

**SERBIAN SPAS ASSOCIATION
VRNJACKA BANJA**

**Number: 20/11
10 February 2011**

**STATUTE
SERBIAN SPAS ASSOCIATION**

VRNJACKA BANJA

Based on Article 12. paragraph 4 and Article 22. paragraph 4. of the Law on Associations (Official Gazette RS, No. 51/09), the Serbian Spa Association Assembly, in decision no. 20/11 thereof, at the meeting held on 10 February 2011, adopted the following

**STATUTE
OF THE SERBIAN SPAS ASSOCIATION**

GENERAL PROVISIONS

Article 1.

Serbian Spas Association was established by Decision of the Assembly of Serbian Spas and Climate Places Association on 18 May 2010, and it shall constitute the legal successor of the Association of Serbian Spas and Climate Places (hereinafter referred to as: the Association).

Article 2.

The Association is a citizens' association in which legal entities and citizens shall pursue their interests through their representatives in the Association's bodies, committed to organised development, use, promotion and protection of their own and all other spas and climate places in the Republic of Serbia, and it shall operate on Serbian territory.

Article 3.

The Association shall be a legal entity.

Article 4.

The seat of the Association shall be in Vrnjacka Banja.

Article 5.

The name of the Association (in Serbian) shall be: UDRUZENJE BANJA SRBIJE.
The name of the Association in English shall be: SERBIAN SPAS ASSOCIATION.

Article 6.

The Association shall have a round stamp, 32 mm in diameter, with the Association emblem in the middle, with letters: "Serbian Spas Association – Vrnjacka Banja" circling the outer edge.

The Association shall have its seal in rectangle shape with the following text imprinted: "Serbian Spas Association – No. – Year".

The Association shall have its emblem (symbol of spas – water fountain, and symbol of mountains – pine tree) encircled. The outer line of the circle shall read the name of the association "Udruzenje banja Srbije" – in Cyrillic letters and the name of the Association in English – "Serbian Spas Association".

OBJECTIVES AND PROGRAMME AREA

Article 7.

The Association is established on indefinite time in order to attain its objectives in the following areas:

1. Promotion of spa tourism.
2. Research, investigation and use of natural medicinal factors in medical rehabilitation.

OBJECTIVES AND TASKS

Article 8.

All the members in the Association shall exercise unified action, harmonise their individual, common and general societal interests and in this way in accordance with the general development policy of spas and climate places, pursue their interests directly and in long term.

Article 9.

The Association shall monitor and study all the issues in spas and climate places the members are faced with, and encourage and coordinate all activities to address them timely and adequately.

The Association shall provide its members with the opportunity to exchange experience, as well as other forms of mutual cooperation, so that spas and climate places in Republic of Serbia can develop evenly, and their natural factors be used more rationally.

The tasks of the Association shall be the following:

- help spas and climate places promote healthcare, economic, communal, urban and other activity;
- propose to authorities the adoption of, or amendments to, laws and regulations regulating the issues of development, construction, organisation and operation of spas and climate spaces and their activities;
- cooperate with other institutions, organisations and associations in the Republic of Serbia and abroad that deal with issues of development and promotion of economic and social activities, such as: association assemblies, the Parliament, ministries, chambers of commerce, tourist, health, scientific and other organisations;
- encourage scientific research and application of natural medicinal substances;
- organise in the country and abroad promotional activities, improve contacts with businesses (B2B) and consumers (B2C) abroad, with the aim of promoting medicinal programmes and other programmes in the area of health and recreational tourism;
- provide conditions for the members to keep track of scientific and professional publications in different areas, primarily related to rational use of natural medicinal factors in the protection and promotion of people's health;
- provide continuous exchange and training of human resources in all professions required by members;
- encourage and participate in spa and climate places networking in the country and abroad, as well as bodies and organisations that have interest in the development of spas and climate places;
- represent members' interests before government and other bodies in the country and abroad.

Article 10.

The Association can establish or participate in the establishment of commercial and other organisations or services that base their activity on the implementation of the objectives and tasks of the Association.

MEMBERSHIP

Article 11.

Membership in the Association shall be voluntary.

Membership categories shall be:

1. Regular members.
2. Associate members.
3. Assisting members.
4. Honorary members.

Article 12.

