

ARTICLES OF ASSOCIATION

OF BANKS ASSOCIATION OF BOSNIA AND HERZEGOVINA

Based on provision of articles 10 and 12 of Law on Associations and Foundations of Bosnia and Herzegovina ("Official Gazette of BiH", numbers 32/01 and 42/03), the Constituent Assembly of Banks Association of Bosnia and Herzegovina, which took place in Sarajevo, dated of 24.06.2004., proclaims

ARTICLES OF ASSOCIATION OF BANKS ASSOCIATION OF BOSNIA AND HERZEGOVINA

I. GENERAL PROVISIONS

Article 1

Banks Association of Bosnia and Herzegovina (hereinafter: Association) is a non-governmental, non-political and non-profit Association that has been established by commercial banks, voluntarily based on their initiative.

The Association becomes a legal entity as of the date of its registration with the authorized ministry of Bosnia and Herzegovina, with all rights, obligations and responsibilities as determined in the constituent deed, these Articles and Law.

The Association is independent and it acts in the entire territory of Bosnia and Herzegovina. While performing its activities, the Association may cooperate and be connected in order to comply with joint interests and initiatives with similar associations and other organizations in the same and/or different business sectors inside of Bosnia and Herzegovina and its respective entities, but also with similar associations and organizations from other countries and corresponding multilateral associations and organizations.

Article 2

These Articles, pursuant to the Law, regulate the following:

1. name and seat of the Association;
2. purpose of the Association's activities;
3. membership admission and exclusion process;
4. the Association's bodies: structure and mode of election, that is, appointments and relieves, duration of mandate, authorities and responsibilities and work method and decision-making;
5. rules to qualify for, usage of and management over funds of the Association, and monitoring of the funds' usage;
6. openness to the public;
7. procedure to make changes and amendments to the Articles, authority and method of adoption of other general deeds;
8. form and content of the Association's stamp;
9. representation of the Association;
10. conditions and procedure for integration, separation, transformation or cessation of the Association;
11. procedure manage over the remaining assets or other funds in case of closure or cessation of the Association; and
12. other issues of significance for the organization and parts of the Association.

II. NAME AND SEAT OF THE ASSOCIATION

Article 3

Name of the Association in the languages and letters officially used in Bosnia and Herzegovina reads:

"Udruženje banaka Bosne i Hercegovine"

"Udruga banaka Bosne i Hercegovine"

“Удружење Банака Босне и Херцеговине ”

Name of the Association in English language reads:

"Banks Association of Bosnia and Herzegovina".

Abbreviated name of the Association reads: “ UBBiH “

In business correspondence and legal system in Bosnia and Herzegovina, name of the Association in the English language is used only at the same time and together with the name in the languages and letters officially used in Bosnia and Herzegovina.

Article 4

Seat of the Association is in Sarajevo, at Fra Andjela Zvizdovića 1/10.

Article 5

The Association has a logo, and its appearance and method of usage is determined by the Association’s Management Board.

III. GOALS AND TASKS OF THE ASSOCIATION

Article 6

Goals of the Association's establishment and activity are:

1. Defining of mutual goals of its members and other participants in banking business and adjusting individual interest to the one, joint interest;
2. Promoting of and applying the best business practices and adherence in the banking business based on the best ethical, professional and technical standards of the profession;
3. Promoting of transparency and fair business competition in banking;
4. Initiating of a permanent dialogue and partnership in business sector with the regulatory and other public institutions in order to improve business competition in the economy of Bosnia and Herzegovina;
5. Strengthening of banking sector, supporting of the financial system's stability and enhancement of business environment in function of the economic and social development of Bosnia and Herzegovina;
6. Compliance with and harmonization of interests, initiatives and activities of the Association and its members with the interests, initiatives and activities of other similar business associations and organizations in Bosnia and Herzegovina, as well as corresponding international professional and business associations;
7. Make an active contribution to the process of Bosnia and Herzegovina's joining to the European Union and global economic integrations.

