

15 NOV. 2010

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# **LAW ON ASSOCIATIONS**

## **I BASIC PROVISIONS**

### **Subject of the Law**

#### **Article 1**

This Law regulates establishing and legal position of Association, registration and erasure from the register, membership and authorities, status changes and termination of Association, as well as other issues significant for the work of the Association.

This Law also regulates acting of foreign Associations.

### **Term of Association**

#### **Article 2**

In the sense of this Law, Association is voluntary and nongovernmental nonprofit organization, established based on the freedom of Association of several physical or legal entities, founded for the purpose of accomplishing and promoting certain common or general goal or interest that is not prohibited by the Constitution or Law.

Provisions of this Law are accordingly implemented to issues that are not regulated by the special Law- on political parties, unions, Associations founded for the purpose of carrying out certain activities aiming acquiring gain, sports organizations and Associations, church and religious communities, spontaneous temporary connecting of several persons and other Associations whose work is regulated by this Special law.

Legal rules on civil co-partnership are respectively implemented on Associations that do not have status of legal entity, unless otherwise regulated by this Law.

Secret and paramilitary Associations are prohibited.

### **Freedom and goals of Association**

#### **Article 3**

Association is founded and organized freely and it is independent regarding accomplishment of its goals.

Goals and acting of Association cannot be directed towards violent overthrow of Constitutional system and breach of territorial integrity of the Republic of Serbia, violation of guaranteed human and minority rights or causing and encouraging inequality, hatred and intolerance founded on racial, national or other affiliation or orientation, as well as sex, gender, physical, mental or other characteristics and abilities.

Provision 2 of this Article is also implemented on Associations that do not have the status of legal entity.

## **Inscription into the Register**

### **Article 4**

Inscription into the Register of Association is voluntary.

Association obtains the status of legal entity as of the day of the inscription into the register.

## **Publicity of work**

### **Article 5**

Work of Association is public.

Accomplishment of the publicity of work is determined by status of Association.

## **Duration of Association founding**

### **Article 6**

Association is founded for an indefinite or definite period of time.

If not otherwise laid down by the Founding Act, it is considered that the Association is founded for an indefinite period of time.

## **Alliances and parts of Association**

### **Article 7**

Association can join federations and other Associations in the country and abroad (hereinafter "federations").

Provisions of this Law are accordingly applicable on federations from Paragraph 1, when destination of federation is in the territory of the Republic of Serbia.

Part of Association (section, group, club, branch, branch office etc.) does not have the status of legal entity.

## **Status changes**

### **Article 8**

Status changes of Association are done in the way determined by this Law.

## **Legality of the work of Association**

### **Article 9**

Association accomplishes its activities in accordance with the law, status and other general acts, as well as with rules of the federation whose member it is.

## **II FOUNDING AND NAME**

### **Founders of the Association**

#### **Article 10**

Association can be founded by at least three founders, whereby at least one of the founders must have residence, i.e. seat in the territory of the Republic of Serbia.

Founders of the Association can be physical or legal entities with legal capacity.

Juvenile person of 14 years of age can be the founder of an Association, alongside the statement of giving consent of his/her legal representative in accordance with the law.

Statement from Paragraph 3 of this Article must contain certificate on signature verification in accordance with the law.

### **Founding of the Association and Founding Act**

#### **Article 11**

Association is founded by the adoption of the Founding Act and Statute, and by electing person empowered to represent it, in the Founding Assembly of the Association.

Founding Act of the Association includes the following: personal names, i.e. names of the founders and their residence, i.e. seats; name and seat and address of the Association; field of accomplishing goals of the Association; goals for the purpose of which the Association is founded; personal name and residence and address of person entitled to represent the Association; signatures of founders and their personal identification numbers, i.e. number of travel document and state where that document was issued, for founders that are foreign citizens and date of enactment of the Founding Act.

Legal entity as a founder puts its signature in the following way: its representative adds his/her signature and seal, personal identification number and tax identification number (TIN) of the legal entity, alongside the name of the legal entity.

### **Statute of the Association**

#### **Article 12**

Statute is basic general act of the Association.

Other general acts, if the Association enacts any, must be in accordance with the Statute.

Provisions of other general act that are opposite to the Statute are null and void.

The following is compulsory regulated by the Statute: name and seat of the Association; field of accomplishing goals, goals for the purpose of which the Association is founded; internal organization, authorities, their authorization, composition, method of electing and revoking, mandate duration and method of decision making; procedure for amendments of the Statute and procedures for making changes of other general acts of the Association, if any; representing the Association, accomplishing publicity of work, terms and method for enrollment and termination of membership; rights, obligations and responsibility of members; method of acquiring means for accomplishment of goals and disposal of means, including provisions on commercial or other activity that provides gain of profit, if the Association carries it out; method of decision making regarding status changes and termination of work; treatment of Association property in case of termination of the Association; treatment of adoption finance and other reports; appearance and contents of the seal; other issues determined by the Law.

Statute can also regulate other issues of significance for the work of Association.

### **Name of Association**

#### **Article 13**

Association has a name.

Name of the Association must be in Serbian language and written in Cyrillic alphabet.

Name of the Association can contain certain foreign words if they create the name of an international organization the Association is a member of, if those words are common in Serbian language, and if there are no corresponding words in Serbian language, or if the words in question are in a dead language.

Name of the Association, if laid down by the Statute, can also be in a language and alphabet of a national minority. Name in the language and alphabet of a national minority is registered into the register after the name in Serbian language and Cyrillic alphabet.