Any legal entity that by decision of its managing body endorses the Association Statute can be a **regular** member of the Association, specifically:

1. The town on whose territory the spa or climate place is situated.
2. Self-government unit (municipality) on whose territory the spa or climate place is situated.
3. Legal entity whose basic activity is providing healthcare services.
4. Wellness and spa centres.
5. Educational institution in the area of medicine, tourism, geology, hospitality, marketing and management in tourism and similar.
6. Chambers.

Article 13.

Any legal entity that by decision of its managing body endorses the Association Statute can be an **associate** member of the Association, specifically:

1. Association gathering physical and legal entities in the areas of: medicine, tourism, urban and spatial planning, hotel management, hospitality and services, and similar.
2. Legal entity trading in commodities, equipment and services to spas and climate centres, health institutions in spas, wellness and spa centres.
3. Legal entity, association member mentioned in point 1. to this Article.

Article 14.

Professionals with background in the function of spa and climate places activity (doctors, designers, experts, etc.) who are in regular connection with the spas – on the condition that they accept the Association Statute and Work Programme and take part in their implementation, can be **assisting** members of the Association.

Article 15.

Membership in the Association is acquired based on the filled-in Entry Form stamped by the managing body of the candidate member.

The form and content of the Entry Form shall be determined by the Managing Board of the Association.

Eligibility for membership as described in the paragraphs above shall be determined by the Managing Board of the Association, on the proposal of the Association's Technical Division, when deciding on the application of a candidate, with regards to regulations stipulating these conditions.

Article 16.

The membership in the Association shall cease:

- Based on the Decision, or statement of withdrawal from the Association given by the authorised body of the Association member.
- Because of outstanding debt of the member in financing the Association's common needs, according to the criteria determined by the Assembly.
- Because of failure to execute the decisions of the Assembly and its other bodies.
- Because of non-compliance with provisions in the Law, Statute and other acts of the Association, causing severe damage to the Association and its other members.
- Because of death of the assisting member.

Membership termination shall be decided by the Managing Board.

Before withdrawing from membership in the Association in the manner and under conditions as described in this Article, the member shall fulfil their obligations towards the Association.

Article 17.

The rights of the Association members shall be the following:

- to use the services of the Association stipulated in this Statute and other acts of the Association;
- through their representatives, to propose and participate in the implementation of objectives and tasks stipulated in this Statute and the Association's operational programmes;
- assisting members and representatives of associate members of the Association cannot be elected members of the Managing and Supervisory Boards of the Association.

Article 18.

The obligations of the Association members shall be the following:

- to perform contracted and other obligations that the Association has taken upon itself on behalf of the member;
- through their representatives in Association bodies, to participate in the organisation of objectives and tasks stipulated by this Statute and operational work programmes of the Association;
- to provide funds to the Association for regular activity and other activities through participation in financing overall needs in accordance with the criteria stipulated by this Statute.
- to inform the Association and its organs on all matters of importance for performing the tasks of the Association relation to the member (statutory changes, various information, programmes and similar).

Article 19.

For extraordinary merit and success in implementing the Association's objectives, the managing Board can declare certain individuals honorary members.

Decisions on declaring honorary members shall be made by the Managing Board based on the criteria set in advance in the general act and according to procedure stipulated therein.

Honorary members shall be issued a certificate, which shall be designed in accordance with the general act.

Article 20.

During a year, the Managing Board can issue a certificate expressing gratitude to individuals, institutions, associations, bodies and organisations for their contribution in the implementation of the Association's objectives.

FINANCIAL RESOURCES

Article 21.

Resources for implementation of the Association's tasks shall be acquired through membership fees, donations and application for funding with relevant authorities.

Article 22.

The Association can acquire additional resources also by engaging in some commercial activities, in accordance with the law.

Article 23.

The total of funds necessary for the activity of the Association in a given year and individual participation of Association members in financing the activities are determined by the Assembly on the Managing Board's proposal in accordance with the plan, work programme and financial plan of the Association and criteria described in Articles 23-27.

MEMBERSHIP CONTRIBUTION

Article 24.

Criteria for the level of membership contribution to the Association are different for different membership categories.

The basic criterion for determining the level of membership contribution is the economic power of the member.

Membership contribution fees shall be determined on annual level.

Article 25.

