

Pursuant to Article 55 paragraph 1 of the Constitution of the Republic of Serbia ("Official Gazette of the Republic of Serbia", No. 98/2006, Article 216 of the Labour Law ("Official Gazette of the Republic of Serbia", Nos. 24/2005, 61/2005, 54/2009, 32/2013, 75/214, 13/2017 – Decision of Constitutional Court and 113/2017), and Article 23 paragraph 1 point 1 of the Statute of the Serbian Association of Employers (I-15-03/2014 of June 2014.), the Assembly of the Serbian Association of Employers, at the meeting held in Belgrade on November 15, 2018, adopts this

STATUTE OF THE SERBIAN ASSOCIATION OF EMPLOYERS

I. BASIC PROVISIONS

1. Subject of Statute

Article 1

This Statute defines the principles, objectives and scope of activities, rights, obligations and responsibilities of members, internal organization and bodies, as well as other issues of relevance to the work of the Serbian Association of Employers (hereinafter: Association), in accordance with the Constitution of the Republic of Serbia, ratified international agreements and generally accepted rules of international and domestic law.

All terms used in the Statute in the masculine gender include the same terms in the feminine gender.

2. Term Association

Article 2

Association is a sovereign, democratic and independent organization joined by employers on a voluntary basis for the purpose of representing, promotion and protection of their business, economic, social and other interests in accordance with the Constitution, the law, ratified international agreements, this Statute, good business practice and business moral.

Association acquired the status of a legal entity based on the freedom of association guaranteed by the Constitution, and by entry in the register of the competent ministry for labor issues.

Association is a representative employers' organization in Republic of Serbia and a social partner in tripartite social dialogue to the Government of the Republic of Serbia and representative trade unions.

3. Name

Article 3

Association's business name is: Association of Employers of Serbia (Unija poslodavaca Srbije).

The abbreviated name of the Association is SAE (UPS).

Association's name in English is: SERBIAN ASSOCIATION OF EMPLOYERS.

The abbreviated name of the Association in English is: SAE.

4. Headquarters

Article 4

Association's headquarters is in Belgrade – Zemun, St. Stevana Markovica, No 8.

Association's headquarters can be changed by decision of Presidency of Association.

Association performs its activities independently - through the work of the Association's central office at its headquarters, as well as through the work of the Vojvodina office in Novi Sad, and the local-level offices (the so-called local offices of Association).

5. Logo

Article 5

The Association has its logo. The logo is in a shape of an unclosed red circle with a shadow in which is written, in red Cyrillic letter, "UNIJA POSLODAVACA SRBIJE", followed by a dark blue line and below that line it is written in English, in Latin dark blue letters "SERBIAN ASSOCIATION OF EMPLOYERS".

The logo is an integral part of all acts and other Association documents.

6. Seal and stamp

Article 6

Association has a round seal of 28 mm in diameter, with two concentric outer circles, within which it is written in Serbian with Cyrillic letters, in the upper part: UNIJA POSLODAVACA SRBIJE, and in the lower part: BEOGRAD. At the seal between these two inscriptions, there are three symmetrical stars. The abbreviated name is in the middle of the seal: UPS.

Association has a round seal of 28 mm in diameter, with two concentric outer circles, within which it is written in Serbian with Latin letters, in the upper part: UNIJA POSLODAVACA SRBIJE, and in the lower part: BEOGRAD. At the seal between these two inscriptions, there are three symmetrical stars. The abbreviated name is in the middle of the seal: UPS.

Association has a round seal of 28 mm in diameter, with two concentric outer circles, within which it is written in English with Latin letters, in the upper part: SERBIAN ASSOCIATION OF EMPLOYERS, and in the lower part: BELGRADE. At the seal between these two inscriptions, there are three symmetrical stars. The abbreviated name is in the middle of the seal: SAE.

Association has a rectangular stamp of dimensions 55 x 32 mm, with text written in Serbian with Cyrillic letters in the upper part: UNIJA POSLODAVACA SRBIJE. Below this text is an abbreviation: Br. and an empty line for entering registration reference number and date of registration, and the last line is the address of the head office: Beograd – Stevana Markovića 8.

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Association has a rectangular stamp of dimensions 55 x 32 mm, with text written in English with Latin letters in the upper part: SERBIAN ASSOCIATION OF EMPLOYERS. Below this text is an abbreviation: No. and an empty line for entering registration reference number and date of registration, and the last line is the address of the head office: Belgrade – Stevana Markovica 8.

7. Mission

Article 7

Association as an independent organization of freely associated employers, which represents the collective voice of employers, advocates and protects their interests and helps employers to improve their business. Association promotes corporate social responsibility, sustainable development and enhancement of the business environment.

Association, through its mission and activities, as a responsible social partner, strives to contribute to the implementation and development of human rights and international labor standards, primarily those related to dignity at work and the fundamental rights of workers - the prohibition of forced labor and the work of children, freedom of association, the right to organize and collective bargaining, the prohibition of all forms of discrimination, gender equality and equal participation of women and men in all areas, equal remuneration for equal work and work of the same value and other rights.

8. Vision

Article 8

Association is the leading and most influential organization of employers in Serbia and the region. We will be recognized as leaders of corporate social responsibility and a key generator of the sustainable business environment, with the goal to improve the position of employers, employees and the society as a whole, as well as the competitiveness of the economy of the Republic of Serbia, because a Strong economy is a strong Serbia.

9. Field of Association's work

Article 9

Association is established for the territory of the Republic of Serbia.