Name of the Association, if laid down by the Statute, can be registered into the register also in the form of translation into one or several foreign languages, after the registration of the Association name in Serbian language and Cyrillic alphabet, i.e. language and alphabet of the national minority.

Name of the Association can include elements laid down by Article 3, Paragraph 2 of this Law.

### **Short name of the Association**

#### **Article 14**

Association can also have a short name, determined by the Statute.

Short name is registered into the register.

### **Use of short name of the Association**

#### **Article 15**

Name and short name of the Association are used in legal procedures in the form in which they are entered into the register.

### **Distinguishing the name of the Association**

#### **Article 16**

Name of a newly founded Association cannot be identical to the name of other Associations that are registered or duly applied for registration.

Name of the Association must not be replaceable with the name of another Association, nor cause confusion regarding Association, its goals or regarding the issue of type of legal entity.

### **Seat of the Association**

#### **Article 17**

The Association has a seat.

Seat of the Association must be in the Republic of Serbia, whereby that unit of local self-government in the territory where the place of administrating the Association is located is determined as a seat.

### **Symbols of visual identity**

#### **Article 18**

Association can have its sign, logo and other symbols, according to the Statute.

Symbols of visual identity of Association cannot be identical with symbols of other Associations that are registered or duly applied for registration into the register, nor can they cause confusion regarding Association, its goals or regarding the type of legal entity.

### **III MEMBERSHIP AND AUTHORITIES**

#### **Membership in the Association**

##### **Article 19**

Any person can under equal conditions, determined by the Statute, become a member of the Association.

Physical entity can be a member of the Association regardless his/her age, in accordance with this Law and Statute.

Statement on accession, i.e. membership in Association for a juvenile up to 14 years of age is given by his/her legal representative in accordance with the Law, if it refers to a juvenile older than 14 years, statement is given personally by him/her, with accompanying statement on giving consent of his/her legal representative in accordance with the Law.

Statements form Paragraph 3 of this Article must contain certificate on signature verification in accordance with the Law.

Association keeps records on its members.

#### **Nullity decision of Association authorities**

##### **Article 20**

Any member of Association can initiate procedure before competent basic court for the purpose of determining nullity of general act of the Association, delivered in contrast with the Statute or other general act of the Association, i.e. for determining nullity of single act of the Association delivered in contrast with the Law, Statute or other general act of the Association, within fifteen days as of the day of taking knowledge of the act, and latest within six months as of the day of act enactment.

Determining of nullity of act from Paragraph 1 of this Article does not interfere with rights obtained by third persons.

Procedure for determining nullity of an act from Paragraph 1 of this Article is carried out in compliance with provisions of the Law regulating litigation procedure.

#### **Association managing**

##### **Article 21**

Members manage the Association directly or through their elected representatives in the Association authorities.

#### **Association Assembly**

##### **Article 22**

Assembly is the highest authority of the Association.

Assembly is constituted by all Association members.

Statute can determine method of representing Association members within the Association Assembly.

Association Assembly adopts Association Statute, its amendments, elects and dissolves person authorized to represent the Association, unless otherwise laid down by the Statute, determines on associating into federations, on adoption of annual financial report of the Association, on status changes of the Association and termination of work of the Association, as well as on other issues determine by the status of Association.

Statute can determine different name of the authority that has function of Assembly.

Regular session of the Assembly is held at least once a year, whereby the Statute of the Association can foresee also a shorter deadline.

Extraordinary session of the Assembly must be convened if the request for its convening is submitted by one-third part of the Association members, whereby the Statute can determine fewer Association members than those determined by this Law.

Extraordinary session of the Assembly must be held within at least 30 days as of the day of submitting request for its convening.

Method of session convening, as well as method of work and decision making are specified by the Statute.

### **Association representative**

#### **Article 23**

Association has one or several persons empowered to represent it (hereinafter: Association representative), elected, i.e. appointed in the way determined by the Statute.

Only physical entity with legal capacity, that has residence or stay in the territory of the Republic of Serbia can be determined as Association representative.

Association representative is obliged to observe authorizations determined by the Statute and by the decision of a competent authority of the Association.

### **Other Association authorities**

#### **Article 24**

Statute can as well lay down other Association authorities.

### **Liability for damage**

#### **Article 25**

Members of Association authorities are jointly liable for all damage they cause to the Association as a result of their decision, if that decision was made by gross negligence or with the intention of causing damage, unless during the decision making procedure they noted their opinion into the records.

Reimbursement procedure is initiated based on the decision of the authority determined by the Statute of the Association or Statute of a certain part of Association members. Decision can determine special Association representative for the reimbursement procedure.

Provisions of this Article are also accordingly implemented to actions of Association representative.

## **IV ENTRY INTO REGISTER**

### **Keeping Association register**

#### **Article 26**

Association register (hereinafter: the Register) is kept by the Business Registers Agency (hereinafter: the Agency), as a fiduciary job.

Register from Paragraph 1 of this Article is kept in a written form as a unique central electronic data base.

Contents, way of entry and keeping Register from Paragraph 1 of this Article is specially regulated by the minister in charge of administrative affairs (hereinafter: the Minister).

### **Association Registrar**

#### **Article 27**

Agency keeps Register through the Association Registrar (hereinafter: the Registrar)

Provisions of the Law regulating registration of business entities are respectively applicable to conditions and procedure of Registrar appointing, as well to his authorizations and obligations, unless otherwise determined by this Law.

