

**STATUTE OF ASSOCIATION OF CERTIFIED APPRAISERS IN BOSNIA
AND HERZEGOVINA**

- REVISED TEXT -

Banja Luka, November 2010

On the basis of Article 16 of Law on Associations and Foundations of Republic of Srpska (Official Gazette of RS no. 52 / 01 and 42 / 05), Assembly of Association of certified appraisers Banja Luka, at its session held on November 15th of 2010, passed

STATUTE OF ASSOCIATION OF CERTIFIED APPRAISERS IN BOSNIA AND HERZEGOVINA

I GENERAL PROVISIONS

Article 1

This Statute regulates provisions of the name, headquarters, representation, goals and activities for the realization, achieving transparency of membership and membership fees, rights and obligations of members, internal organization, authorities, their composition, powers, decision-making procedures, conditions and manner of election and recall, term of office and responsibilities, assets and disposal of prospective profits, how to acquire property, termination of existence, and the procedure with property in the event of dissolution of Association of certified appraisers (hereinafter: the Association).

Article 2

Name of the Association is: Association of Certified Appraisers in Bosnia and Herzegovina.

Abbreviated name: Association

The headquarters of Association: Cara Lazara Str No.22, 78 000 Banja Luka.

Article 3

The Association is registered in the Court of general jurisdiction. The Association is a nonprofit entity.

Article 4

The Association has a seal and a stamp. The seal of Association is round with diameter of 3 cm with inscribed Cyrillic text: Association of Certified Appraisers in Bosnia and Herzegovina positioned in the middle.

Article 5

The Association is represented by the President of the Association. Assembly may also authorize other persons for representation.

II DURATION OF THE ASSOCIATION

Article 6

The Association is established for an indefinite time.

III GOALS, OBJECTIVES AND ACTIVITIES OF THE ASSOCIATION

Article 7

The main goals and tasks are:

- 1) Development of the profession of certified appraisers in the region.
- 2) Establishment and maintenance of specific methodological standards and rules in accordance with the standards and principles of assessment (International Standards of Appraisal, which are issued by the Committee for International Standards of Appraisal), professional development and certification of certified appraiser.
- 3) Organizing expert meetings of members to get acquainted with the practice of appraisers in various countries of the world.
- 4) Promotion of certified appraisers who can assist in development of the profession.
- 5) Promoting the professional practice of certified appraisers to all interested parties (eg supervisory board, administration, management and other professional bodies, etc...).
- 6) Research, dissemination of knowledge and information in the field of assessment.
- 7) To introduce and inform members about the ethical rules in accordance with the standards and principles of assessment.
- 8) Connecting the Association, and maintenance of existing relations, with other similar Associations in Republic of Srpska and beyond, with the goal of sharing knowledge, information and experience in the field of assessment.
- 9) Involving as many members as possible in the Association`s activities and maintenance of appropriate level of profession, continuity of work and development of the Association.
- 10) Adequate communication between Association and its members in order to address the needs of the members.

Activities of the Association are connected with the following objectives and tasks:

- ensuring financial stability and technical conditions for the work of the Association.
- maintaining of internationally approved education program for certified appraisers
- organizing training for certified appraisers by providing quality, affordable professional development program for current and emerging needs of its members and the profession.
- Association for its own purposes may organize a separate organization to provide education and organize various forms of professional development.
- cooperation with other professional organizations in providing professional development programs.
- strengthening cooperation with related professional organizations in Republic of Srpska and Bosnia and Herzegovina.
- creating and distributing educational material in different forms of data medium for continued education of our members and the profession, in accordance with the Act.
- supporting secondary schools and colleges in the development of the profession of certified appraisers.
- development of international cooperation and involvement in the activities of professional associations in Europe and worldwide.
- publication of books and magazines in the field of assessing the value of legal entities, assets, liabilities and capital and related professional disciplines, to promote the statutory objectives
- informing the public of its work
- appraisal of projects, value of investments, property and fixed assets and valuation of entities in the process of status changes, sales etc.

Article 8

The activities of the Association are open to the public. The public work of the Association is carried out in the manner provided by this Statute, with the appropriate timely reporting of members of the Association's work and significant events, written reports, at special meetings or in some other way, through public communication.

IV Membership in Association

Article 9

Any person and entity who accepts this Statute and rules of the Association can become a member of the Association.

Article 10

A person or entity becomes a member of the Association by registering in the Register of members of the Association. Members of the Association may have a different status and responsibilities: full members, associate members and student members. Full members of the Association may be individuals who have a certificate of certified appraiser issued by the Association of Certified Appraisers in Bosnia and Herzegovina and entities who sign the agreement with the Association. Associate member may be individuals who have a college degree (4-year college). Student members may be regular college students of a 4- year college.