Membership contribution can be settled in two equal instalments, specifically:

- first instalment, by 31 March at the latest, and
- second instalment, by 30 September at the latest.

Article 26.

The criteria for membership contribution for **regular members** shall be the following:

- Regular members as mentioned in Article 12. point 1. – 0.005% of the Town budget if the Town does include municipalities. If the town includes a number of formed or planned municipalities, the criterion for membership contribution shall be 0.015% of the total budget revenue, divided by the number of formed or planned municipalities.
- Regular members mentioned in Article 12, point 2. – 0.015% of the municipal budget.
- Local self-government unit (municipality) where the Association is located – 0.02% of the municipal budget.
- Regular members mentioned in Article 12, points 3. and 4. – 0.02% of total revenue.
- Regular members mentioned in Article 12, point 5 – 30% of tuition fee for paying students.
- Regular members mentioned in Article 12, point 6 – shall be exempt for paying the membership fee.

Article 27.

Criteria for membership contribution of **associate members** shall be:

Associate members mentioned in Article 13, point 1. -

- a. non-profit associations shall be exempt from paying fees to the Association;
- b. profit-making associations shall pay membership to the Association in the amount of 1 average gross salary from non-commercial activity in the Republic of Serbia.

Associate members mentioned in Article 12, point 2. and point 3. – 0.015% of total income.

Article 28.

Assisting members mentioned in Article 14. shall be exempt from payment of fees to the Association.

ASSOCIATION BODIES

Article 29.

The Association Bodies shall be:

1. ASSEMBLY
2. MANAGING BOARD
3. PRESIDENT OF THE ASSEMBLY
4. PRESIDENT OF THE ASSOCIATION
5. SUPERVISORY BOARD

1. ASSEMBLY

Article 30.

The Association Assembly is the highest body of the Association (hereinafter referred to as: the Assembly).

The Assembly is constituted of all Association members.

Each member of the Association can be represented by one voice in the Assembly.

The mandate of the Assembly members shall be four years.

A member shall write the name, family name and contact information of his/her representative in the Assembly on the membership entry form.

A member can decide to change their representative in the Assembly.

A member shall be obliged to inform the Technical Division of the Association about the change of their representative in the Assembly.

Article 31.

The Assembly shall meet regularly at least once a year.

The Assembly can meet more often when necessary.

The Assembly meeting is called by the Assembly President. If he/she does not do so within 30 days, and there are justifiable reasons for this, the Assembly meeting can be called by the Association President on the proposal of the Managing Board, 1/3 of the Assembly members or on own initiative.

Article 32.

The Assembly shall make decisions by majority of votes of members present.

The Assembly shall make decisions if there are more than one-half of the representatives of the members present, and the decisions shall be valid if more than one-half of the people attending vote.

If the Assembly does not have a quorum, the President of the Assembly shall call for a repeated Assembly meeting.

Decisions at the repeated meeting shall be valid by majority vote, regardless of the number of the present members.

Article 33.

The vote in the Assembly shall be public.

The Assembly shall elect the Assembly President from among members' representatives.

The Assembly President shall chair the meeting and sign decisions and other acts adopted by the Assembly.

Article 34.

The Assembly shall have the following rights and obligations:

1. adopt the Association Statute and amendments therein;
2. adopt the Rules of Procedure;
3. adopt the annual work plan and programme for the Association, on the proposal of the Managing Board;
4. adopt the Association's financial plan;
5. adopt the Association's performance report;
6. adopt the Association's annual financial report, as well as other reports submitted by the Managing and Supervisory Boards;
7. determine the criteria for the level of membership contribution for members;
8. elect and dismiss the Chair, two Vice-Chairs and members of the Managing Board;
9. elect and dismiss the Chair and members of the Supervisory Board;
10. make decisions on joining federations of organisations, other forms of association and on joining international organisations.
11. decide on the changes to the Association status and termination of operations;
12. perform other rights and obligations stipulated by law, this Statute and Association acts.

Article 35.

The Assembly meeting shall be held alternately in one of the spas and climate places.

Article 36.

The Assembly, in performing the rights and duties thereof, shall make decisions, conclusions, guidelines and general acts.

2. MANAGING BOARD

Article 37.

