluntary contributions, donations and gifts (in cash or in kind), financial subventions, legacies, interest from investments, lease, dividends and in other manners permitted by law.
- 8.2. The assets and income from the Council's activities are to be used exclusively for the fulfilment of the goals described herewith, and no part of such assets or income may be directly or indirectly awarded or paid to the founders and members of the Council, members of the Council's bodies, employees or related persons.
- 8.3. The provision of Article 8.2 of this Statute does not pertain to awarding appropriate bonuses and compensation of justified expenses arising during fulfilment of the statutory goals of the Council (travel expenses, allowances, accommodation and similar), contracted commercial obligations and payment of salaries to employees of the Council.

## **PART V – COUNCIL MEMBERSHIP**

### **Article 9**

#### **Members**

9.1. The members of the Council are members, institutional members and honorary members.

9.2. A member of the Council may be:

9.2.1. An economic entity organised and operating in accordance with the laws of the Republic of Serbia:

- a. In which one or more economic entities organised in accordance with the laws of a foreign country and/or one or more natural persons have a significant share of the capital of that economic entity, and which submits at least 3 (three) references from Council members or renowned domestic or foreign legal entities,
- b. Which has concluded franchise agreement with economic entity organised in accordance with the laws of foreign country and submits relevant proof thereof and at least 3 (three) references from Council members of renowned domestic or foreign legal entities
- c. Which is registered for consultation activities, has 15 or more employees and has clients consisting predominantly (more than 50%) of foreign legal entities with an interest in investing in the Republic of Serbia and /or economic entities under Article 9.2.1(a), and which submits at least 7 (seven) references from Council members.
- d. Which in significant way represents foreign business interest, if all the following criteria has been cumulatively met:
  - i. If economic entity submits proof of concluded business and technical and/or other form of strategic cooperation agreement with the economic entity organised in accordance with the laws of a foreign country, as a proof that the named subject represents the foreign legal business interest, whereby Board of Directors shall have discretionary right to decide if the named criteria has been met
  - ii. if economic entity submits at least 7 (seven) references from Council members or renowned domestic or foreign legal entities, and
  - iii. if the total number of members of the Council which is accepted under the condition from article 9.2.1.c is not exceeding the 3% of all Council members, in the moment of the Decision of the Board of directors.

9.2.2. A natural person performing a registered professional activity on the territory of the Republic of Serbia (registered to perform consulting and legal activities), which has 15 or more employees and clients consisting predominantly (more than 50%) of foreign legal entities with an interest in investing in the Republic of Serbia and /or economic entities under Article 9.2.1(a), and which submits at least 7 (seven) references from Council members.

9.3. An institutional member of the Council may be any foreign association, representative or educational institution that contributes to the development of international economic co-operation and has an understanding of the goals of the Council.

9.4. Honorary members can be natural persons, such as prominent public figures, scientists, diplomats or politicians from Serbia or other countries, who are able to contribute to the development of international economic co-operation and agree with the goals of the Council, selected by the Board of Directors as honorary members based on their distinguished services for the Council.

9.5. A legal entity Member is obliged to appoint a natural person to represent it on the Council (hereinafter: Member Representative) and to submit the pertaining decision to the Board of Directors at

the moment of obtaining membership. If there is no such decision, it is understood that the representative of the legal entity provided by law is the Member Representative. In case of a change of the representative provided by law or the appointed natural person individual, the legal entity member is obliged to inform the Council without delay and submit information about the new Member Representative.

9.6. Institutional and honorary members of the Council have no voting rights in the Assembly of the Council and cannot be voted onto other Council's bodies, but may participate in the Activities of the Council.

9.7. Exceptionally from 9.6, international financial institutions can become members of the Board of Directors of the Council.

## **Article 10**

### **Membership admission**

10.1. New members are admitted into membership by the Board of Directors with a majority vote of its total members. Honorary and institutional members are selected by the Board of Directors in the same manner.