The Association is a unique organization organized according to a sectoral principle, for the purpose of more efficient representation of interests of each separate industrial sector.

Association achieves its mission by:

- 1) Protecting the rights and interests of employers in the field of labor, social, economic, tax and customs law, industrial property rights and free market competition, and other areas of the legislation in accordance with the legal position of the Association;
- 2) Developing the social dialogue and collective bargaining through the participation in social-economic councils at the national, provincial and local level, in matters of economic and social rights and freedoms, structural adjustments of the economy, and other issues that are in accordance with the law and international standards;

- 3) Representing the interests of employers in relation to legislative and executive power, state administration bodies, territorial autonomy and local self-government, public services, institutions, trade unions, associations and other legal entities;
- 4) Representing the interests of employers in bipartite, tripartite and multipartite bodies and bodies at the appropriate level;
- 5) Monitoring and analyzing data related to economic conditions, economic and social policy, labor market, public administration and others, which are of interest to Association members;
- 6) Proposing initiatives to create an incentive legislative environment for sustainable economic growth;
- 7) Participating in drafting laws and other regulations of interest to employers;
- 8) Developing entrepreneurship, small and medium-sized enterprises in accordance with international acts and standards;
- 9) Establishing and developing sectoral and territorial organizations of employers and connecting them;
- 10) Providing advisory services to employers;
- 11) Promoting modern methods and techniques for managing companies;
- 12) Promoting ethical business principles;
- 13) Preparing and implementing programs and projects in accordance with the mission and vision of the Association;
- 14) Cooperating with economic institutions and associations from the country;
- 15) Cooperating with foreign diplomatic and consular missions and other international institutions, agencies and organizations operating in Serbia;
- 16) Positioning the Association through promotion, representation and cooperation within the framework of global processes of economic and legal cooperation on the domestic, European and wider international plan, in accordance with the ratified international agreements and generally accepted rules of international and domestic law and this Statute;
- 17) Improving the position of the Association as a member of the International Organization of Employers and BusinessEurope, as well as cooperating with international organizations dealing with social dialogue (International Labor Organization and other organizations);
- 18) Cooperating with international organizations and institutions from system of the European Union, the United Nations, the International Monetary Fund, the World Bank and other organizations;
- 19) Other legitimate activities of the Association in accordance with the Constitution, ratified international treaties and generally accepted rules of international law, law and this Statute, which all represent legitimate activities of the Association.

Association may join organizations of employers organized at the international and regional level, in accordance with the law and this Statute.

10. Representing and presenting

Article 10

President of Association represents and presents Associations, in accordance with the law and the Statute.

The President of Association may appoint his deputy. In case of Presidents absence, Association is represented and presented by President's deputy.

The President may appoint another person to represent and present Association, if the nature of the activity or the situation so requires.

11. Duty of Care

Article 11

Members of Association's bodies and sectors, as well as authorized representatives of the Association in bodies outside of the Association must be truly and unequivocally independent and free from any influence of public authorities, political parties, employees and their organizations.

The persons referred to in paragraph 1 of this Article shall, in this capacity, perform their tasks conscientiously, with good business moral and reasonable confidence that they act in the best interest of the Association.

The persons referred to in paragraph 1 of this Article, are obliged to base their assessment and opinions at meetings and in the general public on the decisions and opinions of the Association's bodies. They are obliged to inform the bodies of the Association or the Director of the Association on conclusions from meetings in a timely and appropriate manner depending on the nature of the matter (in writing, verbally).

12. Publicity of work

Article 12

Association's work is public.

During the meetings of the Association's bodies, as well as the meetings of other permanent or temporary bodies formed within Association, members come out personally and publicly.

Bodies and sectors and may decide to exclude the public from discussing and voting on certain issues, and to decide on certain issues by secret ballot.

Association timely and truthfully informs its members and public about its goals and work, through printed or electronic mail, publishing data on Associations web site, through media or in other appropriate way.

Official position of Association related to issues of interest for employers are published through statements of Association, with previous approval of the President of Association.

13. Gender equality

Article 13

The right to membership and active participation in the work of Association and the work of its bodies is exercised without any form of discrimination based on sex or gender, in accordance with the law and this Statute.

14. Personal data protection

Article 14

The processing of personal data in Association is managed in accordance with the law.

15. Business year

Article 15

Business year of the Association is a calendar year.

II. MEMBERSHIP IN ASSOCIATION

1. The concept of a member of Association

Article 16

Member of Association can be:

- 1) employer – domestic, i.e. foreign legal or physical person – entrepreneur who employs, i.e. hires one or more persons (as an individual member);
- 2) association of employers registered in accordance with the law (as a collective member).

Membership in Association is voluntary. By joining the Association, an employer - member of the Association shall acquire the right to represent, promote and protect his business, economic and social rights and freedoms, in accordance with the provisions of this Statute.

2. Register of Members of Association

Article 17

The Association keeps Register of its members in written form (Register of membership forms and agreements on joining) and electronic form (Electronic database of members), in accordance with the law and this Statute.

3. Acquisition and termination of membership status

Article 18

Status of Association's member is acquired on the basis of a completed membership form signed by an authorized person of the employer (individual member) or an agreement on accession of association of employers concluded with Association by an authorized person of the association (collective member) and paid membership fee.

Members of associations of employers become members of Association, on the day of concluding the agreement on accession referred to in paragraph 1 of this Article.

