

PUBLIC ENTERPRISE FOR COASTAL ZONE MANAGEMENT
IN MONTENEGRO – BUDVA

JARNO DOKUMENTI IZ OBLASTI GRAĐEVINARSTVA I
POSREDOVANJE U PROMETU NEPOKRETNOSTI

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ARTICLES OF ASSOCIATION
OF A PUBLIC ENTERPRISE FOR COASTAL ZONE MANAGEMENT
IN MONTENEGRO – BUDVA

Budva, August, 1992

Pursuant to article 17 paragraph 1, sub-paragraph 6 of the Law on Public Enterprises (Official Gazette of the Republic of Montenegro, no. 6/91), the Governing Board of the Public Enterprise for Coastal Zone Management in Montenegro, at the meeting held on 3rd August 1992, enacted

**ARTICLES OF ASSOCIATION
PUBLIC ENTERPRISE FOR COASTAL ZONE MANAGEMENT
IN MONTENEGRO – BUDVA**

I GENERAL PROVISIONS

Article 1

Public Enterprise for Coastal Zone Management in Montenegro (henceforward: Public Enterprise) was founded by the decision of the Parliament of the Republic of Montenegro. Official Gazette of the Republic of Montenegro no. 25/92.

The Company was registered in the court register of the Commercial Court in Podgorica according to the decision FI no. 2485/92 of 10th July 1992.

Article 2

The enterprise shall do business under the name: Public Enterprise for Coastal Zone Management in Montenegro Inc. The short name of the company is: PE for Coastal Mgmt. Inc. The registered office of the company is in Budva.

Article 3

The Company shall have its own logo whose shape and content is defined by the Governing Board.

Article 4

The company shall have a round seal of 30mm in diameter with the following text: The Republic of Montenegro, Public Enterprise for Coastal Zone Management in Montenegro – Budva. In the middle of the seal there is a coat of arms of Montenegro.

Article 5

The Company shall have a rectangular stamp which, apart from the name of the company and the registered office shall contain a sign for number, day, month and year.

Article 6

The number of seals and stamps, their records and the manner of their use, safekeeping and destruction, is defined by a special resolution of the director.

II SCOPE OF WORK OF THE COMPANY

Article 7

The scope of the work of the Company is:

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- protection, development and promotion of the coastal zone use,
- coastal zone management
- conclusion of contracts regarding the use of the coastal zone
- construction and maintenance of the infrastructural buildings used by the enterprise
- catering and tourism
- trade
- planning of beach and the sea coast use

III AGENCY AND REPRESENTATION

Article 8

The enterprise is represented by the director within the authority provided by the law, the articles of association and the general acts of the enterprise.

Article 9

The director of the enterprise may transfer his/her authority regarding agency, by a special power of attorney, to another employee of the enterprise or an agent.

The power of attorney from paragraph 1 of this article is given in writing.

Article 10

The director of the enterprise may give procuration to the employee with special authority and responsibility in the enterprise or a person who does not work for the company with the consent of the Governing Board.

Giving and termination of the procuration is registered in the court register.

IV INTERNAL ORGANISATION

Article 11

In order to perform the business from scope of activities of the enterprise, the following organisational units as the parts of the enterprise are formed:

1. for protection, development and promotion of the coastal zone use, coastal zone management and conclusion of contracts regarding the use of the coastal zone;
2. for construction and maintenance of the infrastructural buildings used by the enterprise and
3. for the performance of other activities from the scope of work of the enterprise.

Article 12

Basic organisational units from article 12 of these articles of association do not have the status of a legal entity and they do legal business under the name of the enterprise.

Article 13

By the act on internal organisation and systematisation of the posts, the structure and scope of the basic organisational units, as well as the other issues related to the internal organisation of the enterprise are defined

V DEVELOPMENT AND WORK PLANNING

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Article 14

The enterprise enacts a medium term development plan.

The decision on the adoption of the development plan is passed by the Governing Board, and the consent to it is given by the government of the Republic of Montenegro.

Article 15

The basis of the business policy and the annual financial plan of the enterprise are defined by the Governing Board, which monitors its implementation.

The director of the enterprise submits to the Governing Board a report on business if requested, but at least two times a year.

Article 16

If the conditions and possibilities of work and development considerably change, the Governing Board, after a proposal by the director of the enterprise, performs the changes and amendments of the business and development plans of the enterprise.

VI BUSINESS OF THE ENTERPRISE

Article 17

The data about the condition and change of the overall property of the company, as well as the data on the results of the business of the enterprise are represented by appropriate bookkeeping records which are regulated by the regulations on the organisation and management of the accounting of the enterprise which is passed by the Governing Board at the proposal of the director of the enterprise.