### **Contents of the Register**

#### **Article 28**

The following is entered into the Register: name and short name of the Association, seat and address of the Association; field of accomplishing goals; date of Association founding; business and other activities that Association delivers directly; personal name, residence, i.e. stay and personal identification number of the citizen, i.e. travel document number and state of travel document issuance of the Association representative; foreseen time period of duration of Association founding; membership in Association federation, date of delivery, i.e. amendments of the Statute; data on status change; data related to liquidation and bankruptcy of Association; note on initiating procedure for prohibition of work of the Association and prohibition of work of the Association; termination of Association; number and date of delivery of ruling on inscription, data change and erasure from the Register.

### **Inscription application**

#### **Article 29**

Inscription into the Register is done based on the inscription application.



The Minister specifies contents and appearance of the application from Paragraph 1 of this Article.

The Association representative submits inscription application.

Accompanying documents to be submitted with the application are the following: Founding act, two copies of the Statute as well as other documents determined by the act delivered by the Minister.

### **Denial of inscription application**

#### **Article 30**

Registrar denies application by a Ruling in following cases:

- 1) if the name of Association is identical to a name of another Association that has been registered or dully applied for inscription into the Register;
- 2) if the name of Association is replaceable by a name of another Association, if it causes confusion regarding the Association, its goals or regarding identification of legal entity type;
- 3) if the application was submitted by an unauthorized person, i.e. if the application was not accompanied by due documents;
- 4) if the application, Founding act or Statute do not contain all data laid down by the Law.

### **Termination of inscription procedure**

#### **Article 31**

If the Registrar evaluates that Association from Article 2, Paragraph 4 of this Law is involved or if the Association goals are contrary to the provisions of Article 3, Paragraph 2 of this Law, he terminates procedure of inscription into the Register by a Conclusion, and submits proposal for prohibition of work of the Association to the Constitutional Court.

Special complaint is not allowed against conclusion from Paragraph 1 of this Article.

Upon the reception of the decision of the Constitutional Court, Registrar shall, depending upon decision contents, abandon the application by a ruling- if prohibition of work was delivered to the Association or continue with the inscription procedure- if proposal for prohibition of work was denied.

### **Ruling on inscription into the Register**

#### **Article 32**

Inscription into the Register is done within 30 days as of the day of submitting due inscription application.

Registrar delivers a Ruling on inscription into the Register.

Alongside the Ruling on inscription into the Register, copy of the Statute is delivered to the Association; copy of the Statute is verified by the Agency seal and signature of the Registrar, which confirms its authenticity with the copy of the Statute that is kept in the Agency.

If the Ruling on inscription into the Register is not delivered within the deadline from Paragraph 1 of this Article, i.e. if the application for the inscription into the Register is not denied by the Ruling, it is to be considered that the Association is inscribed into the Register the following day after the deadline expiration.

### **Change of data that are inscribed into the Register**

#### **Article 33**

Association is obliged to report to the Registrar any change of data that are inscribed into the Register, within 15 days of the date when the change occurred.

Provisions of this Law regarding inscription of the Association into the Register are respectively applicable to the inscription of the change of data into the Register.

### **Publicity of the Register**

#### **Article 34**

Data entered into the Register are public, in accordance with the Law.

Any person can rely on accuracy of the data entered into the Register.

### **Reimbursement for keeping Register**

#### **Article 35**

The Government prescribes the amount of reimbursement for inscription of the Association into the Register and other services provided by the Agency during the procedure for keeping Register, upon proposal of the Board of Directors of the Agency.

## **III PROPERTY AND ACTIVITIES CARRYING OUT**

### **Method of acquiring property of the Association**

#### **Article 36**

The Association can acquire property from membership fee, charity, donations and gifts (money or exchange), financial subventions, legacies interests on stakes, rents, dividends and in other legal way.

Physical and legal entities that give donations and gifts to Associations, can be free of appropriate tax obligations in accordance with the Law that introduces adequate public income.

### **Association activities**

#### **Article 37**

The Association can carry out those activities that accomplish goals determined by its Statute.

The Association can directly carry out commercial or other activity that provides profit in accordance with the Law that regulates classification of activities under the following conditions:

- 1) that the activity is related to its Statutory goals:
- 2) that the activity is laid down by the Statute
- 3) that the activity is of a smaller range, i.e. that the activity is carried out within a range required for accomplishing of Association goals.

The activity from Paragraph 2 of this Article is inscribed into the Business entities register and is carried out in accordance with regulations that regulate field of performed activities.

Association can initiate direct carrying out of activities from Paragraph 2 of this Article only upon the inscription of the activities into the Register from Paragraph 3 of this Article.

Affairs concluded by the Association contrary to the Provision of Paragraph 1 and 2 of this Article are legally valid, unless third person knew or had to know about the violation.

The Association is not entitled to share gained profit resulted from commercial or other activities with its founders, members, Association authorities' members, directors, employees or related persons.

Related persons, in the sense of this Law, are those persons that are determined as such by the Law that regulates business entities.

### **Means for realization of programs of public interest**

#### **Article 38**

Means for stimulating programs or lack of means for financing programs (hereinafter: programs) realized by the Associations, and that are of public interest are provided in the budget of the Republic of Serbia.

Government, i.e. ministry competent for the field in which basic goals of the Association are accomplished assigns means from Paragraph 1 of this Article based on carried out public competition and concludes contracts on realization of authorized programs.