Status of Association's member is terminated by:

- 1) voluntary withdrawal from Association;
- 2) termination of the legal subjectivity of a member;
- 3) exclusion from Association in accordance with the provisions of this Statute;
- 4) putting out of force agreement on accession with Association or by expiry of term, if agreement is signed for a limited period;
- 5) dissolution of Association.

Member of Association who withdraws from membership, i.e. member who is deleted from registry of the relevant state body is obliged to inform in written Association about his intention to withdraw, i.e. about the occurred changes, and to fulfill all his undertaken obligations towards Association.

The date of termination of membership in the Association is the date a written statement was delivered to Association, i.e., the date of settlement of due obligations towards Association, and in case of exclusion from Association, the date of the final decision on exclusion.

Member of Association whose membership was terminated in accordance with provisions of the Statute has no right on restitution of membership fee.

A confirmation signed by the Director of Association, shall be issued to the member of Association whose membership was terminated in accordance with provisions of the Statute.

4. Member's rights and obligations

Article 19

Member of Association has the right to represent, promote and protect its business, economic and social rights and freedoms by Association, in accordance with the provisions of this Statute.

Member of Association has a right to:

- 1) actively participate in the work Association and the work of its bodies;
- 2) give opinions, proposals, initiatives related to the activities of Association;
- 3) elect and be elected to the bodies in which Association is represented;
- 4) use all services provided by Association;
- 5) be regularly informed about Association's work;
- 6) exercise other rights, in accordance with the law and this Statute.

Member of Association has an obligation to:

- 1) respect Statute and other Association's documents, nurture and respect good business practice and business moral and protect reputation of Association;
- 2) represent and accomplish goals, program principles and positions of Association;
- 3) provide information necessary for Association to perform its activities, and which are not classified by member's documents as a business secret;
- 4) send to Association, timely and in written, all information important for Registry of Association's members;
- 5) regularly pay membership fee;
- 6) fulfill other obligations, in accordance with the law and this Statute.

5. Exclusion from membership

5.1. Reasons for exclusion from membership

Article 20

Member of Association can be excluded from membership due to the following reasons:

- 1) if it has been established that he has acted contrary to the law, the provisions of this Statute or other documents of Association;
- 2) if it has been established that he has not fulfilled undertaken obligations towards Association;
- 3) if it has been established that his actions have, intentionally or with utter negligence, caused damage to Association;

- 4) if it has been established that he has violated Association's reputation;
- 5) long duration of inactivity of a member of Association;
- 6) other justified reasons.

5.2. Exclusion Procedure

Article 21

Proposal for exclusion of a member may be submitted by every employer – member of Association. This proposal must be submitted in writing to Association (Presidency of Association), accompanied by explanations and evidence and signed.

The Presidency of Association shall, after considering the reasoned proposal for exclusion referred to in paragraph 1 of this Article, make a decision.

On Presidency's decision on exclusion, the excluded member may file a complaint to the Association's Assembly within 15 days since the delivery of decision.

Decision of Assembly upon complaint is final.

From the date of the original decision of the Presidency to exclude a member from Association, and pending a final decision by the Assembly, all rights on the basis of membership in Association for the member against whom the process of expulsion from the Association is initiated, shall be suspended.

III. ASSETS AND FINANCIAL OPERATIONS OF ASSOCIATION

1. Financial operations

Article 22

Association provides funds for its work in accordance with the law and this Statute, from:

- 1) membership fee;
- 2) sponsors;
- 3) grants;
- 4) donations;
- 5) own activities,
- 6) other sources, in accordance with the law and this Statute.

2. Financial report

Article 23

Association's financial report is adopted by the Presidency of Association.

In the event that the Association does not cover the loss and does not eliminate the causes of its occurrence, the Presidency shall adopt measures to be taken to balance revenues and expenditures.

Excess of revenues over expenses, presented by final annual financial report, shall be assigned by Presidency's decision in accordance with the law.

Presidency is obliged to submit Annual financial report for review and adoption to the next meeting of Assembly.

3. Property

Article 24

Association's property is made of property acquired through Association's work, being: ownership rights over movable and immovable property, cash and securities and other property rights, proceeds of the sale or assignment of copyright, the funds from membership fees, donations, grants, funds from the fee for participation in seminars, round tables, workshops and other professional meetings organized by Association, the means of revenue for the provision of legal and other expert opinions and drafting of general and individual legal acts, the means of income for the preparation of business plans and projects, from sales of goods (brochures, newsletters, books, etc.. publications), from providing rights to use the name and trademark, the property acquired through economic activity or under the contract or any other legal transaction, and based on the decision of the public authority or by operation of law, funds from local and regional budgets and the budget of the Republic of Serbia, etc.

IV. COUNCIL OF THE FOUNDER OF THE ASSOCIATION

1. Term and composition of Council of Founders

Article 25

Council of Founders is composed of founders of Association – signatories of *Document on establishing Association of Employers of Serbia* from 1994, as well as other members who joined Association during 1994 and remained its members until the day of this Statute coming into force.

Council of Founders has advisory and control function.

Beside members of Council of Founders, who make this body in accordance with paragraph 1 of this Article, each employer who has been a member of Association continually 10 years and has duly fulfilled all obligations towards Association, can submit to a Council a written application for membership. Members of the Council shall decide on the application at the first following meeting by the majority of votes of the present members.

Membership in Council of Founders lasts as long as membership in Association lasts.