The Managing Board is the body of the Association, that shall, in between two Assembly meetings, independently perform certain operations to implement the work plan and programme of the Association, making special decisions in accordance with the provisions of the Statute.

Article 38.

The Managing Board shall have a Chair, first and second Vice-Chair.

The Chair of the Managing Board shall also be the President of the Association.

The Managing Board shall have 11 (eleven) members.

The mandate of the members of the Managing Board shall be of same duration as the mandate of the Assembly representatives.

Should a Mayor or other official, member of the Managing or Supervisory Boards, be replaced, the mandate shall automatically be transferred to the person replacing the Mayor or official replaced.

Article 39.

The Managing Board shall have the following rights and duties:

1. Determine draft work plan and programme and financial plan of the Association for each year and submit it to the Assembly for adoption.
2. Determine the annual performance report and annual financial statement of the Association and submit it to the Assembly for adoption.
3. Determine the proposal for the constitution of the new Managing and Supervisory Boards, the proposal for the Managing Board Chair and submit it to the Assembly for adoption.
4. Decide on procurement and disposal of the Association's fixed assets.
5. Make decisions on using the Association's funds, based on the adopted financial plan.
6. Determine the criteria for acquiring funds for Association staff salaries and make decisions on the level of funding for salaries.
7. Determine the organisation and systematisation of jobs in the Association and acts that regulate employment relations.
8. Adopt general acts on the organisation and systematisation of jobs in the Association, acts regulating employment relations and other general acts.
9. Make decisions on publishing and printing magazines, papers and other publications.
10. Make decisions on appointing President and members of standing and ad-hoc committees.
11. Discuss conclusions of the committees.
12. Appoint the Association Secretary.
13. Appoint Editors-in-Chief for the Association's publications.
14. Appoint its representatives on editorial boards and other bodies of the Association's publications.
15. Make decisions on awards and prizes.
16. Adopt the Rules of Procedure.
17. Determine proposed decisions on joining federations of organisations, other forms of association and joining international organisation and submit them to the Assembly for adoption.
18. Perform other operations stipulated by law and this Statute.

Article 40.

The meeting of the Managing Board is called for by the Association President on his/her initiative or on written request from one-third of the members of the Managing Board.

The written request to call for the Managing Board meeting, with rationale, shall be submitted to the Technical Division of the Association, which shall give the Association President written and verbal notice about the receipt thereof within three days.

The written request mentioned in paragraph 2. to this Article that does not contain rationale for calling a Managing Board meeting shall not be discussed by the Association's Technical Division.

Article 41.

The presence of the majority of the total number of members of the Managing Board is necessary to hold the meeting of the Managing Board.

The Managing Board shall make decisions by majority vote of the total number of members present.

The Managing Board meeting shall be chaired by the Association President.

In case that the Association President is unavailable, the Managing Board meeting shall be chaired by the First Vice-President of the Association, who can authorise the Second Vice-President to chair the meeting of the Managing Board.

Article 42.

The work of the Managing Board shall be more closely defined by the Managing Board Rules of Procedure.

3. ASSOCIATION PRESIDENT

Article 43.

The President of the Association shall execute the decisions of the Assembly and the Managing Board, sign decisions made by the Managing Board and represent the Association before third parties.

Article 44.

The duty of the Association President shall be honorary.

4. SUPERVISORY BOARD

Article 45.

The Supervisory Board of the Association shall have 5 (five) members.

The Supervisory Board shall be accountable to the Assembly.

The Mandate of the Supervisory Board Chair and members shall be of same duration as the mandate of the Managing Board members.

Article 46.

The Supervisory Board shall perform internal control of the legality of work and operations of the Association, in particular:

1. compliance with laws and other regulations;
2. compliance with the Statute and other general acts;
3. implementation of the Managing Board's decisions;
4. the Association's material and financial operations;
5. adequate and timely address of warnings, orders, findings and other acts by inspection and other bodies.

The Supervisory Board shall also perform other operations stipulated by law, other regulations, this Statute and decisions of the Managing Board.

Article 47.

The Supervisory Board shall submit Reports to the Assembly on their performance at least once a year.

Article 48.

The Supervisory Board meeting shall be called and managed by the Supervisory Board Chair.
The mandate of the Supervisory Board Chair shall be the same as the mandates of Managing Board members.

Article 49.