Article 11

Assembly of the Association determines annual membership fees for all members.

Article 12

Rights and obligations of members are:

- participation in the activities of the Association with the goal of developing profession of certified appraisers
- participation in the management of affairs of the Association
- maintaining and improving the reputation of the Association
- strengthening the material base of the Association and creating conditions for sustained development
- payment of fees.

Article 13

Membership in the Association of Certified Appraisers in Bosnia and Herzegovina shall be terminated with:

- dissolution of the Association
- voluntary designation
- exclusion due to the unprofessionalism, violation of law provisions, Statute and other laws of Association
- failure to pay membership fees.

Decision on the amount and type of membership fee is made by the Managing Board of the Association.

Member is deleted from the Register of members without specific decision if by the end of calendar year he / she does not pay membership fee for the current year.

The decision to exclude a member of the Association is made by the Managing Board. Suspended member has a right within fifteen (15) days from the date of delivery of a decision, to appeal to the Managing Board.

Assembly is required to resolve the complaint at its first meeting after receiving the appeal. The decision of the Assembly of the Association is final.

Article 14

The Association may merge with other professional organizations, and associations in the country and abroad, if they are organized and if they follow the principles of the profession of certified appraisers.

V BODIES OF THE ASSOCIATION

Article 15

Bodies of the Association are: Assembly, Managing Board, Supervisory Board.

A. ASSEMBLY

Article 16

Assembly is the highest body of the Association.
Assembly conducts its activities and decisions at meetings.
Assembly meetings are held at least once a year.
Assembly meetings are public.

Article 17

Assembly is the supreme body and is made of elected members who are elected for a term of four years with the possibility of re-election.

Article 18

Assembly performs the following tasks:

- adopts the Statute, its amendments and other legislative acts defined by Statute
- decides on mergers, separation, transformation, termination and other status changes of the Association
- elects and dismisses the President and Vicepresident of the Assembly and members of Managing and Supervisory Boards
- at the proposal of Managing Board, considers and adopts reports of Managing and Supervisory Boards, report of Association, work program, financial report and financial plan of the Association
- adopts rules of procedures
- decides on other issues which are not under the jurisdiction of another authority.

Article 19

Assembly president, vicepresident, presidents and members of Management and Supervisory Board are elected for four years, with possibility of re-election.

The office term of elected persons may cease before expiration of the period for which they were elected, in case of death, if they resigned or were recalled.

Recall of elected people will start if their duties are not performed in accordance with the Act, Statute or other general acts of the Association.

Recall may be initiated by the: President of Assembly, Managing Board, Supervisory Board or at least 1 / 3 of Assembly members.

Assembly manages recall with the public vote.

Article 20

The Assembly regularly meets once a year. Session of the Assembly election is held every four years. Convocation of Assembly must contain proposed agenda, as well as location and date of the meeting.

President of Assembly convenes Assembly meeting on his / hers own initiative, and at the initiative of Managing Board, Supervisory Board or one third of the members of the Assembly.

Article 21

President of the Assembly manages the activities of Assembly, provides annual report of the Association's activities, makes a decision on calling elections, and performs other duties in accordance with the Law, Statute and the decisions of the Assembly.

In case of absence of the President, Assembly is chaired by vicepresident, and in his / hers absence, the oldest member (by age) of the Assembly.

Article 22

The Assembly may work and make decisions if more than half of members are present. The Assembly makes decisions by majority vote of present members. The voting is, by the rules, public and is made by raising of a hand. When discussing particularly important issues, Assembly may opt for a secret voting. Session activities are recorded.

B. Managing Board

Article 23

Managing Board is the executive body of the Association.

Managing Board manages and coordinates the activities of the Association on the basis of law, Statute, decisions and other acts of the Assembly.

Managing Board consists of five members, according to the criteria set by the Managing Board.

Managing Board is appointed by President of the Association.

Article 24

Managing Board performs following tasks-activities:

- Prepares and proposes amendments to the Statute and other regulations passed by the Assembly.
- Implements policies, conclusions and other decisions adopted by the Assembly.
- Manages the assets of the Assembly.
- Appoints Inventory committees and makes decisions on the findings of the Committee
- Determines proposal of work programs, financial plans, financial statements and performance report for the previous year and submits those to Assembly for adoption.
- Cooperates with state and governmental institutions.
- Determines development and personnel policies of the Association.
- Decides to enroll in the appropriate registers of professional titles.
- Decides on the format and content of membership cards.
- Approves the plans and programs concerning improvement of personnel on all levels.
- Adopts guidelines and regulations for the Association as a whole.
- Performs other duties instructed by the Assembly and President of the Association.