2. Competences of the Council of Founders

Article 26

Council of Founders had the following competences:

- 1) supervises the legality of the work of Association and compliance with this Statute;
- 2) performs functions of advisory body and submits initiatives and proposals to other bodies of Association;

- 3) reviews and establishes goals, program principles and positions of Association, and particularly policy of Associations towards social partners;
- 4) elects the Chairperson of the Council of Founders;
- 5) proposes the election of members of the Presidency, in accordance with this Statute;
- 6) convokes meetings of Presidency and Assembly, in case President of Assembly refuses to convoke meeting of these bodies, in accordance with the Statute;
- 7) proposes amendments and changes of the valid, i.e. adoption of new, statute of the Association, and reviews proposal for amendments and changes of the valid statute;
- 8) reviews decision of Presidency on selling property of Association of value over one million dinars and delivers it to Assembly for coming out, if it finds it appropriate;
- 9) reviews proposal of Presidency about statutory changes and changes of legal form of Association, as well as the dissolution of Association and delivers it to Assembly;
- 10) performs other tasks in accordance with the law and the Statute.

3. Election and expiration of mandate of Chairperson of Council of Founders

Article 27

Members of this body elect among themselves the Chairperson of Council of Founders, for a period of four years.

Mandate of Chairperson of Council of Founders ceases upon decision of Council of Founders before expiration of mandate, due to following reasons:

- 1) voluntarily, upon own written request;
- 2) cessation of status of member of Association represented in Association by this person;
- 3) disrespect, i.e. breach of provisions of the Statute and/or other general and/or individual acts of Association;
- 4) he has not paid membership fee;
- 5) his actions have, intentionally or with utter negligence, caused damage to Association;
- 6) he has damaged Association's reputation;
- 7) in other justified cases.

In case function of president of Council of Founders ceased, another member of Council of Founders shall be elected to replace him.

4. Rights, obligations and responsibilities of the Chairperson of the Council of Founders

Article 28

The Chairperson of the Council of Founders has the following rights, obligations and responsibilities:

- 1) takes care of the legality of Association's work and the respect of the Statute;
- 2) protects the interests Association's members;
- 3) is a member of the Presidency, provided that he has fulfilled the obligation to pay an annual membership fee in the minimum amount of 1.500 EUR in dinar counter value on the day of payment;
- 4) represents Serbian Association of Employers in absence of President and Deputy President of Association.

5. Convocation of meeting and voting

Article 29

Chairperson of Council of Founders convokes and chairs meetings of this body.

In case Chairperson of Council of Founders is prevented, meeting shall be convoked and chaired by the other member of Council of Founders, upon authorization issued by Chairperson of Council of Founders.

The Council of Founders works and decides at sessions provided that more than half of its members are present.

Each member of the Council of Founders has one vote.

Council of Founders makes decisions by majority of votes of the present members.

Minutes shall be kept during the meetings of Council of Founders.

V. ASSOCIATION'S ORGANIZATION

1. Bodies **Article 30**

Association has the following bodies:

- 1) Assembly
- 2) Presidency
- 3) President
- 4) Executive Board
- 5) Secretary General.

Association's bodies can form other permanent or temporary bodies, in accordance with the law and the Statute. During the formation of such body, its composition, tasks, etc. are determined. The body submits written reports to the body that formed it.

1.1. Assembly

1.1.1. Competences **Article 31**

Assembly is the highest Association's body.

Assembly shall have the competences to:

- 1) supervise the legality of the work of Association;
- 2) protect the interests of Association's members;
- 3) adopt Statute of Association, i.e. decision about changes and amendments to Statute, as well as other general acts from its competences;
- 4) verify mandate of Assembly members;
- 5) elect and dismiss members of Presidency, in accordance with this Statute;
- 6) elect and dismiss the Secretary General;

- 7) adopt Program of work of Association;
- 8) confirm Annual financial report of Association;
- 9) adopt annual report about Association's work;
- 10) propose initiatives, as well as the adoption of new laws and bylaws, as well as amendments to existing ones;
- 11) give guidelines for work of Association's main and other bodies;
- 12) decide about transfer of competencies to other Association's bodies;
- 13) confirm decisions from Assembly's competences, made by Presidency between two Assembly's meetings;
- 14) decide about statutory changes, changes of form and cessation of Association's work;
- 15) decide about other issues in accordance with this Statute.

1.1.2. Composition

Article 32

Assembly is composed of all Association's members who fulfilled their obligation of paying membership fee in accordance with the decision on membership fee amounts.

List of Association's members who have the right to attend Assembly's meeting in accordance with the previous paragraph, shall be determined on Presidency's meeting which is to be held at least 15 days before the day of Assembly's meeting.

1.1.3. Convocation

Article 33

Assembly shall work through meetings convoked when needed, at least once a year, on the basis of Presidency's decision.

Assembly shall be convoked at least 10 days before its meeting by determining the date, time and place of meeting and by delivering invitation with agenda and material to members of Assembly.

Proposal for amendments of agenda of scheduled Assembly's meeting can be delivered within five days before the date of meeting.

Extraordinary meeting of Assembly can be convoked for the purpose of deciding on urgent issues or on issues of particular importance for Association's work.

Presidency must convene Extraordinary meeting of Assembly within 10 days since submission of demand from paragraph 4 of this Article, in which case the agenda of Assembly's meeting is based on reasoned submitted demand.

1.1.4. Chairing

Article 34

Chairperson of Assembly is proposed by Presidency and elected by Assembly before beginning of its work at the convoked meeting.

Chairperson of Assembly shall, before adoption of agenda of Assembly, confirm number of members present at meeting and propose verification of their mandates.

1.1.5. Right to vote **Article 35**

Each member of Assembly has one vote.