Members of the Supervisory Board cannot be members of the Managing Board.

COMMITTEES

Article 50.

Committees shall be the form of organised professional activity of Association members and task forces thereof for direct implementation of the Association's objectives and tasks.

Article 51.

The Committees can be organised as standing or ad hoc.

Standing Committees shall be organised for the implementation of activities that constitute regular content of the Association's operations.

Ad hoc Committees shall be organised to implement specific objectives and tasks set out in work plans and programmes of the Association that require time-limited activities, if a standing committee has not been formed for the purpose.

Committees shall organise their activities in meetings.

Article 52.

Committee meeting is called by the President of the Committee.

The Committee shall adopt conclusions, proposals and initiatives at the meetings, which shall be submitted to the Managing Board.

Article 53.

A Standing Committee shall have 9 (nine) members.

The members of the Standing Committees shall be elected among Association members.

Up to 3 members who are not representatives of the Association members, but can contribute to successful work of the committee can be elected to sit on Standing Committees.

Members of Standing Committees that are not representatives of Association members cannot be elected President of the Committee.

Article 54.

Ad hoc Committees shall have at least 5 (five) members.

Members of the ad hoc committees shall be elected among Association members.

Members can be elected to sit on Ad hoc Committees who are not representatives of the Association members, taking care that the number of the Ad hoc Committee members who are not representatives of the Association shall not be higher than one-half of the total number of Ad hoc Committee members.

Ad hoc Committee shall be chaired by the Committee President dealing with the issues which were the cause for forming the Ad hoc Committee.

Article 55.

The Standing Committees of the Association shall be:

1. Committee for medical issues
2. Committee for economic and legal issues
3. Committee for technical issues
4. Committee for marketing
5. Committee for education

Article 56.

Committee for medical issues shall deal with:

- issues regarding conditions for treatment of patients in spas and climate places;
- issues regarding scientific research related to contemporary methods in the application of natural medicinal factors;
- defining standards in wellness and spa centres;
- organising scientific events related to natural medicinal factors;
- editing professional medicinal journals issued by the Association;
- cooperation with medical committees and associations in the country and abroad;
- medical tourism development;
- and other issues in this area.

Article 57.

Committee for economic and legal issues shall deal with economic, financial and legal issues in spas and climate places as a whole and the individual members.

Article 58.

Committee for technical issues shall deal with:

- urban planning issues – construction and development (spatial planning) in spas and climate places;
- issues regarding catchment of mineral springs;
- more versatile use of mineral waters and other remedies;
- environmental protection issues; and
- other issues in these areas.

Article 59.

Committee for marketing shall deal with:

- informing the market about the potentials of spas and climate places, as well as about the offers of other members;
- promotion and improving sales for Association members;
- defining joint appearances at fairs, exhibitions, workshops for the members;
- promotional mix instruments, especially on the Internet and modern channels of communication, as well as other marketing instruments;
- coordination and commitment to joint and harmonised member policy related to tourist products and pricing policy; and
- other issues in this area.

Article 60.

Committee for education shall organise educational events in the following areas:

- medical and non-medical treatments in spas and wellness centres;
- marketing in health tourism;
- management in healthcare;
- management of tourist destinations;
- other areas in function of health tourism, improved quality of use of natural medicinal factor, geological research and similar.

Article 61.

The Managing Board can form other standing committees and determine their scope of work and content.

Article 62.

The Managing Board shall determine the manner and procedure of realising the functions and tasks of the Committee in a general act.

Article 63.

The mandate of members in standing committees shall be of same duration as the mandate of the members of the Managing Board.

TRANSPARENCY AND INFORMATION SHARING

Article 64.

The work of the Association shall be public.

The transparency shall be ensured by providing conditions for all members of the Association to participate in the work of the Association and its bodies.

Article 65.

The Association shall inform the members on the work and operations thereof at least once a year by submitting a written report.

Article 66.

The President and the Secretary of the Association shall be responsible for timely, complete and accurate information sharing with the members.

Technical Division

Article 67.

The Association shall have a Technical Division to perform commercial, services, technical and administrative affairs.

The Technical Division shall be accountable for the work thereof to the Managing Board.

1. Association Secretary General

Article 68.

The Technical Division shall be managed by the Association Secretary General.