Article 7

In order to meet its goals, the Association performs the following activities:

1. Collection, professional processing, harmonization, public presentation and supporting of initiatives to enhance the legal and institutional framework for banking and financial operations, as well as the general business environment in Bosnia and Herzegovina;
2. Presentation and representation of joint interests and initiatives of the Association’s members and other participants in the banking business:
 - a) With the institutions of judicial, executive and monetary government, regulators and supervisors of banking sector and financial market in general;
 - b) With chambers of comers and other business associations in Bosnia and Herzegovina;
 - c) With the international banking and other professional or business associations;
 - d) In public;
3. Making proposals, preparations and organizations or coordination of:

- a) seminars, panel sessions, round tables and other forms of public discussions about topics and issues of significance to the advancement of banking operations, financial sector or economy of the entire Bosnia and Herzegovina;
 - b) programs for market researching, marketing and promotion of new banking products, standards and/or technologies in Bosnia and Herzegovina;
 - c) systems for collection, processing and interbank information exchange about credit risks, credit worthiness and other business information of joint interest for both the Association's members and other participants in the banking business;
 - d) programs for monitoring and rating of accomplishments and financial reliability of banks in Bosnia and Herzegovina;
 - e) programs for professional training and specialized development of banking officers;
 - f) program aimed to standardize business procedures and information technologies with the Association's members and other participants in the banking business;
4. representation, organization and/or coordination of the Association's members and other participants in the banking business through preparation and implementation of the admission or offering of technical assistance and other forms of international cooperation;
 5. making proposals, development and monitoring of implementation of ethical and professional codes of conduct of banks and banking staff;
 6. intermediation in dispute resolution between the Association's members and/or other participants in the banking business;
 7. collection, analysis, distribution and disclosure of business information significant to the condition and changes in banking and the economy of Bosnia and Herzegovina;
 8. research, studies, analysis and counseling related to management and business operations, for the Association's members or other beneficiaries, upon special request and contract;
 9. preparation and disclosure of information about the activities of the Association, its members and performance of the banking sector, in printed and electronic public media;
 10. issuance of the Association's gazettes, information-marketing booklets and brochures, books and other publications.

IV. MEMBERSHIP IN THE ASSOCIATION

Article 8

The following subjects are eligible to become members of the Association:

1. banks which are registered, have their headquarters and operate in the territory of Bosnia and Herzegovina, with the license issued by and under supervision of the authorized regulators as regulated by the laws of Bosnia and Herzegovina and the Federation of Bosnia and Herzegovina or Republic Srpska;
2. banks' associations established, registered and are acting pursuant to the laws and in the territory of the Federation of Bosnia and Herzegovina or Republic Srpska.

Article 9

Membership in the Association is voluntary, and it is attained by participating in the Association's founding or by admission to the Association.

Membership in the Association is based on decision of the authorized body of a legal entity about acceptance of the constitution deed and Articles of the Association.

Upon foundation of the Association, decision of admittance of new members is made by the Association's Assembly by 2/3 majority of votes of the represented members, based on a written statement made by the legal entity on admittance and decision of its authorized body as specified under Paragraph 2 of this Article.

When the existing banks' association participates in the foundation of the Association or it subsequently approaches to the foundation process, while in its constitution deed and/or articles or decision of its assembly is determined that by becoming a member in such Association they simultaneously and automatically become the members of the banks association at the level of Bosnia and Herzegovina when that association becomes its member, than each member of such association is at the same time also an independent member of the Association.