In order to exercise his right to vote, member of Assembly is obliged to pay total amount of membership fee which is determined in accordance with decision about membership fee amount for the year preceding the year in which the Assembly meeting is held.

Member, who joined Association in period after end of business year, and before meeting of Assembly, in order to exercise his right to vote, is obliged to pay total amount of membership fee for current year when meeting of Assembly meeting is being held.

During the Assembly meeting a member is represented and presented by authorized person of employer or other person who is issued written proxy by authorized person.

Proxy is issued, as a rule, for one meeting of Assembly, and it is valid in case of possible interruption or postponement of the same meeting.

1.1.6. Making decisions **Article 36**

Assembly makes decisions by majority of votes of present members of Assembly.

Exceptionally, in case of adoption of the Statute, decision on amendments and changes to the Statute and decision on cessation of Association, Assembly makes decision by a qualified (two thirds) majority of the present members of Assembly.

Members of the Assembly declare "for" the proposal, "against" the proposal, or abstain from voting.

Minutes shall be kept during the meetings of the Assembly.

1.2. Presidency

1.2.1. Competences **Article 37**

Presidency is body that manages Association between two meetings of Assembly.

Presidency has the following competences:

- 1) ensures legality of Association's work and doing business and the implementation of this Statute;
- 2) protects the interests of Association's members;
- 3) determines and manages business policy of Association;
- 4) determines the work plan and financial plan of Association and submits it to the Assembly for adoption;

- 5) adopts financial report of Association;
- 6) elects President of Association and Honorary President of Association
- 7) elects members of Executive Board, in accordance with this Statute;
- 8) appoints Director of Association;
- 9) proposes initiatives, adoption of new laws and bylaws, and changes and amendments to existing ones;
- 10) makes decisions related to collective bargaining and conclusion of collective agreement on the adequate level, and forms negotiating team which it directs and supervises;
- 11) decides on membership fee;
- 12) decides on the establishment of special organizations of Association (employers' associations) at sectoral or territorial level;
- 13) adopts other documents necessary for the operation and functioning of Association;
- 14) makes decisions regarding the procedure for peaceful settlement of labor disputes;
- 15) decides on the sale of Association property worth more than one million dinars;
- 16) proposes adoption of a new statute, i.e. changes and amendments to the current one, and considers proposals for changes and amendments to the current statute;
- 17) convenes the meetings of the Presidency and the Assembly, in case the President of Association refuses to schedule a meeting of these bodies, in accordance with the provisions of this Statute;
- 18) proposes to the Assembly a method of allocating the funds remaining after adoption of the decision on Association cessation;
- 19) makes decisions about other issues in accordance with this Statute.

1.2.2. Composition and mandate

Article 38

Presidency is composed of:

- 1) 10 members elected by Assembly of Association among small and medium size companies – members of Association, under the condition that they fulfilled obligation of paying annual membership fee in a minimum amount of 1.500 EUR 500 in dinar counter value on the day of payment;
- 2) up to 15 members of Association who fulfilled obligation of paying annual membership fee in a minimum amount of 3.500 EUR in dinar counter value on the day of payment, and who are elected by the Presidency of Association on the proposal of the Council of Founders;
- 3) Chairperson of Council of Founders in accordance with this Statute.

A member of the Presidency is represented by the legal representative of the employer - a member of Association or a person authorized by him.

Person who is official of political party or person who is sentenced to imprisonment cannot be elected as a member of Presidency.

Mandate of member of Presidency shall last four years and it can cease before expiration of period for which he was elected, based on the report of the professional staff of Association, due to following reasons:

- 1) voluntarily, upon own written request;
- 2) cessation of status of member of Association;
- 3) if it is established that the legal representative of a member did not respect, i.e. breached provisions of this Statute and other acts of Association; that he has intentionally or with utter negligence caused damage to Association; that he damaged the reputation of Association; that

- he irregularly attended meetings of Presidency; that the legal person that he represents did not fulfill the obligation of paying membership fee as a member of Association;
- 4) in other justified cases.

The decision on termination of the mandate of a member of the Presidency elected by the Assembly is made by the Presidency, and this decision is confirmed at the first next meeting of the Assembly. The decision on termination of the mandate of a member of the Presidency elected by the Council of Founders shall be made by the Council of Founders.

In addition to the decision on termination of the mandate, a decision on the election of a new member, shall be made in accordance with this Statute.

The mandate of a new member of the Presidency, elected in accordance with paragraph 6 of this Article, shall last until the expiration of the mandate of the member he replaced.

1.2.3. Rights and obligations of member of Presidency

Article 39

Member of Presidency has a right and obligation to attend meetings of Presidency and to participate in its work and decision making.

If a member of Presidency is reasonably prevented from attending a meeting, he is obliged to inform the President or Director of Association, a day before meeting at latest.

Member of Presidency can issue a written proxy to another person to represent and present him during the meeting, in which case member of Presidency is considered to be present.

If member of Presidency is unjustifiably absent from three consecutive meetings, Presidency can dismiss him from this function.

Member of Presidency has a right to:

- 1) be informed about all issues of importance for Association;
- 2) propose reviewing certain issues of importance for Association and undertaking certain measures;
- 3) propose to include in the agenda of the Presidency meeting any issue from the scope of work of this body (such proposal must be explained and documented by appropriate material);
- 4) demand information and explanation from President and director of Association about all issues relevant for performing function of member of Presidency;
- 5) initiate other issues in accordance with this Statute.