10.2. The membership candidate receives copies of the Statute and all other general acts of the Council.

10.3. The membership candidate submits a written request to the Board of Directors for admission into membership, with a statement that it is informed and agrees with the Statute and all other general acts of the Council and with a note seeking admission as a member of appropriate capacity, i.e. as a member of the Council or as an institutional member. Such requests cannot pertain to honorary membership.

10.4. The Board of Directors examines the request from Article 10.3 and adopts a decision in respect of it no later than at the second session of the Board of Directors convened after receipt of the request. The Board of Directors may postpone the decision in order to request additional information. The decision of the Board of Directors to admit a candidate into membership or reject a request is final.

10.5. The Board of Directors sends an invitation to honorary members to join the work of the Council. The honorary member provides a written statement confirming acceptance of the offer of honorary membership from the Board of Directors. Honorary members do not pay admission and membership fees.

10.6. Upon admittance into membership, the member of the Council receives an invoice for the admittance and annual membership fees, which must be paid within 30 days of receipt of the invoice. Council membership is valid and commences from the moment of payment of the invoice.

## **Article 11**

### **Member rights and obligations**

11.1. Members have the following rights:

- a. To vote at sessions of the Assembly of the Council and propose issues for vote at the Assembly sessions,
- b. To vote and be voted on Council bodies,
- c. To be informed about the Council's activities and its accounting,
- d. To take part in activities of the Council,

- e. To freely access internal documents of the Council,
- f. To realise other rights based on this Statute and the decisions of the Assembly of the Council.

11.2. Council members have the following obligations:

- a. To pay the membership fee stipulated by the Assembly of the Council in accordance with this Statute;
- b. To pay all additional or special fees stipulated by the Assembly of the Council, as well as those they assume of their own will;
- c. To preserve the reputation of the Council, promote its goals and activities and, within their means, support these activities;
- d. To preserve their business reputation; to abide by the laws of the Republic of Serbia and the generally accepted business code of ethics rules (*good business practices*).

## **Article 12**

### **Termination of membership**

12.1. Membership of the Council is terminated:

- a. In the event of death of a natural person or termination of existence of a legal entity,
- b. Through voluntary withdrawal from the Council by submitting a written notice on withdrawal from membership,
- c. By exclusion based on a decision of the Board of Directors.

12.2. Members may withdraw from the council by submitting a withdrawal letter. The withdrawal enters into force at the moment of receipt of the withdrawal letter and the withdrawal of a Council member is confirmed at the first subsequent session of the Board of Directors. Membership fees and all other due charges must be paid in full for the year in which the termination of Council membership occurs.

12.3. Expulsion of a member may ensue due to the following reasons:

- a. Failure to pay membership fees, in cases when - following a request for payment of due membership fees from the Board of Directors - the fees have not been paid within sixty (60) days of the date of invoice receipt.
- b. Breach of the provisions of the Statute or other legal acts or decisions of the Council's bodies,
- c. Failure to complete important obligations undertaken voluntarily or based on a decision of the Council's bodies, which undermines the reputation of the Council or considerably impairs the activities of the Council,
- d. If the member operated in a manner discrediting it as a reputable economic entity,
- e. If a member published incorrect information discrediting the Council or disclosed confidential information obtained from the Council,
- f. If a member used Council membership to generate profit,
- g. If a member openly used the Council's name to benefit any centre of political power, and
- h. If a member acted in any other manner that can be reasonably deemed incompatible with the principles of conduct of a respectable association of businesspeople and professionals.

12.4. Expulsion is decided by the Board of Directors through a majority vote of its total members.

12.5. The President of the Board of Directors is obliged at least 7 (seven) days prior to the session of the Board of Directors from Article 12.4, to send notification to the entity proposed for expulsion stating the grounds for the expulsion proposal. The member proposed for expulsion has the right to attend the

Board of Directors meeting and submit a written or oral statement. The member may not attend the voting. The vote is conducted by secret ballot.