Article 10

Members of the Association have the same rights, obligations and responsibilities to:

1. over their proxies, participate in the work and decision-making of the Assembly, recommend and elect members of the Management Board and other bodies and working bodies of the Association;
2. at the Association's bodies, present their interest and initiatives and comply them with other members of the Association;
3. with the authorized bodies, in the business community and general public, represent joint interests and initiatives of the Association and its members;
4. comply with the constitution deed and Articles of the Association, apply in their business practice the ethical codes and professional conduct as determined by the Association's bodies, and implement decisions of the Assembly and other bodies of the Association;
5. through the Association's bodies and in direct communication with other members, exchange business information and professional experience, offer and use technical assistance and counseling services;
6. regularly pay membership fee and other financial commitments towards the Association as determined by the financial plan and decisions of the Assembly or special contracts signed with the Association;
7. restrain from decision making, signing of contracts and applying of business practices which would undermine transparency and fair business competition in banking;
8. when exercising their membership rights and obligations in other business associations, they act as set to the goals of the Association, decisions of its bodies and joint interests and initiatives of its members.

Article 11

Membership in the Association shall be terminated by resigning, loosing the identity of a legal person or license to perform the activity, and by expelling the member.

Article 12

Any member may resign from the Association based on decision of the authorized body of that legal entity, by submitting a written statement of resignation at latest three months before the end of the calendar year, with the legal effect as of the last day of the same calendar year.

In the case under Paragraph 1 of this Article, in the period from submission of the statement of resignation to the end of the calendar year, the member that is resigning is required to pay all of its liabilities to the Association.

Membership termination by resignation is determined in the decision issued by the Association's Management Board, based on a written statement of the member specified under Paragraph 1 of this Article.

Article 13

Membership termination due to losing the identity of a legal entity or license to perform the activity is determined in the decision issued by the Association's Management Board, based on a written statement of the member or a deed issued by the court or other authorized body who is in charge of making the decision or specified consequences for any legal consequence.

Article 14

A member may be expelled from the Association in case if by its actions or failure of its bodies or proxy it violates legal regulations or ethical codes and professional conduct, or it violates the constitution deed or Articles or decision of the Association's bodies, or in any other way it seriously undermines reputation and goals of the Association or legal interests of any other of its members.

Decision on member's expelling, upon proposal of the Management Board or at least two members of the Association, shall be made by the Association's Assembly by 2/3 majority of votes of the represented members.

Article 15

Assembly of the Association shall adopt general deeds that will closely regulate the criteria and procedure for admission in the membership and expelling from the Association's membership.

V. BODIES OF THE ASSOCIATION

Article 16

Bodies of the Association are: Assembly, Management Board, Chairman and Executive Secretary of the Association.

Assembly and Management Board could establish a permanent or temporary work or advisory bodies.

1. Assembly

Article 17

Assembly is the highest body of the Association.

Assembly includes per one representative of each member of the Association with equal rights to one vote.

Members of the Association shall be represented at the Assembly by the legitimate proxies or other persons as designated by written authorization.

Article 18

The Association's Assembly is authorized of and responsible for:

1. adoption of the Articles and decisions on changes and amendments to the Articles;
2. issuance of rulebooks, codes and other general deeds of the Association pursuant to these Articles or the Law;
3. election and release of the members of the Association's Management Board;
4. regulating general policy to meet the goals and perform tasks of the Association, adoption of the annual program and report on the Association's work,
5. adoption of decision regarding the level and method of membership fee payment, adoption of the annual financial planning and year end statements of the Association;

6. adoption of decisions on admission of members and expelling from the Association's membership;
7. decision making about basis, goals and way of cooperation with corresponding business associations from other countries and international associations;
8. adoption of decisions about establishment of legal entities to perform a legally permitted economic activity in order to support goals of the Association;
9. adoption of decisions about status changes and closure of the Association;
10. adoption of decisions about all other issues concerning legal status and activity of the Association for which, by the law and provisions of these Articles, Management Board or Executive Secretary of the Association are not authorized.

Article 19

The Association's Assembly works in sessions that are organized upon need, at least once a year from May 1st to June 30th.

The Assembly is convened by the Management Board, upon its own initiative or upon request of the Association's members.

The Assembly is chaired by and its work is managed by the Association's Chairman, and in case he is occupied, the Management Board member as authorized by the Management Board.