The Association Secretary shall look after the correct implementation of regulations in the Association and shall be directly responsible for their implementation.

Article 69.

The Association Secretary General shall be appointed by the Managing Board, after a recruitment procedure, on the proposal of the recruitment panel appointed to this end by the Managing Board.

The Secretary General of the Association shall be someone with university or college degree with at least three years of previous working experience.

Article 70.

The Association Secretary General shall issue instructions for the execution of the Association's financial plan, represent the Association in legal transactions with third parties, as well as with government, judiciary and other bodies and shall organise the work of the Technical Division.

Article 71.

If the Association Secretary General determines the general or specific act adopted by the Association's bodies to be contrary to the law, he/she shall warn the relevant body of the Association.

Article 72.

The Association Secretary General shall be responsible for the implementation of the Association's acts, and obliged to submit reports on the work of the Technical Division to the Managing Board, and the Managing Board shall submit it on to the Assembly.

2. Technical Division Relations

Article 73.

The act on Technical Division organisation and job systematisation adopted by the Managing Board shall determine job posts and necessary requirements that the candidates need to fulfil to be able to perform the work in question.

Article 74.

Technical Division staff shall report directly to the Association Secretary General.

Article 75.

Special Rules and Regulations shall determine the allocation of funds for Technical Division staff salaries, as well as the process of their harmonisation with other staff categories.

PROCEDURE FOR ADOPTING THE STATUTE AND OTHER ACTS

Article 76.

The initiative to adopt, amend and draft the revised draft of the Statute shall come from the Managing Board.

Based on the material prepared by the Technical Division (Committee, Task Force), the Managing Board shall determine the proposal – draft and submit it to Association members.

Association members shall have 30 days to comment on the draft.

If the Association members do not comment on the draft within 30 days of the day of submitting the draft of the new Statute, it will be considered approved.

In case of comments, the Committee or Task Force shall discuss them, accept or reject them, and submit the revised text to the Assembly.

The Assembly shall vote on the draft.

The new Statute or statutory decision on amendments shall be deemed adopted if the majority of the present representatives of Association members vote in its favour.

Article 77.

The procedure for the adoption of general acts shall be initiated by the Managing Board.

The initiative can in this regard come from any member to the Managing Board. The initiative shall be submitted to the Managing Board in writing with rationale.

The material shall be prepared by the relevant committee with competence in the area that is the subject of regulation.

Experts outside the committee can be engaged in the preparation of the material.

Article 78.

Statute and other general acts shall enter into force on the day following their adoption, if not stipulated differently by the law.

TERMINATION OF OPERATIONS

Article 79.

The Association can cease operations in the manner and under the procedure stipulated in this Statute.

Article 80.

The initiative for termination of operations can come from the Managing Board or one-third of the Association members' representatives in the Assembly.

Association members shall state their opinion on the initiative within 30 days.

In case that one-half of the members shall vote in favour of the initiative, the President of the Association, on the proposal of the Managing Board, shall call for an extraordinary Assembly meeting at which the final decision shall be made about the termination of Association's operations.

The Association shall cease operations if two-thirds of the members present vote in favour at the Assembly meeting.

Article 81.

In case the decision on termination of the Association's operations, the Association Secretary shall notify the relevant authorities within 15 days to erase the Association from the registry and undertake other actions and procedures regarding the Association's termination of operations.

Article 82.

The property of the Association and any remaining funds after settling financial obligations and needs shall be allocated to a non-profitable legal entity established with a mission to attain the same or similar objectives.

The non-profitable legal entity mentioned in paragraph 1. to this Article shall be determined by the Assembly at the extraordinary Assembly meeting as described in paragraph 3. Article 79 to this Statute.

Article 83.

Members of the Association are required to provide staff employed full time with the Technical Division with adequate employment in accordance with their professional background and education, work skills, personal and family situation.

FINAL PROVISIONS

Article 84.

On the day of entering into force of this Statute, the Statute of the Association adopted at the meeting on 18 May 2010 shall cease to be valid.

Article 85.

Any act of the Association, as well as its organisation, shall be harmonised with this Statute within 60 days following the day of entering into force.

Article 86.

This Statute shall enter into force on the day following the day of the adoption.

ASSEMBLY PRESIDENT

Professor ALEKSANDAR DIMIC, PhD MD sci.