12.6. Except in the case from Article 12.3. (a), the decision on expulsion of a member may be revoked with a three-quarter ( $\frac{3}{4}$ ) majority vote of the members attending the first subsequent Assembly session. The President of the Board of Directors is obliged to inform the expelled member about the Assembly session to be held in a timely manner. The member proposed for expulsion has the right to attend the Assembly session and submit a written or oral statement. The member may not attend the voting. The vote is conducted by secret ballot. The Assembly may impose certain conditions for revoking the decision, depending on the circumstances of the particular situation.

12.7. Expelled members are obliged to pay all due membership fees and other applicable contributions under this Statute in full for the year of the expulsion and have no right to seek refunds for previous payments of such fees.

### **Article 13**

#### **Membership records**

13.1. The Council maintains a registry of its members, which can be accessed by interested parties.

13.2. Members of the Council are obliged to provide all information necessary for completion of the registry and to update information about their status, position, headquarters, address, business activity and all other public domain information requested by the Board of Directors.

## **PART VI – ADMINISTRATION**

### **Article 14**

#### **Bodies of the Council**

14.1. The bodies of the Council are: (a) the Assembly of the Council, (b) the Board of Directors, (c) the President of the Board of Directors, and (d) the Executive Director.

14.2. Upon decisions of the Board of Directors, permanent and ad hoc specialised working committees of the Council may be formed.

## **A. ASSEMBLY OF THE COUNCIL**

### **Article 15**

#### **Composition of the Assembly of the Council**

15.1. The Assembly of the Council is the highest body of the Council and comprises all members of the Council.

15.2. Honorary and institutional members may participate in sessions of the Assembly of the Council, but have no voting rights. They may participate in discussions, submit proposals and questions for discussion.



## **Article 16**

### **Convocation of the Assembly of the Council**

16.1. The Assembly of the Council is convened on the basis of a decision of the Board of Directors or at the request of at least 15% of the Council members with voting rights, in accordance with the provisions of this Statute.

16.2. The Assembly of the Council is convened by written invitation sent to each member via e-mail, post, telegram, or fax, at least 14 (fourteen) calendar days prior to the date of a regular Assembly of the Council session, or seven (7) calendar days prior to an extraordinary Assembly of the Council session. Information about the session is published on the website of the Council and is made available to all Council members.

16.3. An invitation to the Assembly of the Council session must contain information about the date, time, location and agenda of the session, as well as contain all written documents prepared for that session.

16.4. Within three (3) days of the date of sending the Assembly of the Council session invitation, each member with voting rights may propose to the Board of Directors inclusion on the agenda of no more than two new issues to be discussed at the Assembly of the Council session. If the proposed issues are within the competencies of the Assembly of the Council, the Board of Directors is obliged to include them on the session's agenda, inform all members about the new issues to be discussed within seven (7) days in advance of a regular session, or three (3) days in advance of an extraordinary session, and publish them on the Council website.

16.5. The Assembly of the Council may not adopt decisions on issues that have not been included on the session's agenda. Issues listed in the provisions of Article 18 of this Statute are considered as the agenda of the regular annual Assembly of the Council and do not have to be specifically listed on the agenda included with the invitation and information on the convening of the Assembly.

## **Article 17**

### **Competencies of the Assembly of the Council**

17.1. The Assembly of the Council has the following competencies:

- a. To adopt changes and amendments updates to the Statute,
- b. To veto decisions of the Board of Directors which exclude existing members of the Council,
- c. To adopt the annual report on Council activities,
- d. To appoint and relieve the Board of Directors,
- e. To define the general guidelines, adopt other general acts of the Council, long and short-term plans, programmes and concrete goals for Council activities, at the proposal of the Board of Directors,
- f. To discuss and adopt the preliminary financial plan and report,
- g. To define and adopt decisions on the amount of Council admission and membership fees,
- h. To decide on joining alliances,
- i. To decide on status changes and termination of the activities of the Council and
- j. To decide on other matters.