In case the Management Board does not convene the Assembly upon justified written request by one third of total number of the Association's members within 45 days from the date when the request was received, those submitting the request are jointly authorized to convene the Assembly, set the agenda and decisions and appoint a person who will be the chairman of the Assembly.

Article 20

The Assembly may work and make decisions if there is attendance at the session of more than half of the total number of the Association's members.

If within the scheduled time from the beginning of the Assembly, a quorum specified under Paragraph 1 of this Article has not been reached, session with the same agenda shall be scheduled again within eight days, of which the Association's members will be informed in written.

In case specified under Paragraph 2 of this Article, the Assembly may work and make decisions if at the repeated session there is attendance of at least three members of the Association.

The Assembly makes decisions based on 2/3 majority of votes of the represented members regarding adoption of the Articles and its changes and amendments, level and method of membership fee payment, adoption of the annual financial planning and year end financial statements of the Association, admission of new members and expelling from the Association, and other status changes and closure of the Association, while other issues from scope of the Association's authority are subject to majority votes of the represented members of the Association.

Article 21

Preparation and convening, holding the sessions, decision making and other issues related to the work of the Assembly could be in more details regulated by the Assembly's Rulebook.

2. Management Board

Article 22

Management Board is a managing body of the Association that is authorized of and responsible for:

1. from its system, to elect and discharge chairman of the Association, who should at the same time chair and manage the Management Board;
2. preparation of proposals to the Articles and general deeds of the Association and decisions of the Assembly, preparation and convening of the sessions, participation in the work of the Assembly, without voting right and enables implementation of the Assembly's decisions;
3. proposal and implementation of general policy and annual program of the Association, and enables preparation, approval and monitoring of implementation of individual projects and programs of the Association's activities;
4. planning, direction and coordination of presentation and representation of the Association's initiatives and joint interests of its members with the institutions, business associations and public;
5. recommendation, incentive and monitoring of establishment of the system for collection, processing and interbank exchange of information about credit risks, credit worthiness and other business information of mutual interest for the members of the Association and other participants in the banking business;
6. recommendation, incentive and monitoring of implementation of programs for professional training and specialized education of banking staff and program for standardization of business procedures and information technologies with the Association's members and other participants in the banking business;
7. organization and/or coordination of preparation and implementation of programs aimed to offer or receive technical assistance and other forms of international cooperation;
8. recommendation, organization and/or coordination of development and monitoring of implementation of the ethical and professional codes of banks and banking staff;
9. initiative and organization of intermediation in resolving disputes between/among the Association members and/or other participants in the banking business;
10. approval and monitoring of implementation of programs for collection, analysis, distribution and disclosure of business information of significance for the condition and changes in banking and economy of Bosnia and Herzegovina;
11. approval and monitoring of projects for research, study, analysis and counseling of the affairs for the Association's members and other beneficiaries, upon special request and contract;
12. approval and monitoring of disclosure of information about the Association's activity, its members and operations of the banking sector, in the printed and electronic public media, and issuance of the Association's gazettes, information-marketing booklets and brochures, books and other publications;
13. recommendation and implementation of decision on level and method of membership fee payment and the annual financial planning of the Association;
14. preparation and submission to the Assembly of the work report and year end financial statements of the Association;
15. determination of termination of the membership by resigning and termination of membership due to losing of the identity of a legal person or license to perform the activity, pursuant to the provisions of these Articles;
16. appointment, discharging and monitoring of the work of the executive secretary of the Association;
17. based on and within the financial planning, it determines the level of compensation and salary of the chairman and executive secretary and it approves the expenses for the work of the Assembly, Management Board, and working and advisory bodies of the Association;

18. approval and monitoring of disposal over the funds within the approved program and financial planning of the Association;
19. adoption of decisions on appointment and tasks of the permanent or temporary working or advisory bodies, preparation and/or implementation of certain programs, decisions or activities;
20. adoption of general deeds and implementation of other tasks as authorized by the law, these Articles or decisions of the Association's Assembly.