Under the program of public interest from Paragraph 1 of this Article are specially considered programs in the field of social protection, veterans' disability protection, protection of disabled persons, social welfare of children, protection of internally displaced persons from Kosovo and Metohija as well as refugees, encouraging of birth, help to the elderly people, medical protection, protection and promotion of human and minority rights, education, science, culture, informing, protection of environment, sustainable development, animal protection, consumer protection, fight against corruption, as well as humanitarian programs and other programs in which the Association exclusively and directly follows public needs.

Government regulates more specifically criteria, conditions, range, method and procedure of assigning as well as method and procedure of return of means from Paragraph 1 of this Article, if it is established that the Association does not use assigned means for realization of authorized programs.

Provisions from Paragraphs 1-4 of this Article are accordingly applied also to the means that are assigned to Associations from the budget of the autonomous province and units of local self-government.

Associations that obtained assets for realization of programs of public interest from the budget of the Republic, i.e. autonomous province, i.e. unit of local self-government at least once a year, make available their reports on the publicity of their work and on the range and method of acquiring and use of those means and deliver those reports to the donor of the means.

The Association is obliged to use assets from Paragraph 1 of this Article exclusively for realization of authorized programs.

Provision of Paragraph 6 of this Article is accordingly applicable to the Associations that during previous year, in accordance with the Law, used tax and customs exemptions.

### **Business books and financial reports**

#### **Article 39**

Association keeps business books, makes financial reports and it is subject to carrying out audit of financial reports, in accordance with the regulations on accounting and audit.

Annual calculations and reports on Association activities are submitted to Association members in the way determined by the Statute.

### **Liability for Association obligations**

#### **Article 40**

Association is liable for its obligations with its entire property.

Association members and members of Association authorities can be personally liable for Association obligations, if they act with Association property as if it were their own or if they abuse the Association as a form for illicit or fraudulent purposes.

### **Use of Association property**

#### **Article 41**

Association property can be used only for accomplishing its statutory goals.

Association property cannot be given to its members, founders, members of Association authorities, directors, employees or related persons.

Related persons are persons that are determined as such regarding prohibition on profit-sharing of the Association.

Provisions of Paragraphs 1 and 2 of this Article do not refer to giving appropriate temporary rewards and reimbursements of justified costs occurred by creating statutory goals of Association (travel expenses, per diems, overnight expenses etc.) of contractual commercial liability and payment of employees' salaries.

## **Recipient of Association property**

### **Article 42**

In case of Association termination, only domestic non-profit legal entity that was founded for the purpose of accomplishing same or similar goals can be designated by the Statute as a recipient of its property.

Provision of Paragraph 1 of this Article does not refer to the case of Association termination that at the time of this Law's entry into force used social property, i.e. property owned by the state.

## **Republic of Serbia as property recipient**

### **Article 43**

If at the time of Association termination cannot be acted in the way laid down by this Law or Statute regarding property sharing, or if the Association is terminated based on the decision on prohibition of work, upon conducted liquidation procedure, or method of property sharing after the Association termination was not determined by the Statute, Association property becomes property of the Republic of Serbia, whereby the right of use belongs to the unit of local self-government on whose territory was located seat of the Association.

In case of Association termination that at the time of this Law's entry into force used property owned by the state, no matter whether that Association had meanwhile been entered into the Register in accordance with the provision of this Law, it is to be acted in the way set out in the Paragraph 1 of this Article.

## **Nullity of disposal with Association property**

### **Article 44**

Disposal with Association property contrary to provisions of this Law is null and void.

## **VI STATUS CHANGES**

### **Term and type of status changes**

#### **Article 45**

Status change is a change of legal position of the Association carried out upon the decision of competent authority in accordance with the Statute and this Law.

Status changes are incorporation, joining and division of Association.

### **Incorporation of Association**

#### **Article 46**

Incorporation is transfer of the entire property of one Association (the incorporated party) to another Association (the incorporating party), based on the Incorporation contract.

The Incorporation Contract contains names and seats of the Association, provisions on transfer of property of incorporated Association (exact description of transferred rights and liabilities, whereby directing towards special documents is allowed) and rights of members of the incorporated Association.

Incorporating of one or more Associations with another is entered into the Association register.

Provisions of this Law on inscription of Association founding are applied to inscription of incorporation.

Besides the inscription application are also submitted decisions of Association Assembly that participate in incorporating on accepting contract conclusion on incorporating (in identical text), Contract on incorporating, and Ruling on inscription into the Register of incorporated Associations.

By entering incorporating into the Register, incorporated Association ceases to exist, and incorporating Association continues to work under the name entered into the Register.

### **Association joining**

#### **Article 47**

Joining is founding of a new Association to which is transferred the entire property of two or more Associations that are joined.

Provisions of this Incorporating Law are applied to joining procedure.

By joining procedure, joined Associations cease to exist, and newly created Association is considered to be a new Association, to which are accordingly applicable provisions of this Law on Association Founding.

### **Association division**

#### **Article 48**

The Association can be divided in two or more Associations.

Decision on Association division has legal validity of a legal act.

Provisions of this Law on Association Incorporating are applicable to the procedure of division.

Divided Association ceases to exist, and provisions of this Law on Association Founding are applicable to the procedure of inscription of newly created Associations.

Associations made by the division are jointly liable for liabilities of divided Association.

Associations made by division are inscribed into the Register after delimitation of assets, rights and obligations (division of assets).

## **VIII TERMINATION**

### **Terms and method of Association erasure form the Register**

#### **Article 49**

Association loses status of a legal entity by erasure from the Register.