17.2. The decisions of the Assembly of the Council from Article 17.1.a. and from Article 17.1.i. are legally binding if adopted by at least a three-quarter (¾) majority vote of attending members, while decisions

on all other issues are legally binding if adopted by a simple majority of attending members of the Council.

## **Article 18**

### **Sessions of the Assembly of the Council**

18.1. The Assembly of the Council convenes regularly once per year, no later than the 31<sup>st</sup> of December of the current year.

18.2. At a regular annual session, the Assembly of the Council:

- a. Discusses and evaluates the annual report of the Board of Directors,
- b. Discusses and evaluates the preliminary annual financial report,
- c. Elects other officials to be elected by the Assembly of the Council under this Statute and
- d. Decides on other issues included in the agenda.

18.3. Extraordinary sessions of the Assembly are convened by the Board of Directors. An extraordinary session of the Assembly may also be convened by the members if at least 15% of the Council members with voting rights submit a signed request to convene an extraordinary session to the Board of Directors, upon which the Board of Directors shall send information about the session and the issues to be discussed at latest seven (7) days prior to the holding of the session. If the Board of Directors does not convene an extraordinary session of the Assembly based on such a request of the members, the members may convene a session themselves, with written notification sent to other members. Issues not listed in the information about the session cannot be decided upon at an extraordinary session.

## **Article 19**

### **Quorum**

19.1. A regular session of the Assembly of the Council may adopt decisions if it is properly convened and at least 25% of Council members are in attendance.

19.2. An extraordinary session of the Assembly of the Council may adopt decisions if it is properly convened and is attended by at least 15% of Council members. An extraordinary session of the Assembly may adopt decisions via electronic communication if it is properly convened and if at least 25% of Council members submit a response in decision-making process.

## **Article 20**

### **President of the Assembly of the Council**

20.1. The President of the Board of Directors is the President of the Assembly of the Council. He takes care of the agenda and ensures the legitimacy of proceedings.

20.2. The President of the Board of Directors is present at all sessions. In case the President of the Board of Directors is prevented from attending a session, due to objective and unavoidable circumstances, he issues written authorisation for the Vice President or any other member of the Board of Directors to replace him.

20.3. The President of the Board of Directors appoints the Secretary of the session. The Secretary is responsible for keeping precise records containing statements, announcements, proposals for voting, voting results and adopted decisions. In addition to notes, the session's audio recording may also be used.

## **Article 21**

### **Voting rights**

21.1. Each member has one vote in the Assembly of the Council, executed by the Member Representative or a person whom the Member Representative has given written authorization to vote at the session of the Assembly. Proxy authorization is only valid for one session of the Assembly.

21.2. Voting rights may not be exercised by any single member who has unresolved debts towards the Council, such as unpaid membership fees. The President of the Board of Directors controls the implementation of this rule and submits a report prior to each session of the Assembly of the Council.

21.3. The President of the Board of Directors has a deciding vote in the Assembly of the Council in case of a hung vote.

## **B. BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR**

### **BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR**

#### **Article 22**

##### **Composition of the Board of Directors**

22.1. The Board of Directors is elected by the Assembly of the Council and consists of nine (9) to eleven (11) elected members.

22.2. Exceptionally from 22.1, institutional members – international financial institutions become members of the Board of Directors upon accepted invitation of the Board of Directors and without elections by the Assembly of the Council

22.3. The members and the functions of the members elected to the Board of Directors are listed on the Council website.

22.4. The President of the Board of Directors and the Executive Director are representatives of the Council, appointed to those functions in accordance with the provisions of this Statute, being natural persons able to work with residence or permanent residence on the territory of the Republic of Serbia.

#### **Article 23**

##### **Mandate**

23.1. The mandate of the Board of Directors lasts three (3) years and begins on the first day after the day when elections are held.