One third of total number of members of Presidency can, by joint written request, demand convening, i.e. convene, meeting of Presidency, while half of total number of members of Presidency can, by joint written request, demand convoking, i.e. convoke, Extraordinary meeting of Assembly, in accordance with this Statute.

1.2.4. Decision making

Article 40

Presidency works and makes decisions during its meetings under the condition that more than a half of members of this body are present.

Each member of Presidency has one vote.

Members of the Presidency shall declare "for" proposal, "against" the proposal, or abstain from voting.

The Presidency shall make decisions by the majority of votes of the present members of Presidency.

In case of equal number of votes of the present members of Presidency, a proposal voted for by President shall be adopted.

If there is a division of the Presidency members about specific issue, Presidency may make the decision not to make a final stand on the issue.

The meetings of the Presidency may also be attended by the Presidents of the Association's sectors, as well as other persons, upon the invitation of the Presidency.

1.3. President of Association

1.3.1. Representing and presenting Association, election of President Article 41

President of Association is a person authorized to represent and present Association, and as such he is registered in registry kept by the relevant authority.

President of Association elects Presidency among its members by majority of votes.

Mandate of President shall last four years.

The same person can be elected for president in two consecutive mandates.

The mandate of President shall be terminated by a decision of the Presidency before the expiration of the period to which he was elected, for the following reasons:

- 1) voluntarily, upon own written request;
- 2) if it is established that he did not respect, i.e. breached this Statute and other acts of Association or in some other way disabled work of Association or made it difficult;
- 3) in other justified cases.

1.3.2. Rights, obligations and responsibilities of President Article 42

President of Association has the following rights, obligations and responsibilities:

- 1) to represent and present Association;

- 2) to convoke the meetings of the Presidency, open and chair the meetings, propose the agenda of the meetings, propose decisions, conclusions, recommendations and opinions of the Presidency, sign the acts of the Presidency and perform other tasks;
- 3) to convoke the Assembly, upon decision of the Presidency, except in special cases when the meeting of the Assembly is convoked by the Presidency itself or by the Council of Founders, in accordance with this Statute;
- 4) to appoint and dismiss the President of the Executive Board of Association;
- 5) to appoint representatives of Association in bodies, organizations and institutions to which Association has right to be represented;
- 6) to propose initiatives, adoption of new laws and by-laws and amendments to existing ones;
- 7) to propose the adoption of a new statute, i.e. amendments to the current one, and considers proposals for amendments to the current statute;
- 8) to issue orders to the President of the Executive Board and the Director of Association;
- 9) to perform other duties as well, in accordance with the law and the Statute.

The Presidency shall be informed about the decision on appointment of Association representative, referred to in paragraph 1, item 5 of this Article, at the first following meeting of this body.

The President may appoint his deputy. The Deputy President is authorized, in the absence of the President, to represent and present Association.

The President may appoint another person to represent and present the Association, if the nature of the activity or the situation requires so.

President of Association has a duty to convene meeting of Presidency upon request of more than a third of members of Presidency or upon request of Council of Founders of Association, in accordance with the Statute, within three days since the date of submission of request.

President of Association has a duty to convoke meeting of Assembly upon request of more than a half of members of Presidency or upon request of Council of Founders of Association, in accordance with the Statute, within 10 days since the date of submission of demand.

In case President of Association disregards demand from paragraphs 5 and 6 of this Article, submitters of request have the right to convoke meeting of Presidency, i.e. Assembly, independently.

1.4. Executive Board

1.4.1. Composition Article 43

The Executive Board is the executive body of the Presidency of Association.

The Executive Board has a president, who convokes the meetings of the Executive Board, opens and chairs the meetings, proposes the agenda, proposes decisions, conclusions, recommendations and opinions of the Executive Board, signs the Executive Board's acts and performs other tasks upon the order of the President of Association and the Presidency.

President of the Executive Board is appointed by the President of Association.

The mandate of the President of the Executive Board shall last four years, and he may be dismissed by the President's decision even before the expiration of the mandate.

The Executive Board consists of the President of the Executive Board, the Director of Association, the directors of the local offices of Association, at least three members of Association from the ranks of employers - members of Association (represented by the legal representative or a person authorized by him) and elected by the Presidency upon proposal of the President of the Executive Board.

The mandate of a member of the Executive Board elected by the Presidency shall last four years and may be terminated by a decision of the Presidency prior to its expiry, based on the report of the professional staff of Association, for the following reasons:

- 1) voluntarily, upon own written request;
- 2) cessation of status of member of Association;
- 3) if it is established that the same member did not respect, i.e. breached provisions of the Statute and other general and individual acts of Association which are related to him, that he has intentionally or with utter negligence caused damage to Association; violated the reputation of Association; if he does not regularly attend meetings of Executive Board; legal person that he represents did not pay membership fee;
- 4) in other justified cases.

1.4.2. Competences **Article 44**

The Executive Board shall have the following competences:

- 1) it is responsible for the implementation of the decisions made by the President and the Presidency of Association;
- 2) decides on organization of Association's work;
- 3) discusses on forms of organizing within Association;
- 4) monitors, analyzes and coordinates the work of local offices and proposes measures for improvement of work;
- 5) monitors, analyzes and coordinates the work of Association sectors and proposes measures for improvement of work;
- 6) performs tasks entrusted by the President and the Presidency of Association;
- 7) performs other tasks in accordance with this Statute and other general acts of Association.

Executive Board meetings are held when necessary.