Article 18

The enterprise does business through a single bank account at the Government Auditing Office in the registered office of the enterprise.

Article 19

The enterprise gains profit from the payments for the use of the coastal zone, from the business activities in the coastal zone and other sources.

Article 20

The relationship between the organisational units of the enterprise regarding profit earning is defined by a special act that is enacted by the Governing Board.

II MANAGEMENT

Article 21

The enterprise is managed by the Governing Board of the enterprise.

Article 22

The Governing Board:

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1. enacts the articles of association with the consent of the government of the Republic of Montenegro.
2. adopts a medium term development plan with the consent of the government of the Republic of Montenegro.
3. enacts the programme of the protection and promotion of the coastal zone.
4. enacts a general act on internal organisation and systematization of posts.
5. passes decisions regarding the construction of buildings that are not included in the development plan of the enterprise, by which the change of the plan is made at the same time.
6. decides about the investments with other local or foreign entities
7. passes investment decisions
8. decides about the objections of the participants in the process of public tendering i.e. the assignment and use of the coastal zone by collection of bids.
9. passes decisions about the status changes with the consent of the government of the republic of Montenegro
10. defines the criteria for profit sharing with the consent of the government of the republic of Montenegro
11. defines general business policy and the annual financial plan
12. decides about the indebtedness of the enterprise, taking bank loans and providing guarantees
13. decides about the use and disposal of the funds and joint consumption excluding the cases 14. defined by the collective agreement
14. decides about the emission of internal shares
15. decides about solidary support to the entities outside the enterprise according to the available funds for such purposes
16. gives permission for trips abroad that exceed 7 days
17. considers the proposals of the trade union organisation regarding the rights of employees and their material position
18. decides about the complaints about the decisions of the director
19. passes the rules of procedure regarding its work
20. decides about the conclusion of contracts regarding the use of the coastal zone on more significant and attractive locations
21. it can transfer certain work from its competence to a commission that it forms itself
22. decides about other issues defined by the law, these articles of association and general acts of the enterprise

Article 23

The number and the composition of the Governing Board is defined by the decision of the parliament of the Republic of Montenegro.



Article 24

The governing board is appointed by the government of the Republic of Montenegro

Article 25

The sessions of the Governing Board are held when necessary. A session is called and conducted by the president of the Governing Board

The governing board elects the president of the Governing Board deputy.



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REPUBLIC OF INDONESIA

Article 26

The Governing Board works and passes decisions during the sessions as a rule

Article 27

The sessions of the Governing Board are public as a rule

If the Governing Board discusses the issues that represent an official or other secret, the session, or a part of it, can be attended only by the persons invited to the session.

Article 28

The Governing Board decides by a majority decision of its members.

VIII MANAGEMENT

Article 29

The business of the Enterprise, pursuant to the authority provided by the law and the Articles of association, is managed by the Director of the Enterprise.

The director of the Enterprise has the rights, duties and responsibilities in accordance with the law and these Articles of association.

The Director of the Enterprise is appointed and discharged by the Government of the Republic of Montenegro.

Article 30

Apart from the general conditions provided by the law, the Director of the Enterprise must also meet the following special requirements:

- to have a high qualification degree.
- to have at least three years of working experience.

Article 31

Apart from the scope of work within the authority provided by the law, the Director of the Enterprise shall:

suggest the passing of general acts to the Governing Board.

- 2 conclude the agreements and perform other legal actions on behalf and in the name of the enterprise.
- 3 appoint and discharge workers with special authority and responsibilities.
- 4 perform the deployment of workers within the enterprise.
- 5 submit the business reports and annual account.
- 6 participate in the work of the Governing Board.
- 7 organize the work of self-protection within the enterprise.
- 8 decide on the introduction of work longer than full time and redistribution of working

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time,

9 decide on official business trips abroad up to seven days.

10 initiate and conduct disciplinary procedures and impose disciplinary measures pursuant to the general act.

11 give the order to execute operations and tasks within the enterprise during strike, as to ensure smooth operation of vital functions.

12 perform other duties as specified in these Articles of association and the general act of the enterprise.

Article 32

Workers with special authorities and responsibilities are the heads of organizational units.

Heads of organizational units operate the work and implement the orders and instructions of Director of the enterprise.

Article 33

Conditions, special authorizations and responsibilities of the workers from article 32 of these Articles of association, are determined by internal organization act and systematization of posts.

IX DECIDING ON THE RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF WORKERS

Article 34

The Director of the enterprise decides in the first instance on rights, obligations and responsibilities of workers, except in the cases provided by the law and these Articles of association.