23.2. Members of the Board of Directors whose mandate has expired can be re-elected.

23.3. The mandate of the institutional member – international financial organisation is unlimited and expires upon expressed will.

#### **Article 24**

##### **Nomination of candidates**

Members of the Board of Directors are elected individually.

24.1. Each Council member, except e institutional members, may submit nomination for the positions of the member of the Board of Directors.

24.2. A Board member must be represented by a representative of the legal entity provided by law.

24.3. Nominations must be submitted to Executive Director of the Council in writing at the latest eight (8) days prior to the date of the session of the Assembly of the Council. The Executive Director is obliged to submit nominations to all members of the Council at the latest seven (7) days prior to the date of the session of the Assembly of the Council.

24.4. Nomination for the member of the Board of Directors must contain a short biography and unambiguously reflect the will of the candidate to be nominated as a member of the Board of Directors (it must contain the candidate's signature, the nomination must be sent from the nominee's official email address or in a copy of that email or to another appropriate way).

24.5. At the first meeting of the Board of Directors, elected Board of Directors appoints a President of the Board of Directors and two Vice Presidents, one as a substitute for the President and other to be authorized to speak on behalf of Council in public.

## **Article 25 Elections**

25.1. The Assembly of the Council elects members of the Board of Directors, by secret ballot in written form.

25.2. Eleven (11) nominated candidates who have won the largest number of votes will be elected as members of the Board of Directors.

25.3. In case of a hung vote between candidates, which would lead to more than eleven (11) individually elected members of the Board of Directors, voting shall be repeated between candidates with the equal number of votes. In case of a hung vote during repeated voting, the President of the Assembly has a deciding vote.

## **Article 26 Vacant seats**

26.1. If a member of the Board of Directors ceases to be the Member Representative, the Council member has the right to appoint a new Member Representative to fill the vacant seat on the Board of Directors at the next Board meeting.

26.2. If the President or Vice-Presidents of the Board of Directors leaves the Board, Board of Director elects new President or Vice Presidents among all members of the Board of Directors. Until the election of the new President of the Board of Directors, the Vice-president - substitute will perform the function of the President of the Board of Directors.

26.3. If a member of the Board of Directors or his designated substitute is absent from three consecutive meetings, the Board of Directors has the right to decide on the expulsion of that Council member from the Board.

26.4. In case of expulsion or withdrawal of the member from the Board of Directors, the vacant seat can be filled by the new elected member at the next session of the Assembly.

26.5. If the number of members of the Board of Directors drops below nine (9) members, the election of new members of the Board of Directors to fill vacant seats will take place at the next session of the Assembly of the Council

26.6. The Board of Directors operates in accordance with its internal Rules of Procedure.

## **Article 27 Meetings of the Board of Directors**

27.1. The Board of Directors convenes regularly once per month in the timing determined by the decision of the Board of Directors. Meetings under the authority of the President of the Board of Directors are convened by the Executive Director, via post, e-mail, fax or phone, no later than eight (8) days prior to the meeting.

27.2. An extraordinary meeting of the Board of Directors may be convened at the request of one member of the Board of Directors, submitted via post, e-mail, fax, or phone, at least eight (8) days prior to the meeting.

27.3. Meetings of the Board of Directors may also be held by using conference phone calls or other audio-visual communication equipment, provided that all individuals participating at the meeting are able to hear and talk to each other. Individuals participating in a meeting of the Board of Directors in this manner are considered as being in attendance.