Erasure from the Register is done only in following cases:

- 1) if number of members decreases below number of founders required for founding, and competent authority does not make a decision on receiving new members within 30 days;
- 2) if the time of Association founding expired, in cases when the Association is founded for a definite period of time;
- 3) if a competent authority of Association makes decision on termination of work;
- 4) if status change that as a consequence has termination of Association was made in accordance with this Law;
- 5) if it is determined that Association does not carry out activities regarding accomplishment of statutory goals, i.e. that it has not been organized, in accordance with the Statute, longer than two years in continuance or if there passed more time than time period determined by the Statute for holding an assembly session, and the named was not held;
- 6) if the Association has a prohibition of work;
- 7) by liquidation;

Anyone can inform the Registrar on existence of reasons for erasure of Association from the Register, determined by Paragraph 2, item 5) of this Article.

Registrar determines facts from Paragraph 2, item 5) of this Article by a ruling.

In cases from Paragraph 2, items 1), 2), 3), 5) and 6) of this Article erasure from the Register is done upon implemented procedure of Association liquidation, unless otherwise laid down by the Law. A note on implementation of liquidation procedure is entered into the Register.

### **Prohibition of work of Association**

#### **Article 50**

The Constitutional Court decides upon prohibition of work of Association from Article 2, Paragraph 4 of this Law, as well as of Associations whose goals or actions are contrary to provision of Article 3, Paragraph of this Law.

Decision on prohibition of work of Association can be founded on actions of Association members if there is a connection between those actions and acting of the Association and its goals, if those actions are founded on organized will of members and if in accordance with circumstances it can be considered that the Association tolerated actions of its members.

The Association is prohibited from working if it becomes member of an international organization or Association from Article 2, Paragraph 4 of this Law, i.e. that acts for the purpose of accomplishing goals from Article 3, Paragraph 2 of this Law.

Prohibition of work of federation refers also to those Associations within its membership that were exclusively encompassed by prohibition procedure.

Symbols of visual identity and other designations of Associations that are prohibited from working (flags, paroles, uniforms, coat of arms, badges etc.) cannot be used in public.

### **Initiating procedure for prohibition of work of Association**

#### **Article 51**

Procedure for prohibition of work of Association is initiated upon proposal of the Government, Republic Public Prosecutor, ministry competent for administrative affairs, ministry competent for the filed in which Association goals are accomplished or by the Registrator.

Procedure for prohibition of work of Association can be initiated and administered in relation to Associations that do not have the status of a legal entity.

A note is entered into the Register, regarding initiating procedure for prohibition of work of Association.

### **Liquidation of Association**

#### **Article 52**

Liquidation of Association is carried out when the Association has sufficient financial assets to cover its liabilities.

Provisions of the law that regulates liquidation of a company are accordingly applicable to the issues concerning liquidation process of the Associations that are not regulated by this Law.

Registrator submits proposal for initiating liquidation procedure in cases from Article 49, Paragraph 2, items 1), 2), 3), 5) and 6) and Article 54, Paragraph 2 of this Law.

As of the moment when conditions for initiating liquidation procedure occurred, the Association can undertake only those activities that are required for implementation of the liquidation procedure.

Empowerments of Association authorities and representative and attorney end, except for the empowerment of Supervisory Board if Association has one, by delivery of the decision on termination of Association.

### **Decision on termination of Association by liquidation**

#### **Article 53**

In cases from Article 49, Paragraph 2, items 1), 2) and 3) of this Law, the Association Assembly is obliged to deliver a decision on termination of Association



by liquidation and on appointing liquidation manager within 15 days as of the day of occurrence of the reason for termination of the Association. It is also obliged to deliver this decision to the Registrar within three days of the day when the decision was delivered.

The Association is obliged to publish the decision from Paragraph 1 of this Article in the "Official Gazette of the Republic of Serbia" within three days of the day of delivery, with the invitation to the trustees to report their claims within 30 days of the day of decision publishing.

The effect of initiating liquidation procedure comes into effect by publishing form Paragraph 2 of this Article.

### **Liquidation procedure in case that the decision was not made**

#### **Article 54**

If the decision on initiating liquidation procedure and appointing liquidation manager is not delivered or if it is not published, the Association representative is obliged to notify the Registrar in that regard within three days of the expiry day of the deadline for its delivery, i.e. publishing.

In case form Paragraph 1 of this Article, as well as in the case when the Association representative does not inform the Registrar within three days of notification receipt of the fact that conditions for implementation of the liquidation procedure were met, i.e. within three days of the acknowledgment and establishing that requirements for the implementation of liquidation were met, Registrar submits proposal for initiating liquidation procedure, at the expense of the Association and for appointing liquidation manager.

The Registrar acts in the way from Paragraph 2 of this Article also in cases of Association termination for reasons determined in Article 49, Paragraph 2, item 5) and 6).

### **Inscription of liquidation into the Register**

#### **Article 55**

Authorization for Association representing passes to liquidation manager as of the day of initiating liquidation procedure.

Association Assembly's Decision on termination of the Association and data on liquidation manager are inscribed into the Register.

In the name of the Association is inscribed designation "in liquidation".

### **Procedure after the implemented liquidation**

#### **Article 56**

Liquidation manager acts with the Association property remained after settling trustees and settling tax obligations in the way laid down by this Law and Association Statute.

After passing the property to trustees, liquidation manager submits the application for erasure of the Association form the Register, which is accompanied by

the report on the course of liquidation and statement that all property was divided in accordance with the Law and Statute.

### **Short liquidation procedure**

#### **Article 57**

The Association can end, according to short liquidation procedure, if after the delivery of the decision of termination of work of the Association, majority of assembly members give the statement to the Registrar that all tax obligations were settled, as well as Association obligations towards trustees and that all relations with employees were regulated.