Article 23

Management Board has seven members elected by the Assembly for the mandate of three years, with possibility of reelection of the same person to be a member of the Management Board.

Every member of the Association has a right to propose one or more candidates to be elected as member to the Management Board.

If number of candidates is equal to the number of the Management Board members to be elected, every candidate, in order to be elected, has to get majority of votes of the Association's candidates represented at the Assembly.

If number of candidates exceeds the number of the Management Board members to be elected, the candidates with majority of votes will be elected, upon order to the number of the members to be elected.

Along with the implementation of Paragraphs 2 to 4 of this Article, two members of the Management Board are elected upon proposal of two banks that as members of the Association have the largest assets at the end of the previous business year.

Article 24

The entire Management Board and every member individually may be released of duty before end of the period to which it has been elected, upon his/her own request or if the Assembly decides he/she does not regularly and concisely meet its duties and responsibilities or in any other way it undermines reputation and goals of the Association or legitimate interests of its members.

In case of an early release of duty of individual member, the Assembly shall elect a new member for the remaining period to the end of the mandate of the Management Board to which it should be elected.

Article 25

Management Board works and makes decision at the sessions convened upon need, and at least once a quarter, while decisions are made with majority of votes of the total number of the Management Board members.

Apart from the work at the sessions, the Management Board members may carry out their duties and responsibilities, without decision making, through exchange of information and consideration of initiatives and proposals in a direct communication among themselves and with the members of the Association, with consent and in coordination with the Chairman of the Association.

Article 26

The Management Board sessions are convened by the Chairman of the Association, upon his/her own initiative or proposal by the Association members or Executive Secretary of the Association.

If the Association's Chairman does not convene the session of the Management Board upon the elaborated written request of the Management Board member within 15 days from the date when the request was received, the member that has submitted the request is

authorized to convene the session and determine proposed agenda and decisions, and act as Chairman, if the Association's Chairman rejected to do so.

If the Association's Chairman does not convene the session of the Management Board upon the elaborated written request of the Executive Secretary of the Association within 15 days from the date when the request was received, the Executive Secretary is authorized to inform the members of the Management Board about this in written form.

In cases specified under Paragraphs 2 or 3 of this Article, members of the Management Board may request a statement from the Association's Chairman, but they are first required to assess the reasons and consequences of such event and inform the members of the Association about this in written form.

3. Chairman of the Association

Article 27

Chairman of the Association has the following authorities and responsibilities:

1. representation of the Association in public and communication with institutions and business associations;
2. holds the chair and manages work of the Association's Assembly, without voting right in decision making;
3. holds the chair and manages work of the Management Board of the Association, with voting right in decision making;
4. presentation to the Assembly of proposals and reports of the Management Board;
5. enables and monitors preparation of sessions and implementation of decisions of the Assembly and Management Board;
6. coordinates work of permanent and temporary working and advisory bodies;
7. enables and monitors regular and efficient communication between Management Board and members of the Association;
8. conducts other affairs and tasks as determined by decisions of the Assembly and Management Board.

Article 28

Basis and forms of compensations for work and reimbursement of expenses of the Association's Chairman are determined in the Assembly's decision, as part of the financial planning.

Contract signed with the Chairman by the Executive Secretary of the Association, in behalf of the Association, closely defines rights and duties of the Association's Chairman, as defined by the provisions of these Articles and decisions of the Assembly specified under Paragraph 1 of this Article.

4. Executive Secretary of the Association

Article 29

Executive Secretary of the Association shall organize and enable professional, administrative and financial affairs of the Association, it represents the Association in legal matters with third persons in both court and administrative proceeding, and, within that, is responsible for legality of the Association's work.

Article 30

Executive Secretary shall be appointed and discharged by the Management Board of the Association.

Executive Secretary of the Association may be a person who is Graduate in Law or in Economics with at least five years of professional experience.

Mandate of the Executive Secretary of the Association is five years, with possibility of reappointment.