## **Article 28**

### **Authorisations of the Board of Directors**

28.1. The Board of Directors administers and manages the activities of the Council in accordance with its goals.

28.2. The Board of Directors:

- a. Adopts organisational rules and Rules of procedure for its activities,
- b. Ensures compliance with the Statute and implementation of decisions,
- c. Adopts decisions on opening or closing branches,
- d. Manages the current affairs of the Council, adopts programs, development plans and special tasks, as well as decides on the organization and participation of the Council in important public events, cooperation with other organizations and institutions, in accordance with the Council goals,
- e. Approves the basic structure and functioning principles of specialised working committees of the Council and relieves the presidents and vice presidents of the said Council committees
- f. Adopts decisions on dismissal of the President and Vice President of the Working Committee under following criteria: (i) absence from three consecutive meetings of the Working Committee; (ii) lack of active participation in the formulation of views of the Council by the Working Committee (i.e. position papers); (iii) absence from the meetings with relevant stakeholders; and (iv) in all other cases which the Board of Directors assesses as negligent,
- g. Adopts and submits the annual report on Council activities to the Assembly of the Council for discussion and final adoption - the report should also contain the individual reports of each specialised working committee and reports on other activities, which can be requested by the Assembly of the Council,
- h. Adopts the preliminary financial plan and submits the preliminary report on its implementation to the Assembly of the Council, submitting proposals for partial changes and amendments of the budget, including the introduction of new expenditure items if additional funding sources are acquired following the adoption of the budget,
- i. Adopts the final annual financial report, based on preliminary report adopted by the Assembly of the Council
- j. Approves the Rules of Procedure on balance sheets, salaries and other internal acts of the Council, proposes the amounts and amendments to admission and membership fees, adopts decisions on establishing funds and decides how funds will be raised and spent,
- k. Adopts the membership payment system and decides on similar issues
- l. Manages the assets of the Council, adopts decisions on the use of the assets of the Council in order to protect and increase these assets,
- m. Approves the prices of publications, information and other activities of the Council,
- n. Decides on the membership of the Council in other Serbian or international non-profit organisations

- o. Adopts decisions on other matters envisaged in accordance with this Statute.
- 28.3. The quorum for operation and decision making consists of six (6) members of the Board of Directors. The decisions of the Board of Directors are adopted by a majority of votes of the attending Board members present. In case of a hung vote, the deciding vote is cast by the President of the Board of Directors.
- 28.4. The Board of Directors may take a decision via electronic communication.
- 28.5. The Board of Directors may reach decisions in absentia, provided records are signed by all members of the Board.
- 28.6. Institutional member – international financial organisation as a member of the Board of Directors has the right to actively participate in the work of the Board of Directors, but without voting right and is not counted into quorum.

#### **Article 29**

##### **President of the Board of Directors**

- 29.1. The President of the Board of Directors is responsible for general management of the Council and Council representation.
- 29.2. The President of the Board of Directors confirms the appointment and relief of the presidents of all permanent and ad hoc specialised committees, unless they were appointed by the Board of Directors. The President of the Board of Directors is ex officio member of all specialised working committees, unless the Board of Directors decides otherwise.

#### **Article 30**

##### **Vice President**

The Vice President has the rights and authorisations of the President of the Board of Directors in the absence of the President, and has all other rights and authorisations entrusted by the President.

#### **Article 31**

##### **Right of signature**

The Board of Directors may delegate the authority to use the account and sign checks, bonds and orders of the Council.

#### **Article 32**

##### **Executive Director**

The Board of Directors appoints the Executive Director, who is responsible for the organisation of the daily activities of the Council, its bodies, committees and documentation.

### **C. SPECIALISED WORKING COMMITTEES**

#### **Article 33**

##### **Creation of Committees**

33.1. When members of the Council which operate in a particular sector express interest in the organisation of a specialized working committee (hereinafter: the Working Committee), or at least 10% of the Council members express interest, the Board of Directors shall adopt the decision to create the particular, permanent or ad hoc Working Committee, depending on requirements in the particular case.

33.2. The Board of Directors supervises the work of Working Committees, approves decisions adopted by Working Committees expressing the views of the Council. The Executive Director coordinates the work of all Working Committees.

#### **Article 34**

##### **Membership in a Working Committee**

34.1. Each member of the Council has the right to become a member of a committee.

34.2. There are two categories of membership in a Working Committee:

- a. Active member of a Working Committee;
- b. Observer member of a Working Committee.