Article 35

Against the decision of Director of the enterprise, from article 34 of these Articles of association, an objection may be filed to the Governing Board.

X SETTLEMENT OF DISPUTES

Article 36

All disputes arising between organizational units of the enterprise shall be settled by mutual agreement.

The agreement referred to in paragraph 1 of this article can not be detrimental to the organizational unit of the enterprise that is not in dispute or to the detriment of the enterprise as a whole.

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Article 37

If the organizational units of the enterprise on the disputed issue reach an agreement at the detriment of the enterprise's organizational unit that is not in dispute or to the detriment of the enterprise as a whole, the Director of the enterprise shall suspend the execution of such agreement and take measures pursuant to his authorities and inform the Governing Board.

The Governing Board's decision is final.

Article 38

If the organizational units of the enterprise on the disputed issue do not reach an agreement in the period of 30 days from the beginning of the dispute, the final decision, on the disputed issue, at the proposal of the Director of the enterprise, will be passed by the Governing Board.

XI MINIMUM FUNCTIONS IN THE ENTERPRISE IN CASE OF STRIKE

Article 39

Minimum functions that must be provided in the event of a strike in the enterprise are:

- protection of the coastal zone
- conclusion of contracts regarding the use of the coastal zone
- planning of beaches and sea coast

Article 40

Specific issues of importance for the functioning of the enterprise in the event of a strike shall be regulated more precisely by an act passed by the Director of the enterprise.

XII PROTECTION, DEVELOPMENT AND PROMOTION OF THE COASTAL ZONE USE

Article 41

The enterprise organizes the performance of work in a manner which is to ensure protection, development and promotion of the coastal zone use, application of positive regulations and standards which are related to this matter and international conventions which regulate the issue of protecting the sea from pollution.

In the enterprise's development plans the issues regarding protection, development and promotion of the coastal zone must be specifically determined and the planned use of funds from the revenue of the coastal zone use especially for the abovementioned purposes expressed.

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Protection referred to in paragraph 1 and 2 of this article will be more precisely regulated by a special act of the enterprise.

XIII COOPERATION WITH TRADE UNION

Article 42

In accordance with the law and the collective agreement the enterprise shall provide the working conditions, trade union and trade union representatives activities.

Trade union is authorized, within the scope of the collective agreement, to submit the Governing Board proposals, opinions and comments in order to achieve protection of rights of workers from the collective agreement.

The Governing Board is obliged to respond to the proposals, opinions and comments of the trade union and notify the trade union within the time limits set forth by the general acts of the enterprise which are governing the protection and realization of workers' rights.

XIV THE GENERAL ACTS OF THE ENTERPRISE

Article 43

The general acts of the enterprise are the Articles of association, regulations, rules of procedure and decisions.

Article 44

The general acts of the enterprise are passed by the Governing Board.

The drafts of the general acts are prepared by enterprise's professional service or by the working group formed by the Director of the enterprise.

Article 45

The enterprise shall have the following general acts:

1. The Articles of association
2. Regulations on internal organization and systematization of posts.
3. Regulations on financial statements.
4. Regulations on labour relations.
5. Regulations on discipline and material responsibility of workers.
6. Regulations on housing issues.

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7. Regulations on organization and bookkeeping.
8. Regulations on general national defence and social self-protection.
9. Regulations on trade secrets,
10. Regulations on information
11. Rules of procedure of the Governing Board work.

The enterprise passes other general acts as needed by which it regulates specific matters of importance to its work and activity.

XV. TRANSITIONAL AND FINAL PROVISIONS

Article 46

The general acts shall be passed in the period of three months from the entry into force of these Articles of association.

Article 47

Some relations which are not governed by general acts of the enterprise shall temporary be determined by the acts of the Governing Board and the Director of the enterprise.

Article 48

These Articles of association shall enter into force the day after receiving consent from the government of the Republic of Montenegro.

Round seal: Public Enterprise for Coastal Zone Management, Budva

Rectangular seal:

President of the governing Board

Andrija Perišić

Signature: Illegible



Ja, Branislav Pantović,
I, Branislav Pantović,

Stalni sudski tumač
Permanent Court Interpreter

Za _____ engleski _____ jezik

For _____ English _____ language

Postavljen rješenjem ministra pravde
br. 03-6500/06 od 05.07.2007.

Appointed by the Resolution of the Ministry of
Justice No. 03-6500/06 of July 05th, 2007.

Potvrđujem da je ovaj prevod vjeran originalu

Certify that this is a correct and true translation

koji je sastavljen na Crnogorskom jeziku.

made up in Montenegrin language.

Troškovi prevoda iznose _____ €

Translation expenses amount to _____ €

u Budva dana 26.12.2010

Potpis
Signature