Executive Secretary may be released of duty before the end of the period to which it has been appointed, upon his own request or if determined by the Management Board he is not regularly and consciously performing his duties and responsibilities or it undermines the work, reputation and goals of the Association or legitimate interests of its members.

Article 31

Basis and forms of salary and compensation of the Executive Secretary of the Association are determined in the Assembly's Decision, as part of the financial planning of the Association.

Contract signed with the Executive Secretary by the Chairman of the Association, in behalf of the Association, closely defines rights and duties of the Association's Executive Secretary, as defined by the provisions of these Articles and decisions of the Assembly as specified under Paragraph 1 of this Article.

VI. FUNDS AND INCOME OF THE ASSOCIATION

Article 32

The Association is a non-profit organization that is financed through membership fees and additional contribution by the members, fee income for the research, counseling, marketing and other services performed upon contract, and income from the editorial and marketing activities. The Association may receive cash donations and gifts in equipment and other technical assistance from domestic and foreign legal entities and associations.

Article 33

It is determined in the decision of the Assembly, as part of the financial planning of the Association, about the amount, method and deadline of the annual membership payment, so at least half of the income anticipated in the financial plan is obtained partially from the membership fee in equal amount for all the members of the Association, and second part is partially obtained from the membership fee in different portions equal to the participation of the assets value of every member of the Association in total value of assets of all the members of the Association at the end of the previous business year.

Management Board of the Association shall determine fees for the research, counseling, marketing and other services performed upon contract and income planning from the editorial and marketing activities.

Special projects and programs of the Association of more extensive nature and/or specific purpose are financed from the sources determined by an agreement or contract that the Association should sign with other interested participants and/or beneficiaries.

Article 34

Upon proposal of the Management Board, the Association's Assembly shall adopt the annual work program and financial planning of the Association, along with income planning by sources and expenses planning by type, at latest 30 days before the beginning of the year for which the work program and financial planning is prepared for.

The Association's Assembly shall adopt the annual report of work and annual statement of the Association at latest four months after the end of the year for which the work program and annual statement are prepared for.

Surplus of income over expenses gained in the prior year shall be transferred and used exclusively to meet the goals and implement the activities of the Association in the

forthcoming year, while shortage of income in relation to expenses reported for the prior year is covered at latest when preparing and adopting the first subsequent financial plan after the adoption of the annual statement in which the shortage had been reported.

Article 35

The Association is obliged to maintain business books in accordance with the corresponding accounting standards and to prepare financial statements pursuant to the applicable regulations.

Authority to sign deeds related to acquisition and disposal over the Association's assets rests with the Chairman and Executive Secretary of the Association.

Management Board of the Association may, by its decision, authorize other persons to sign deeds related to the acquisition and disposal over the Association's assets.

Article 36

Chairman and members of the Management Board and Executive Secretary of the Association are obliged to make sure that all financial transactions of the Association are concluded and executed upon fair market values, that is, under the most favorable conditions to the Association.

Without prior approval by the Management Board, Chairman or any member of the Management Board cannot make decision, and Executive Secretary cannot act in the name and for the account of the Association in the affairs where the counterparty is directly or indirectly is himself, a member of his immediate family or other relative to the third degree.

VII. OPENESS TO THE PUBLIC

Article 37

Work of the Association and its bodies is public.

Openness to the public is performed by regular presentation of information to the Association members and general public about the work of the Association and its bodies, in the media and publications of the Association or press releases.

Article 38

Members of the Association have right to be informed and receive a full information about the work of the bodies and implementation of goals and activities of the Association.

Management Board, Chairman and Executive Secretary of the Association, within their individual authority, are responsible for the regular and full information presentation to the members.

Article 39

The Association's bodies are obliged to make available to the authorized representatives of the media all data, information and statements related to the work of the Association, and allow them to be present at the sessions of the Association's bodies and report to the public about their work.

Exceptionally, access of the general public to the sessions of the Association's sessions may be excluded or limited or availability of certain information may be excluded or limited to public due to protection of personal or business secrecy or if such action implies accomplishment to the Association's goals as determined by these Articles.