Statement form Paragraph 1 of this Article must contain certificate of signature verification in accordance with the Law.

Members of the Association Assembly from Paragraph 1 of this Article are jointly liable for Association liabilities for three years of the date of erasure of the Association form the Register.

The Association that ends according to the short procedure is erased form the Register, whereby personal names and residence, i.e. names and seats of members of Assembly from Paragraph 1 of this Article are entered into the Register. Their joint liability for Association liabilities is to be underlined.

### **Association bankruptcy**

#### **Article 58**

Bankruptcy procedure is carried out over the Association that is not capable of performing payments for more permanent period, by due implementation of Provisions of the Law that regulates bankruptcy and tax laws that regulate treatment of taxpayers in bankruptcy.

Registrar erases Association form the Register by legally effective decision on conclusion of bankruptcy procedure.

Provisions of the law that regulates bankruptcy on inscription into competent register of decisions from bankruptcy procedure are applicable to inscription into the Register of those data referring to Association bankruptcy.

Bankruptcy manager delivers application for inscription of data from Paragraph 3 of this Article to the Registrar.

## **VIII FOREIGN ASSOCIATIONS**

### **Term of foreign Association**

#### **Article 58**

Foreign Association, in the sense of this Law, is an Association with the seat in other state, founded according to regulations of that state for the purpose of accomplishment of certain common or general interest or goal, whose acting is not directed towards gaining profit, as well as international Association or other party, i.e. international non-governmental organization that has members who voluntarily

connected for the purpose of accomplishment of certain common or general interest or aim that is not directed towards gaining profit.

Provisions of this Law referring to the inscription into the Register and work of the Association are applicable also to inscription and work of a branch, office or other organizational form of foreign or international non-governmental, nonprofit Association that has a seat in the territory of the Republic of Serbia (hereinafter: branch of foreign Association), unless otherwise determined by law or international agreement.

### **Keeping Register of foreign Associations**

#### **Article 59**

Branch of foreign Association can act in the territory of the Republic of Serbia after the inscription into the Register of foreign Associations kept by the Agency, as a given job.

Register from Paragraph 1 of this Article is kept in written form and as a unique central electronic database.

Contents, method of inscription and keeping Register from Paragraph 1 of this Article are determined by the Minister.

### **Registrar of foreign Associations<sup>5</sup>**

#### **Article 60**

Agency keeps the Register of foreign Associations through the Registrar of foreign Associations.

Provisions of the Law regulating registration of business entities are respectively applicable to conditions and procedure of appointing Registrar of foreign Associations, as well to his authorizations and obligations, unless otherwise determined by this Law.

### **Contents of the Register of foreign Associations**

#### **Article 61**

The following is entered into the Register: name and short name of the foreign Association, state where the foreign Association was founded and seat of that Association in that state; name of an organizational form of foreign Association; address of the seat of branch of foreign Association in the Republic of Serbia and its branch offices; time period for which branch of foreign Association is founded; first name and last name of the person empowered to represent foreign Association in the Republic of Serbia; residence and personal identification number of the citizen if it is the citizen of the Republic of Serbia, i.e. stay in the Republic of Serbia and travel document number and state of travel document issuance if it is a foreign citizen; goals of foreign Association; note on initiating procedure for prohibition of work of the branch of foreign Association and prohibition of work of branch foreign Association;

number and date of delivery of ruling on inscription, data change and erasure from the Register of foreign Associations.

### **Inscription application for inscription of branches of foreign Associations into the Register of foreign Associations**

#### **Article 62**

Inscription into the Register of foreign Associations is done based on the inscription application for branch of foreign Association.

The Minister specifies contents and appearance of the application from Paragraph 1 of this Article.

The Association representative submits inscription application.

Accompanying documents to be submitted with the application are the following: verified photocopy of the act and verified translation of the act on Association registration in the home state or verified photocopy of a certificate (statement) verified by the court or notary public that the Association, according to the law of home state, has a status of legal entity even without the inscription into the register and verified translation of a certificate (statement); verified photocopy of the decision and verified translation of the decision of the authority of foreign Association on opening branch in the Republic of Serbia; verified document and verified translation of the document of the home state determining founders of the Association that founds its branch in the Republic of Serbia; verified decision and verified translation of the decision on person empowered to represent branch of foreign Association; verified photocopy of identity document of that person and residence registration, i.e. registration of stay in the Republic of Serbia; photocopy and verified translation of the Statute or appropriate act that contains data on seat and internal organization of the branch of foreign Association in the territory of the Republic of Serbia,

Registrator of foreign Associations delivers ruling on inscription of branch of foreign Association into the Register of foreign Associations.

Ruling on inscription of branch of foreign Association into the Register of foreign Associations is published into the "Official Gazette of the Republic of Serbia", at the expense of foreign Association.

### **Publicity of Register of public Associations**

#### **Article 63**

Data inscribed into the Register of foreign Associations are public, in accordance with the Law.

### **Regulations implementation to the employees of the branch of foreign Association**

#### **Article 64**

Regulations that regulate movements and stay of foreigners are applicable to foreigners employed at branches of foreign Association.

Regulations of the Republic of Serbia are applicable to the citizens of the Republic of Serbia employed at branches of foreign Association.

### **Funds for work of branch of foreign Association**

#### **Article 65**

Branch of foreign Association can import financial funds, from abroad, for the work of the branch of foreign Association and for accomplishment of its program, in accordance with provisions of the Law that regulates foreign currency business.

