

Pursuant to Articles 5.2.2 and 12.1 of the Articles of Association from 15 April 2011 the General Meeting of the association of citizens "SERBIAN FISCAL SOCIETY" on the meeting held on 23 November 2016 in Belgrade passes on the decision on the changes and amendments to the Articles of Associations and adopts the following consolidated text:

## **ARTICLES OF ASSOCIATION**

### **Preamble**

The association of citizens "SERBIAN FISCAL SOCIETY", legal entity ID number 17677896 (hereinafter: the Association) was established as a non-government, non-partisan, non-political and non-profit association of citizens, for an undisclosed period with a goal of studying and a commitment for improving the Serbian tax law, as well as international comparative law in the field of public finance, especially international and comparative fiscal law, as well as financial and economic aspects of taxation.

Through these Articles of Association the Association is harmonized with the provisions of the Law on Associations ("Off. Gazette of RS, no.51/09) within the statutorily prescribed deadline.

### **1. GENERAL PROVISIONS**

#### **1.1 THE SUBJECT MATTER**

1.1.1 By virtue of these Articles of Association (hereinafter: Articles), the organization and activities of the Serbian Fiscal Society (hereinafter: the Association) shall be governed, in particular:

1. legal status, name and legal seat of the Association;
2. objectives and activities of the Association;
3. membership in the Association, as well as the rights and duties of the members;
4. bodies of the Association;
5. internal organization of the Association;
6. representation of the Association;
7. acquiring, using and disposing of the operating funds and realizing objectives of the Association;
8. relationship with other organizations;
9. procedure for making changes and amendments to the Articles and the procedure for terminating the Association;
10. other questions of importance for running the Association.

### **2. LEGAL STATUS, NAME AND LEGAL SEAT OF THE ASSOCIATION**

#### **2.1. LEGAL STATUS**

2.1.1. The Association acquires the capacity of a legal person on the day of the Association's entry into the register of the Agency for Commercial Registers.

2.1.2. The Association has its own assets, which it uses for accomplishing its Objectives, but only in the manner prescribed and allowed by the Law.

2.1.3. The assets of the Association are separated from the assets of its members.

## 2.2. NAME AND LEGAL SEAT OF THE ASSOCIATION

2.2.1. The full name of the Association is: „Srpsko fiskalno društvo”. Name of the Association in English is:”Serbian Fiscal Society”.

2.2.2. The Association’s abbreviated name is:”SFS”.

2.2.3. The General Meeting decides on changing the name of the Association.

2.2.4. Legal seat of the Association is in Belgrade, Bulevar kralja Aleksandra 67.

2.2.5. Executive Board decides on changing the legal seat of the Association.

## 2.3. VISUAL IDENTITY OF THE ASSOCIATION

2.3.1. The Association has its own stamp, which is used to authenticate signatures of the persons representing it, as well as signatures on the decisions made by the bodies of the Association.

2.3.2. The stamp of the Association shall have the form of the circle, 39 mm in diameter, with the following text written round the edge in Serbian and English, respectively: "Српско фискално друштво" and "Serbian Fiscal Society". In the middle of the circle the Serbian version of the abbreviated name of the Association: "SFD" shall be written.

2.3.3. All written correspondence of the Association with third parties shall bear the logo of the Association and the logo of the International Fiscal Association.

2.3.4. The Executive Board passes on the decisions regarding the visual solutions of the Association’s logo. Within the logo of the Association the following quote of John Maynard Keynes shall be contained: “The avoidance of taxes is the only intellectual pursuit that carries any reward”.

## 3. OBJECTIVES AND ACTIVITIES OF THE ASSOCIATION

### 3.1 OBJECTIVES OF THE ASSOCIATION

1.1.2 Objectives of the Associations are the research and the commitment for improving Serbian tax law, as well as, in cooperation with the International Fiscal Associations, international and comparative law in the field of public finance, especially international and comparative fiscal law, as well as financial and economic aspects of taxation.

1.1.3 After the General Council of the International Fiscal Associations (hereinafter: the IFA), a scientific organizations that acts as an association pursuant to the laws of the Netherlands, with a registered legal seat in Rotterdam, recognizes the Association as IFA’s Branch in Serbia, it will continue to act in the manner that will allow it to be recognized as IFA’s Branch in Serbia.