VIII. CHANGES AND AMENDMENTS TO THE ARTICLES AND ADOPTION OF GENERAL DEEDS

Article 40

Proposed changes and amendments to these Articles may be made by the Management Board or 1/3 of total number of the Association's members.

Proposal specified under Paragraph 1 of this Article with written explanation should be submitted to the Association's members at latest 30 days before the date when the Assembly's session will take place at whose agenda the proposal should be listed in.

Decision on changes and amendments to these Articles is made by the Assembly of the Association by 2/3 majority of votes of the represented members of the Association.

Article 41

Apart from the Articles, the Association's Assembly should adopt the standing order, rulebooks, and other general deeds as anticipated by these Articles or Law.

Management Board of the Association should adopt the rulebooks and decisions as general deeds necessary for the organization of work and activity in order to meet the goals and implement the Association's activities, where for their adoption there is no authority of the Assembly determined in the law or these Articles.

IX. THE ASSOCIATION'S STAMP

Article 42

The Association has the stamp of round form, 30 mm wide, with name and seat of the Association in Latin letters.

Management Board shall decide of number of the copies, and method and authorization to use and store the Association's stamp.

X. REPRESENTATION OF THE ASSOCIATION

Article 43

Executive Secretary of the Association shall represent the Association in legal system and in both court and administrative proceeding.

Executive Secretary of the Association may assign to an attorney or other professional person the written proxy to represent the Association in some legal cases or proceedings.

Article 44

Management Board of the Association may, by its decision, authorize other persons to represent the Association. However, the Management Board shall decide of content, form and duration of the authority for representation.

XI. INTEGRATION, SEPARATION, TRANSFORMATION AND TERMINATION OF THE ASSOCIATION

Article 45

The Association may be integrated to other association.

The Association may be separated into two or more associations.

The Association may be transformed into the association of public interest.

Article 46

Decision about integration, separation or transformation of the Association, upon proposal of the Management Board, is made by the Assembly of the Association by 2/3 majority of votes of the represented members of the Association.

Decision specified under Paragraph 1 of this Article especially regulates the following:

1. name and address of the seat of other association to whom the Association shall be integrated into, that is, the association that will be created after separation of the Association, or Association after its transformation into the Association of public interest;
2. separation of assets, rights and liabilities;
3. goals of the association after integration, separation or transformation;
4. names of persons authorized to submit request to register into the registry of integration, separation or transformation of the Association.

Article 47

The Association has been established with the indefinite time.

Article 48

The Association shall cease to exist based on the decision of the Association's Assembly or by force of law.

Decision on termination of the Association shall be adopted by the Assembly by 2/3 majority of votes of the represented members of the Association.

Article 49

Simultaneously with decision of termination of the Association, the Assembly shall adopt a liquidation plan in which it will determine assets, rights and liabilities of the Association pursuant to these Articles and the law.

The Assembly shall appoint a Liquidator of the Association, who will be in charge of the liquidation plan and who is authorized to represent the Association through the liquidation process and in process of submitting the request to register for termination of the Association with the authorized bodies.

During the liquidation, the Association's assets shall be used to fulfill all legal and contractual liabilities, and potential remaining assets shall be allocated to the members of the Association proportional to their participation in the membership fee payment.

XII. TRANSITIONAL AND FINAL PROVISIONS

Article 50

These Articles become effective and shall be applied as of the date of their adoption at the Constitution Assembly of the Association.

Original of the Articles is made and signed in five copies, of which one copy is stored in the Association's archive, and remaining copies are used for distribution or presentation to the authorized bodies in registration process or for other purpose related to the work of the Association.

Chairman and members of the Association and every member of the Association have right to request for their needs and receive copy of these Articles, whose credibility is certified by the Executive Secretary of the Association.

Place: Sarajevo
Date: 24.06.2004
Number: 01/04

Chairman
of the Association's Constitution Assembly
Berislav Kutle