34.3. The active member of a Working Committee has the full scope of rights and obligations of Committee member prescribed by this Statute and sub-statutory documents; including but not limited to following rights and obligations: to actively participate in its work, control the activities of the committee and execute other rights in accordance with the decision on establishing the Working Committee.

34.4. The observer member has the right to be informed about the activities of the Working Committee.

34.5. The Member Representative is obliged, when joining a Working Committee, to inform the Executive Director of the Council that Council member wishes to join the Working Committee, inform of the category of membership in the Working Committee, and designate the individual/s who will represent the Council member.

34.6. In case that Council Member wishes to designate new and/ or change current representative/s, the Member Representative or designated individual in the Working Committee will inform the Executive Director.

34.7. In case Council member wishes to change the category of membership in a Working Committee, the Member Representative informs the Executive Director of the Council that the Council member wishes to change the category of membership in the Working Committee.

34.8. If an active member of a Working Committee was inactive in that working committee for a period of one year, at the beginning of the next calendar year, the Executive Director shall inform the Member Representative that membership category in that working committee will be changed from active to observer, unless in the period of 2 weeks the Member Representative expresses interest to keep the active category.

#### **Article 35**

##### **Meetings and operation of a Working Committee**

35.1. Regular meetings of permanent Working Committees are HELD at least every three (3) months and, depending on necessity, it is possible to hold extraordinary meetings. Meetings are convened by the Executive Director at the proposal of the President of the Working Committee, via post, e-mail, fax or phone, at least seven (7) days before the meeting. Each member of the Working Committee may

propose a committee meeting, as well as the topics to be discussed at a scheduled committee meeting. The President of the Working Committee is obliged to consider said proposal of the member, and, provided there are enough members interested in the meeting, propose the convening of a meeting to the Executive Director. Information about the meeting should contain data on the date, time, location and agenda of the meeting, with all written documents prepared for the meeting attached.

35.2. The quorum for operation and decision making consists of at least 20% of the members of the Working Committee. The decisions of the Working Committee are adopted by a majority vote of the members attending the meeting. The decisions of the Working Committee are binding for all members, including those that did not attend the meeting.

35.3. When voting at the meetings of the Working Committee, each Council member with the status of an active member has one vote.

35.4. The Working Committee may hold meetings and take decisions via electronic communication due to justified reasons and by joint authorisation of the Executive Director and the President of the Working Committee.

## **Article 36**

### **Management of Working Committees**

36.1. The Working Committee elects the President and the Vice President of the committee, whose election is confirmed by the President of the Board of Directors.

36.2. The mandate of the Committee President and Vice President lasts two years and begins on the first day of the calendar month that starts following the month when elections are held. Committee President and Vice President whose mandate has expired are obliged to perform their duties until the date when the newly-elected members begin their mandate.

36.3. Committee President and Vice President whose mandate has expired can be re-elected.

36.4. If Committee President leaves the Working Committee or is dismissed, the Vice President will replace him. If Committee Vice President leaves the Committee or is dismissed, the new Vice President will be elected to serve till the remainder of the mandate.

36.5. If a Working Committee President or Vice President is absent from three consecutive Committee meetings, the Committee has the right to decide to elect new Committee President or Vice President.

36.6. The President of the Working Committee is obliged to inform the Board of Directors about the activities of the Working Committee and to organize the said activities of the Working Committee in co-operation with the Executive Director. In case he/she is unable, the President is replaced by the Vice President of the Working Committee.

## **D. RECORDS**

### **Article 37**

#### **Records**

37.1. Records are kept of all sessions of the Assembly of the Council, meetings of the Board of Directors and Working Committees, and contain all statements, announcements, voting proposals, voting results



and adopted decisions. Records are signed by the President of the Board of Directors or confirmed by the President of the Working Committee.