### 3.2. ASSOCIATION’S ACTIVITIES

3.2.1. The Associations seeks to accomplish its objectives through conducting the following activities:

a) scientific research;

b) holding congresses;

c) publishing monographs, journals, collections and the like, in accordance with the objectives of the Associations;

d) cooperation with other domestic and foreign organizations, whose basic objectives are attached to the field of financial law, and especially with the International Fiscal Association;

#### 4. MEMBERSHIP IN THE ASSOCIATION

##### 4.1. MEMBERS OF THE ASSOCIATION

4.1.1. The Association has members and honorary members.

4.1.2. Members of the Association consist of individuals, residing in the Republic of Serbia, as well as from the organizations that are founded in accordance with the laws of the Republic of Serbia or whose legal seat is in its territory. An organization, member of the Association, has a duty to appoint an individual that will represent it within the Association.

4.1.3. Individuals that are not residents of the Republic of Serbia may become members of the Association upon approval of the IFA..

4.1.4. Honorary members may be individuals to which the General Meeting grants this status based on their special merits for the Association. Honorary members have to be members of the IFA and they have to pay the membership fee to the IFA or the IFA's Branch in Serbia shall do so for them.

##### 4.2. ACQUIRING MEMBERSHIP IN THE ASSOCIATION

4.2.1. A member of the Association may only be a person that has been accepted into the IFA's membership.

4.2.2. The General Meeting determines the list of candidates for membership in the IFA based on the Executive Board's suggestion. The General Meeting passes on the decision on each separate suggestion of the Executive Board by a qualified majority from Article 5.4.3 of these Articles.

4.2.3. The Executive Board forwards the list of candidates adopted by the General Meeting to the IFA immediately upon its passing.

4.2.4. Persons admitted to the membership of the IFA become members of the Association at the same time, whilst the General Meeting with its decision only confirms their membership.

4.2.5. Any person – resident of the Republic of Serbia that has become a member of the IFA outside of the procedure prescribed by this Article, shall be recognized as a member of the Association by the General Meeting, based on the request filled in writing.

##### 4.3. RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION'S MEMBERS

4.3.1. Members of the Association have the following rights:

- a) to participate in the Association's activities;
- b) to elect and to be elected into the bodies of the Association;
- c) to be notified regarding the activities of the Association, as well as about financial issues of importance for the Association;
- d) to vote at the sessions of the General Meeting, as well as to propose topics that will be discussed at them;
- e) other rights prescribed by law, Articles and decisions of the Association's bodies.

4.3.2. Members of the Association have the following responsibilities:

- a) to pay membership fees to the Association in accordance with the Articles and decision of the Association's bodies;

- b) to actively participate in accomplishing objectives of the Association and the work of its bodies;
- c) to restrain from all activities that could damage the reputation image of the Association.

#### 4.4. TERMINATION OF MEMBERSHIP IN THE ASSOCIATION

4.4.1. Membership in the Association is terminated:

- a) by death of an individual, or in case of an organization, by virtue of its cessation of existence;
- b) upon permanently leaving of the Republic of Serbia by an individual, except in the case stipulated by in Article 4.1.3;
- c) by termination of membership in the IFA.

4.4.2. Member may, for any reason, leave the Association by submitting a written notification on leaving the membership to the Secretary General of the Association before the end of the fiscal year,

4.4.3. Member is notified on his exclusion from the membership in writing, and the decision on exclusion from the membership is made by the General Meeting based on one or more of the following reasons:

- a) not paying the membership fee;
- b) violating the provisions of the Articles, legal acts of the Association or decisions of its managing bodies, or in the case of incurring damage to the Association by the member.

4.4.4. Member is notified in writing regarding the proposition for his exclusion from the membership, while he has a right to make his statement regarding this issue at the General Meeting.

4.4.5. The decision on exclusion from the membership the General Meeting passes on with a qualified majority from Article 5.4.3 of these Articles.

#### 5. BODIES OF THE ASSOCIATION AND ITS INTERNAL ORGANIZATION

##### 5.1. BODIES OF THE ASSOCIATION

5.1.1. Bodies of the Association are the General Meeting, Executive Board and the President.

5.1.2. The General Meeting is the highest body of the Association.

5.1.3. The Executive Board and the President are the governing bodies of the Association.

5.1.4. Special organization units within the Association may have their own managing bodies, which are determined by the decision of the Executive Board on their founding, but that will always be subordinated to the governing bodies of the Association.