Branch of foreign Association can, upon settlement of all due tax and other obligations in the Republic of Serbia, present unused financial funds from Paragraph 1 of this Article, in accordance with the provisions of the law regulating foreign currency.

Branch of foreign Association can temporarily import items and equipment necessary for its work and take them out of the Republic of Serbia in accordance with customs regulations and regulations of foreign trade.

### **Prohibition of work of branch of foreign Association**

#### **Article 66**

Branch of foreign Association is entitled to act freely in the territory of the Republic of Serbia, if its goals and acting are not contrary to the Constitution of the Republic of Serbia, this Law, international agreements that Republic of Serbia concluded and other regulations.

Procedure for prohibition of work of branch of foreign Association is initiated upon proposal of the Government, Republic's Public Prosecutor, ministry competent for administrative affairs, ministry competent for the field of accomplishment of goals of Association or Registrar of foreign Associations.

Decision on prohibition of work of branch of foreign Association whose goals and actions are contrary to the provision from Paragraph 1 of this Article is made by the Constitutional Court.

### **Erasure of the branch of foreign Association from the Register of foreign Associations**

#### **Article 67**

Branch of foreign Association ends and is erased from the Register of foreign Associations in following cases:

- 1) if foreign Association terminated its work;
- 2) if foreign Association decided to end the work of its branch;
- 3) if the work of branch of foreign Association is prohibited by the decision of the Constitutional Court.

Registrar of foreign Association delivers a ruling on erasure of branch of foreign Association from the Register of foreign Associations.

Ruling on erasure of branch of foreign Association from the Register of foreign Associations is published in the "Official gazette of the Republic of Serbia", at the expense of foreign Association.

## **IX LEGAL REMEDIES**

### **Right to appeal**

#### **Article 68**

Complaint to the Minister can be submitted against the first degree Ruling of the Registrator of Associations and Registrator of foreign Associations.

### **Right to administrative dispute**

#### **Article 69**

Ruling of the Minister is final and administrative dispute can be initiated against it.

## **X MONITORING**

### **Competence for performing monitoring**

#### **Article 70**

Monitoring over implementation of this Law is carried out by the ministry competent for administrative affairs.

Inspection monitoring is carried out by the Ministry, through administrative inspectors.

## **XI PENAL PROVISIONS**

### **Economic offence**

#### **Article 71**

Association is to be fined with 300.000-900.000 RSD for economic offence if it directly carried out economic or other activity aiming acquiring profit that was not related with its statutory goals or is not laid down by the Statute, or if it performs that activity even if the competent authority established that it did not meet the conditions for that activity performing (Article 37, Paragraph 2).

Responsible person in the Association is to be fined with 30.000-90.000 RSD for economic offence from Paragraph 1 of this Article.

### **Violations**

#### **Article 72**

The Association is to be fined with 50.000-500.000 RSD for the violation if:

1) It accomplishes its activities contrary to the Law, Statute and other general acts, as well as contrary to the rules of federation whose member it is (Article 9);

2) it carries out economic or other activity in larger scope, i.e. within the scope that is not required for accomplishment of Association goals (Article 37, Paragraph 2, item 3);

3) It does not use its property only for accomplishment of its statutory goals (Article 41);

4) branch of foreign Association starts operating prior the inscription into the Register (Article 60, Paragraph 1).

Responsible person in the Association is to be fined with 5.000-50.000 RSD for offence from Paragraph 1 of this Article.

### **Article 73**

The Association is to be fined with 50.000-500.000 RSD for the violation if:

1) it does not provide publicity of work in the way determined by the Statute (Article 5);

2) it does not use the name or short name in legal traffic in the form inscribed into the Register (Article 15);

3) within 15 days it does not report the change of data inscribed into the Register to the Registrator (Article 33, Paragraph 1);

4) it does not make available to the public the report on its work and scope and way of acquiring and using funds, and if it does not deliver that report to the donor of the funds (Article 38, Paragraph 6).

Responsible person in the Association is to be fined with 5.000-50.000 RSD for offence from Paragraph 1 of this Article.

### **Article 74**

Association representative is to be fined with 5.000-50.000 RSD for violation if he does not inform the Registrator, within due deadline, that decision on initiating liquidation procedure has not been made or that it has not been published (Article 54, Paragraph 1).

## **XIII TRANSITIONAL AND FINAL PROVISIONS**

### **Article 75**

Minister delivers regulations for exercising this Law within 90 days of the day of this Law's entry into force.

### **Article 76**

Procedures initiated up to the day of this Law's entry into force are to be ended in compliance with regulations that had been valid until this Law started to be exercised.

### **Article 77**

Social organizations, citizens' Associations and their federations founded according to the Law on social organizations and citizens' Associations ("Official gazette of SRS", No. 24/82, 39/83, 17/84, 50/84, 45/85 and 12/89 and "Official gazette of RS", No. 53/93, 67/93 and 48/94), as well as those that have a seat in the territory of the Republic of Serbia, and that are inscribed into the Register in compliance with the Law on Association of citizens in Associations, social organizations and political organizations established for the territory of the Socialist Federal Republic of Yugoslavia ("Official gazette of SFRY" No. 42/90 and "Official gazette of SRJ" No. 24/94, 28/96 and 73/2000), continue to operate as an Association as of the day when this Law started to be implemented, whereby they are obliged to harmonize their Statute and other general acts with provisions of this Law, within 18 months of the day when the implementation of this Law started.