Managing Board is responsible for its work to the Assembly.

Article 25

B. PRESIDENT OF MANAGING BOARD

President of Managing Board represents the Association and manages the work of Managing Board.

President of Managing Board convenes and prepares meetings of the Board, makes recommendations on matters within the jurisdiction of the Board, signs the acts adopted by the Board at its meetings. Board is responsible for enforcement of decisions and conclusions of the Association and conducts records of the Board` s meetings.

President of the Board is responsible for implementing the policy of the Association, decisions and conclusions of the Managing Board.

Article 26

Managing Board can be in session and make decisions if more than half of members are present.

Managing Board makes decisions by majority vote of all members of the Board.

The protocol is conducted about the Board` s activities.

C. SUPERVISORY BOARD

Article 27

The Supervisory Board consists of three members.

Article 28

The Supervisory Board performs the following activities:

- monitors the work of Association from the aspect of implementation of Assembly`s decisions
- monitors the work of the Managing Board and its working bodies
- controls the financial affairs of the Association, and gives its opinion on the financial statements and financial plan of the Association
- performs oversight on proper utilization of assets and the legality of the Associations` activities
- at least annually reports to the Assembly of the Association.

Article 29

The Supervisory Board can be in session and make decisions if more than half of members are present.

Supervisory Board makes decisions by majority vote of all members of the Supervisory Board.

The protocol is conducted of the Board`s activities.

President of the Association

Article 30

The Association has a President who:

- manages the work of the Association
- monitors and ensures implementation of decisions and conclusions of the Managing Board
- implements the policies and decisions of the Association and Managing Board
- organizes and coordinates administrative and professional service
- proposes to the Managing Board a Rulebook on internal organization and systematization and other Acts of Association
- provides all necessary conditions for the operation of all bodies of Association
- establishes debtor-creditor relations between Association and other persons
- submits an annual report to the Managing Board
- signs documents on behalf of Association
- performs other duties in accordance with the Act, Statute, and general acts of the Association
- is responsible that activities of the Association are within legal framework.

Article 31

President of the Association is appointed and dismissed by the Managing Board.

President is responsible for his / hers work to the Managing Board.

President is responsible for legality of the Association`s activities, carrying out administrative and financial affairs of the Association.

In managing the work of the Association, President has the right and obligations of managing body according to the Labor Law, while fulfilling the provisions of this Statute.

Article 32

The term of President of the Association lasts 4 years with the possibility of re-election.

Mandate of President of the Association may cease before expiration of this period, in case of death, resign or recall.

President of the Association may be recalled if his / hers duty is not performed in accordance with the Act, Statute and general acts or interests of the Association or other objective reasons.

Recall may be initiated by: President of the Assembly, President of Managing Board, Supervisory Board or one third of the Managing Board members.

Recall is performed by Managing Board with the public vote.

Article 33

The president may temporarily transfer his powers to another person in accordance with the Act and general acts and interests of the Association, with the consent of the President of Managing Board.

VI SOURCES OF FUNDING AND RESOURCES OF ASSOCIATION

Article 34

Assets of the Association are consisted of:

- cash funds
- personal property
- real estate
- other property rights

Article 35

The Association is financed from the following revenues:

- membership fees
- voluntary contributions and gifts
- grants from the budget
- organization of conferences
- organization of training for certified appraisers
- from other sources in accordance with the law.

All revenues Association realizes in accordance with applicable laws, treaties and other normative acts.

Article 36

In legal transactions with third parties the Association acts on its own and without restrictions.

VII REMOVAL FROM THE REGISTER

Article 37

Association ceases to exist when requirements are met under Article 40 of Law on Associations and Foundations of Republic of Srpska.

Article 38

In case of termination of the Association and its removal from the register, remaining assets shall be distributed in accordance with the Law and with decision of the Assembly.

VIII TRANSITIONAL AND FINAL PROVISIONS

Article 39

For successful achievement of program goals and objectives of the Association, Association may grant awards and cash prizes.

Article 40

The request for an amendment to this Statute may be submitted by:

- Managing Board
- Supervisory Board
- one third of Assembly delegates.

The request is submitted to the President of Assembly, who is obligatory in a period no longer than six months to convene a session of the Assembly, regarding this request.

Article 41

The Statute is valid from the day of its adoption, and posted on bulletin board of the Association.

Amendments to the Statute are made in the manner and procedure established for its adoption.

President of the Assembly
Milan Marčeta, BA in Economics

No: 03/10
Banja Luka, November 15th 2010