##### 5.2. THE GENERAL MEETING

5.2.1. The General Meeting consists of all the members of the Association.

5.2.2. The General Meeting performs the following activities:

1. it elects the members of the Association in accordance with the procedure prescribed in Articles 4.2.2 till 4.2.4;
2. elects the members of the Executive Board;
3. elects the President of the Association;
4. adopts the Annual plan of activities of the Association;
5. passes the decisions regarding the amount of membership fee paid by the members of the Association, as well as decisions regarding additional payments of the members;
6. adopts the annual budget of the Association;

7. adopts financial statements of the Association;
8. decides on changing the name and objectives of the Associations;
9. decides on acquiring, sale, pawning or other means of disposing with the assets of the Association of great value;
10. decides on changes and amendments of the Articles of the Association;
11. decides on the termination of the Association, the changes in internal organization of the Association, as well as about the change of the name of the Association;
12. determines the liquidation administrator and adopts the liquidation balance sheet of the Association;
13. prescribes its own rules of procedure;
14. passes on other decisions that are not within the jurisdiction of other bodies of the Association.

### 5.3. THE SESSIONS OF THE GENERAL MEETING

- 5.3.1. The sessions of the General Meeting shall be regular or extraordinary.
- 5.3.2. Regular sessions of the General Meeting shall be held at least twice each year, with the first session held no later than six months after the expiration of the calendar year, and the second session held in its last quarter.
- 5.3.3. Extraordinary sessions of the General Meeting shall be held on the request of the President, Executive Board, or the request of at least 30% of the members of the Association, such request to be filed in writing to the Executive Board who shall call on the session of the General Meeting within 8 days following the receipt of such request. In all cases, the General Meeting shall be held within 30 days from filling the request for the session.
- 5.3.4. Executive Board shall decide on the venue of the Association's General Meeting's session.
- 5.3.5. Each member of the Association is entitled to be present at the General Meeting. The Executive Board shall send to each member a notice on the session of the General Meeting containing the place, the time and the provisional agenda of the session at least 15 days prior to the scheduled date of the session.

### 5.4. GENERAL MEETING'S DECISIONS

- 5.4.1. Each member shall have one vote at the General Meeting.
- 5.4.2. The General Meeting may adopt decisions only if at least one quarter of all members are present at the session of the General Meeting. If less than one quarter of all members are present at the session of the General Meeting, another session shall be called between two and four weeks after the unsuccessful session. In that case, decisions may be adopted regardless of the number of members present.
- 5.4.3. The General Meeting shall adopt its decisions by a simple majority (50% +1) vote of the members present at the General Meeting, except for the decisions which under these Articles a qualified majority is required, in which case such decisions shall be adopted by two-thirds of the votes of members present at the General Meeting.

### 5.5. THE EXECUTIVE BOARD

- 5.5.1. The Executive Board shall be in charge of the management of the Association and in that capacity shall take the decisions necessary for such purpose, draw up the agenda for the General Meeting and submit to the General Meeting all suggestions which it considers useful.

- 5.5.2. The Executive Board shall consist of ten members. One member shall be the President of the Association. One of the other members shall hold the position of the Secretary General, one of the Treasurer and one of the President of the Youth of the SFS.
- 5.5.3. The members of the Executive Board shall be elected by the General Meeting for the term of two years with the possibility of re-election without any limitations. The election of the members of the Executive Board shall be adopted by a qualified majority of the General Meeting.
- 5.5.4. Sessions of the Executive Board shall be held at least three times a year, once at the beginning of the year, once prior to the regular session of the General Meeting and once in the last quarter of the year.
- 5.5.5. The Executive Board adopts its decisions by simple majority and in the case when votes are equally divided, the vote of the President of the Association shall be decisive.

## 5.6. THE SECRETARY GENERAL OF THE ASSOCIATION

- 5.6.1. The Secretary General of the Association manages the implementation of decision of the Association's bodies, as well as the regular governing of the Association that does not require passing of the decision of the Association's bodies. The Secretary General of the Association will particularly be responsible for all of the communication with IFA, including the regular updates of the member's list, as well as forwarding of requests and calls from IFA to members, for participating in its activities and programs.

## 5.7. THE TREASURER

- 5.7.1. The Treasurer handles the finances of the Associations, supervises financial reports of the Association, prepares the draft of the yearly budget, and gives authorization for the use of the Association's funds. The Treasurer is in charge for performing all of financial responsibilities of the Association towards the IFA, and especially for making payments of the corresponding part of the yearly membership fee to the IFA by the members of the Association.
- 5.7.2. The Association will do everything that it can in order to provide, each year, that the total amount of the corresponding part of the fee by the members of the Associations for the IFA is paid to IFA's bank account without delay and in accordance with its demands. Pursuant to this, the Association will charge this part of the membership fee along with the remaining part of the fee that they pay.