The Executive Board works and makes decisions at meetings, and the manner of work and decision-making is regulated by the Rules of Procedure of this body.

Each member of the Executive Board has one vote.

The meetings of the Executive Board may also be attended by Presidents of the Association's sectors, as well as other persons, upon the invitation of the Executive Board.

The Executive Board submits written reports on its work to the Presidency, at least once in three months.

1.5. Secretary General of Association

1.5.1. Rights, obligations and responsibilities of Secretary General

Article 45

Secretary General has the following rights, obligations and responsibilities:

- 1) takes care of the legality of work of Association;
- 2) represents and presents Association within authorities given by President and Presidency of the Association;
- 3) together with President and Director of Association, participates in coordination of Association's work and its cooperation with:
 - (1) legislative and executive authorities, state administration bodies, territorial autonomies and local self-government, public services, institutions, etc.;
 - (2) trade unions and other non-government organizations;
 - (3) the International Organization of Employers, the BusinessEurope, the International Labor Organization and other international organizations that Association cooperates with;
 - (4) organizations - members of Association;
 - (5) members of Association.

Secretary General participates in work of other bodies of Association without right to vote.

1.5.2. Election and mandate of Secretary General

Article 46

The General Secretary is elected and dismissed by the Association's Assembly.

The mandate of the Secretary General shall last four years, and the same person may be re-elected for this function.

The Secretary-General is responsible for his work to the President and the Association's Assembly.

The mandate of the Secretary General shall be terminated by the decision of the Assembly before the expiration of the period for which he was elected, for following reasons:

- 1) voluntarily, upon own written request;
- 2) if it is established that he did not respect, i.e. breached this Statute and other acts of Association or in some other way disabled work of Association or made it difficult;
- 3) in other justified cases.

In case mandate of Secretary General was terminated before expiration of mandate for which he was elected, another person shall be elected to replace him, in accordance with the provisions of this Statute.

1.6. Honorary President of Association

Article 47

Association has an Honorary president, who is elected by majority of votes of Presidency members.

Honorary president has the right to participate in work of all bodies of Association, without right to vote.

2. Minutes from the meetings of Association's bodies and sectors

3. Article 48

The minutes of the Association's bodies and sector meetings shall be kept.

Minutes shall in particular contain: serial number of meeting, date and place, personal name of chairperson, present and absent representatives of members (number of present members – Assembly), other persons present upon invitation, minutes keeper, starting and ending time of meeting, agenda, issues that were considered and adopted decisions and conclusions with the voting results, etc.

Every decision shall be recorded within minutes.

Minutes shall follow attached list of present members, evidence about convocation of meeting, and if necessary, a list of other persons present at the meeting (e.g. for the Assembly).

List of members present during a meeting shall contain personal name of member's authorized person along with his signature (and in case of proxy, personal name of person to whom proxy is issued along with his signature,) business name of the legal entity he represents, contact details.

Minutes shall be signed by chairperson and minutes' keeper.

Minutes shall be electronically delivered to all members of the relevant Association's body and sector within 7 working days since the date of meeting.

3. Electronic meeting of Association's body and sector

Article 49

Exceptionally, in case of urgency or importance, i.e. if circumstances require, an electronic meeting of Association's body and sector can be convoked.

During electronic meeting, all decisions falling within the competences of the particular body or sector can be made.

3.1. Convocation of electronic meeting

Article 50

Convocation of electronic meeting of the Assembly shall be made upon decision of the Presidency, the convocation of the Presidency upon decision of the President and the convocation of the Executive Board upon decision of the President of the Executive Board. The convocation of electronic meeting of a sector, i.e. bodies of Association, shall be made upon decision of the chairperson of the sector or body.

By its decision on convoking meeting of Assembly, Presidency shall appoint Commission for declaring results of voting. Commission has three members, among which one is a chairperson. A list of members who have by paying membership fee fulfilled condition to participate in the work of the Assembly with

the right to vote, in accordance with this Statute, shall be an integral part of the Presidency's decision on convoking the Assembly meeting.

The electronic meetings of bodies and sectors of Association shall be organized by the Director of Association.

The proposal of invitation with agenda for meeting of body or sector of the Association, with material and proposed decisions (with reasoning), including the decision on convocation of electronic meeting, through the Association's professional staff, in the form of electronic mail, shall be sent to the members of the relevant body or sector of the Association. The invitation shall include a written notice which particularly contains the following information:

- 1) deadline for coming out;
- 2) way of coming out ("for", "against" and "abstained");
- 3) the official electronic address of Association for receipt of coming out.

3.2. Procedure of coming out and determining results of voting **Article 51**

Coming out during electronic meeting is valid if:

- 1) it is delivered to Association by electronic mail within deadline;
- 2) coming out delivered by electronic mail contains memo of member of Association's sector or body or other elements which confirm authenticity of the member.

Results of voting during electronic meeting of Assembly shall be determined by Commission, based on the report of the professional staff. President of the Commission shall sign minutes and decisions made during electronic meeting of Assembly.

Minutes from the electronic meeting shall be delivered to the members of the relevant body or sector of the Association, within seven days from the day of determining voting results.

4. Organization of Association on sectoral level **Article 52**

In order to jointly improve work and business, harmonize specific and common interests, propose measures for improving the business environment and conditions for doing business, Association members, according to their predominant economic activity, are organized into sectors (as organizations within the Association) in accordance with this Statute and the Rules on the Sectoral Organization of the Association, adopted by the Presidency.

5. Local organizations of Association **Article 53**

In order to achieve a better and more efficient performance of activities, the Association can also establish its local organizations.