### **Article 78**

Beside the Application for inscription of harmonization, social organizations, citizens' Associations and their federations from Article 78 of this Law are obliged to submit to the Registrar Ruling on inscription into the Register of social organizations and citizens' Associations, i.e. Register of Associations, social organizations and political organizations, Decision on election of Association representative and verified photocopy of identity card of Association representative, as well as two copies of the new Statute.

Social organizations, citizens' Associations and their federations that do not act in compliance with Paragraph 1 of this Article, are to be erased from the Register, by Registrar's ruling, upon performed liquidation procedure, and they lose the status of legal entity, and their property is to be transferred to persons determined by the Statute, i.e. Law.

Complaint to the Minister can be submitted against the Ruling from Paragraph 2 of this Article. Ruling of the Minister is final and administrative procedure can be initiated against it.

### **Article 79**

Immovable estate in public property to which are entitled social organizations, Associations or forms for connecting Associations (federations), in terms of use of that immovable estate, with the seat in the territory of the Republic of Serbia (hereinafter: social organizations), as of the day of this Law's entry into force become assets of public property; unit of local self-government in whose territory the immovable estate is located is entitled to use them.

### **Article 80**

Immovable estate in public property which social organizations were entitled to use up to the day of this Law's entry into force are to be transferred into the property, i.e. co-property of all social organizations, proportionally to the share of these social organizations participation in financing all this immovable estate by their personal funds, acquired by voluntarily membership fees, gifts, donations, legacies and in other legal way.



Personal funds from Paragraph 1 of this Article are not those funds acquired based on executing public authorizations or other funds acquired from the budget of social-political communities,

Property rights from Paragraph 1 of this Article are established during the procedure before competent court.

#### **Article 81**

Social organizations that had property right over the immovable estate in social, i.e. public property, prior legal re-registration from the status of Association of citizens into social organizations, accomplish rights on that basis in accordance with the law regulating denationalization.

#### **Article 82**

Social organizations that, until the day of this Law's entry into force, were entitled to use immovable estate in public property, i.e. had right over immovable estate that upon carried out court procedure become public property, continue with actual use of these immovable estate under terms that cannot be less favorable than terms that had existed until the day of this Law's entry into force.

Unit of local self-government on whose territory is located immovable estate which social organizations have the right over, is entitled to cancel further use of immovable estate if social organization does not harmonize its work with the provisions of this Law within due deadline, as well as in the case when it uses immovable estate contrary to its purpose and goals determined by the Statute.

Act from Paragraph 2 of this Article is delivered by the unit of self-government with the consent of the Republic Directorate for Property of the Republic of Serbia.

Property in social, i.e. public property from Article 80 and Article 81, Paragraphs 1 and 2 of this Law that social organizations have right to use i.e. the right to dispose with, cannot be alienated until the day of this Law's implementation.

#### **Article 83**

Movable estate in social property, which social organizations, with seat in the territory of the Republic of Serbia, have right to use, become assets in the property of social organizations as of the day of this Law's entry into force.

#### **Article 84**

Entire property that social organizations from Article 78, Paragraph 1 of this Law, acquire after the day when implementation of this Law started is their property, except for the property acquired by performing public authorizations.

#### **Article 85**

Foreign Associations that started their activities in the territory of the Republic of Serbia prior the day of implementation of this Law are obliged to harmonize their activities with this Law and to submit the application for inscription into the Register of foreign Associations, with required documents, within three months of the day when the implementation of this Law started.

If foreign Association does not act in accordance with provision of Paragraph 1 of this Article, Registrar of foreign Associations delivers Ruling on termination of its work, until inscription into the Register of foreign Associations.

Complaint to the Minister can be submitted against the Ruling from Paragraph 2 of this Article. Ruling of the Minister is final and administrative procedure can be initiated against it.

Business Register Agency shall, within 30 days of this Law's entry into force, obtain from competent authorities existing records on foreign Associations.

#### **Article 86**

Business Register Agency shall take over, from the ministry competent for administrative affairs and ministry competent for internal affairs, registers of social organizations and citizens' organizations, files, archives and registering material made during work of keeping registers, within 60 days of the date of this Law's entry into force.

#### **Article 87**

Procedure for determining nullity of Association's general act from Article 20 of this Law is initiated before competent municipal court prior basic courts begin with their work.

#### **Article 88**

As of the day of the beginning of implementation of this Law, provisions of the Law on social organizations and citizens Associations ("Official gazette of SRS", No. 24/82, 39/83, 17/84, 50/84, 45/85 and 12/89 and "Official gazette of RS" No. 53/93, 67/93 and 48/94) and of the Law on Association of citizens in Associations, social organizations and political organizations established for the territory of the Socialist Federal Republic of Yugoslavia ("Official gazette of SFRY" No. 42/90 and "Official gazette of SRY" No. 24/94, 28/96 and 73/2000), cease to be applied to citizens Associations, social organizations and their federations, except for sports organizations and Associations.

Articles 67-75 of the Law on the movement and stay of foreign citizens ("Official gazette of SFRY", No. 56/80, 53/85, 30/89, 26/90 and 53/91) and Article 60, Paragraph 1, item 2 of the Law on the Establishment of Specific Competencies of the Autonomous Province ("Official gazette of RS", No. 6/02) cease to be valid as of the day of beginning of implementation of this Law.

#### **Article 89**

This Law enters into force on the eighth day of the day of publishing in the "Official gazette of the Republic of Serbia", and it shall start to be implemented on the day of expiry of three months of the day of entry into force, apart from Article 32, Paragraph 4 that shall start to be implemented on the day of expiry of two years of entry into force.