## 5.8. THE PRESIDENT

- 9.1.1. The President of the Association is chosen by the General Meeting with a qualified majority of votes for a two-year term, with a possibility of reelection without limitations.
- 9.1.2. The President represents the Associations and presides in the sessions of the General Meeting and the Executive Board.

## 6. REPRESENTATION OF THE ASSOCIATION

- 6.1. The Association is represented by the President, Secretary General and the Treasurer.
- 6.2. The President, Secretary General and the Treasurer represent the Association independently from one another within the limitation prescribed by the Articles or by the decision of the General Meeting.

## 7. TRANSPARENCY

- 7.1. Activities of the Association are transparent. The Executive Board is responsible for the regular notifications of members and the general public on the work and activities of the Association, by means of reports, periodical publications, announcements for the public, press conferences, or in other adequate manner.

## 8. RESPONSIBILITY

- 8.1. For its responsibilities the Association is liable with its entire assets.
- 8.2. Members and bodies of the Association may be held personally responsible for the liabilities of the Association if they use the material assets and property of the Association as if it were their own property or abuse the Association as a form for illegal or fraudulent purposes.

## 9. INTERNAL ORGANIZATION OF THE ASSOCIATION

### 9.1. ORGANIZATION UNITS

- 9.1.1. The Association may, based on the decision of the Executive Board, establish special units in its structure.
- 9.1.2. Special units of the Association are sections, committees, work groups, boards etc. Special organizational units are established temporarily, with a goal of conducting a particular project, or on a permanent basis.
- 9.1.3. Objectives, activities and governance of the organizational unit are determined by the decision of the Executive Board and acts of the organizational unit in accordance with the decision of the Executive Board.

## 10. FINANCING THE ASSOCIATION

### 10.1. SOURCES OF FUNDING THE ASSOCIATION

- 10.1.1. The Association gathers its funds from:
  - a) membership fees and other payments made by the members of the Association;
  - b) voluntary donations and bequests, as well as through other legally allowed methods.

### 10.2. USE OF THE ASSOCIATION'S FUNDS

- 10.2.1. Funds of the Association are used exclusively for financing activities that help realize the objectives of the Association from Articles 3.1 and 3.2 of the Articles, in accordance with the yearly budget adopted by the General Meeting.

### 10.3. MEMBERSHIP FEES

- 10.3.1. Every member of the Association has a duty to pay the membership fee to the Association.
- 10.3.2. The yearly membership fees consist of the membership fee to the IFA, in the amount determined by the General Council of the IFA, and the membership fee to the Association.
- 10.3.3. The General Meeting makes the decision regarding the amount of the membership fee to the Association once a year, on its regular meeting, while the amount of the fee to the IFA may be changed depending on the decisions of the General Council of the IFA.

- 10.3.4. The yearly membership fee is paid once a year, in the beginning of a calendar year, within the deadlines determined by the Executive Board. The Secretary General notifies, in a written manner each of the members regarding deadlines for paying the yearly membership fee.
- 10.3.5. The Treasurer forwards the membership fees to the IFA immediately upon payment by the members in accordance with instructions given by the IFA, in the manner arranged in Article 5.7.
- 10.3.6. Members of the Association may be called to pay additional amounts based on the decision of the General Meeting.

## 11. RELATIONSHIP WITH OTHER ORGANIZATIONS

- 11.1. The Association seeks cooperation with other organizations whose direct or indirect goal is improvement of the fiscal system and tax law, and may become part of such organizations based on the General Meeting's decision.

## 12. PROCEDURE FOR CHANGING AND AMMENDING THE ARTICLES AND TERMINATION OF THE ASSOCIATION

### 12.1. PROCEDURE FOR CHANGING AND AMMENDING THE ARTICLES

- 12.1.1. The Articles may be altered by the decision of the General Meeting for which a qualified majority of votes, as defined under Art. 5.4.3 of these Articles of Association, is needed.

### 12.2. TERMINATION OF THE ASSOCIATION

- 12.2.1. For passing on the decision of the General Meeting on terminating the Association, a qualified majority of votes is needed.
- 12.2.2. In the case of termination of the Association, the General Meeting shall dispose with the assets of the Association in a manner that will benefit the objectives of the Association in the highest measure possible, during which the receivers of the Association's assets shall be foundations whose objectives are in the highest measure compatible with the objectives of the Association, and all in accordance with the Law.

## 13. ENTRY INTO FORCE

- 13.1. These Articles enters into force upon adoption by the General Meeting, but is subject to approval by the General Council of the IFA.

The President,

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Prof. Dr. Dejan Popović