Local employers' organizations - members of Association, act in accordance with the needs of the local business community and report on their decisions and activities to the President or Director of Association, once in three months or more often, if needed.

All members organized at local level pay membership fee to Association.

Based on an agreement between Association and the local organization, a certain part of the funds collected by charging membership fees to members of the local organization can be returned to that organization in order to provide for monthly expenses related to the work of the local organization. This Agreement shall be approved by the Presidency of Association.

The association of employers registered for the territory of the Autonomous Province of Vojvodina - the Association of Employers of Vojvodina and all other associations of employers registered by Association in the competent ministry for labor, and the employers' organization that joined the Association by concluding the accession agreement are part of Association.

6. Director of Association

Article 54

Director of Association is a professional person who manages activities of Association and is head of Professional Staff of Association, in accordance with the law and the Statute.

The Director of Association is appointed and dismissed by the Presidency, which also approves the terms of the contract which the Association concludes with this person.

The mutual rights, obligations and responsibilities between the Director of Association, who is not employed in the Association, and Association are regulated by a special contract.

Director of Association has the following rights, obligations and responsibilities:

- 1) ensures legality of Association's work and activities and the implementation of this Statute;
- 2) represents and presents Association within his competences, as well as competences delegated by Association's bodies;
- 3) he is responsible for orderly keeping books of Association's business activities;
- 4) he is responsible for accuracy of financial reports of Association;
- 5) he is a member of Executive Board by function;
- 6) performs professional activities related to convoking and holding meetings of Associations' bodies, coordinates their work and implements Association's acts;
- 7) he is authorized for issuing documents and acts on the basis of the Official records kept by the Association;
- 8) performs technical and other activities for elected officials of Association;
- 9) he is responsible for making, keeping and using of Association's seal and stamp, and their possible giving for use;
- 10) proposes to Presidency general acts which regulate rights, obligations and responsibilities of employees based on employment, as well as rules of organization and systematization of jobs in Association;
- 11) in agreement with the President of Association, decides about labor-legal issues related to employees, i.e. person hired by the Association in other way, in accordance with the law;
- 12) he is manager and gives orders for tasks to be performed by the Professional Staff of Association and he is responsible for efficiency of its work, in accordance with the law;
- 13) submits to Presidency report about his work (every three months, more often if necessary)
- 14) submits to Presidency report on collecting membership fees (every three months, or more often if necessary)
- 15) performs also other activities determined by the law, the Statute and other acts of Association.

Director of Association is responsible for his work to President of Association and Presidency.

Director of Association shall consult with the President on matters within the scope of his work.

Director of Association is member of Executive Board and attends meetings of other Association's bodies without right to vote.

7. Administrative-technical and expert activities

7.1. Professional Staff of Association Article 55

Administrative, technical and expert activities for Association are performed by employees of the Association's Professional Staff, led by the Director.

Professional Staff performs tasks necessary for the functioning of Association and the work of the Association bodies, takes care of the implementation of decisions of the bodies and sectors of Association, in accordance with the law and this Statute, respecting the principles of professional ethics.

7.2. Funds for performing administrative-expert activities Article 56

Association is obliged to provide financial and other means for carrying out administrative, technical and expert tasks.

Funds from paragraph 1 of this Article are determined by financial plan of Association.

VI. PROTECTION OF ENVIRONMENT

Article 57

In performing its activities and actions the Association undertakes measures for protection and promotion of working and living environment in accordance with the law and the Statute, other general acts of Association, and plans and programs of sectors of Association.

VII. GENERAL ACTS OF ASSOCIATION

1. Statute **Article 58**

Statute is the highest general act of Association which is adopted by Assembly.

Proposal of the new statute, i.e. proposal of decision on changes and amendments of the Statute, can be submitted by:

- 1) at least one third of Association's members who fulfill condition to be members of Assembly in accordance with the Statute;
- 2) Presidency;

- 3) President of the Association;
- 4) Council of Founders.

Proposal from paragraph 2 of this Article (if the President is not the proposer himself) shall be delivered in written to the President of Association, at least 10 days before date of Assembly's meeting, who submits it, as it is, to the Assembly.

2. Other acts of Association
Article 59

Bodies of Association adopt also other general and individual acts, being: rules, programs, guides, decisions and other acts in accordance with the law and the Statute.

3. Interpretation of the Statute and general acts of Association
Article 60

Provisions of the Statute and other general acts of the Association shall be interpreted by the Assembly.

VIII. PRESERVATION OF OFFICIAL DOCUMENTS

Article 61

Membership forms, contracts, agreements, protocols and other acts and documentation related to members of Association, as well as documentation related to Association staff, shall be kept in accordance with the law.

IX. CESSATION OF ASSOCIATION

Article 62

Association ceases its work based on decision of Assembly or in other cases foreseen by the law.

Before adoption of decision on cessation of Association, Assembly makes decision about transferring funds of Association which remained after settling financial obligations of Association.

Funds which remain after settling financial obligation of Association shall be transferred to other associations or institutions.

Decision about transfer of funds to members of Association shall be made by Assembly, upon reasoned proposal of Presidency.

X. FINAL PROVISIONS

Article 63

This Statute shall come into force on the day of its adoption.

By this Statute coming into force, the Statute of Serbian Association of Employers adopted at the Assembly's meeting on June 27, 2014 shall cease to have effect.

In Belgrade,
November 15, 2018

CHAIRPERSON OF ASSEMBLY

Dragan Mijanović