37.2. Records are entered into documentation books in chronological order. Records are kept for at least five (5) years, unless a longer period is prescribed by law. The records are destroyed upon expiration of the period of compulsory maintenance.

37.3. Members of the Council and members of the Board of Directors have the right to freely access records. They may request copies and extracts from the records at their own expense.

## **E. FINANCES**

### **Article 38**

#### **Payments to the Council**

All members of the Council are obliged to pay admittance and annual membership fees. They pay additional contributions only if a decision on such contributions has been adopted by the Assembly of the Council.

### **Article 39**

#### **Establishing amounts**

The amount of admittance and annual membership fees are established by the Assembly of the Council.

### **Article 40**

#### **Admittance fee**

40.1. New members of the Council pay the admittance fee within thirty (30) days of their admittance to membership.

40.2. Honorary members of the Council do not pay the admittance fee.

40.3. In case of re-admittance into membership of a former member within one year period from the date of membership termination, admission fee shall not be payed.

### **Article 41**

#### **Membership fee**

41.1. Members of the Council should pay their annual membership fee within thirty (30) days of the date of receipt of the invoice.

41.2. The membership fee is valid for a period of one calendar year.

41.3. Honorary members do not pay the membership fee.

### **Article 42**

#### **Accounting operations**

42.1. The Council maintains accounting books in accordance with the corresponding provisions of the laws of the Republic of Serbia. The Board of Directors organises and bears responsibility for maintenance of documentation related to:

- a. All cash funds received or spent by the Council and all transactions resulting in gain or expenditure of funds;
- b. All sales and purchases performed by the Council;
- c. Assets and financial obligations of the Council;
- d. Funds entrusted to the Council for management and supervision.

42.2. Accounting documentation is kept in the manner and in a location that the Board of Directors deems adequate and is accessible to all members of the Board of Directors and authorised auditors.

42.3. The Board of Directors adopts the decision on when and under which circumstances the accounting, other documentation and other books of the Council may be placed at the disposal of the members of the Council. No one has the right to perform inspection of the accounts, documents and books of the Council except in cases stipulated by this Statute, based on the decision of the Board of Directors or the Assembly of the Council.

### **Article 43**

#### **Financial reports**

43.1. The Board of Directors submits each year, at the regular annual session of the Assembly of the Council, a precise annual accounting report, containing the balance sheet and a report on income and expenditures for the period since submission of the previous report.

43.2. The decisions of the Assembly of the Council are submitted with the financial reports.

43.3. Financial reports are sent to each member of the Council with voting rights no later than fourteen (14) days before the regular annual session of the Assembly of the Council.

### **Article 44**

#### **Report on entrusted funds**

44.1. The funds of the Council that the Council undertook to manage and supervise are separated from the rest of the assets of the Council and are used in accordance with the will of the entity that entrusted the funds to the Council.

### **Article 45**

#### **Compensation of elected officials**

Members of Council bodies do not have the right to seek compensation for performing their functions, nor the right to be paid officials of the Council.

### **Article 46**

#### **End of operations and liquidation**

46.1. The Council ceases to operate based on a decision of the Assembly, when the conditions for the fulfilment of the Council goals cease to exist, as well as in other cases stipulated by law.

46.2. Should any assets remain after the end of operations of the Council and compensation of all creditors, neither the assets nor their value may be divided between the members of the Council. Those assets shall be transferred to another non-profit organisation representing similar goals.

**Article 47**

**Changes and amendments to the Statute**

The Board of Directors is obliged to examine each proposed amendment to this Statute and to present its recommendations pertaining to it at the next session of the Assembly of the Council. The report of the Board of Directors is presented at least ten (10) calendar days before the session of the Assembly of the Council.

The provisions of the Law on Associations shall apply directly to all matters that are not regulated by this Statute.

With the adoption of this Statute by the Assembly of the Council, the provisions of the Statute dated 12/12/2019 cease to apply.

President of the Assembly

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