

Based on Article 16 Paragraph 7 and Article 19 Paragraph 7 of the Statute of association National Alliance for Local Economic Development (NALED), within its 31<sup>st</sup> session held on 31 May 2021, based on adopted amendments to the Rulebook on the Election of NALED Managing Board and Supervisory Board Members, NALED Managing Board adopts the consolidated text of the Rulebook that now reads as follows:

## **RULEBOOK ON THE ELECTION OF NALED MANAGING BOARD AND SUPERVISORY BOARD MEMBERS**

### Article 1

This Rulebook governs in detail the procedure, candidacy requirements, manner of submitting nominations and required documentation, manner of voting and election of Managing Board and Supervisory Board members.

### **MANAGING BOARD**

#### Article 2

The Managing Board has nine members, elected and dismissed by the Assembly.

The private, public and civil sectors are represented in the Managing Board proportional to the association's membership structure, as determined by NALED Executive Office.

Out of the total number of Managing Board members, five are elected from the most represented sector in the total number of members (hereinafter: **Sector 1**), three members from the second most represented sector in the total number of members (hereinafter: **Sector 2**) and one member from the least represented sector in the total number of members (hereinafter: **Sector 3**).

### **Requirements for candidacy and for expressing support for the Managing Board**

#### Article 3

Any organization that has been a full member of NALED for at least two years until the date of submitting candidacy, may nominate one candidate to the Managing Board and support candidacies by a maximum of 5 other full members.

A full member of NALED which nominated a candidate for the Managing Board may not nominate a candidate for the Supervisory Board.

The right to be elected member of the Managing Board is provided to representatives of full members of NALED who hold the highest position, or are a part of the organization's top management - President/Member of Executive Board, President/Member of Managing Board, General Manager, CEO/Director, Head of Department, Mayor etc.

The nominated Managing Board candidates need to oblige, if elected, to assume the responsibility and obligation to:

- Assign at least 5% of their working hours for the association,
- Represent the association's values and goals as their own,

- Actively work with the members, knowing and advocating their views in the public,
- Implement program initiatives in cooperation with the members and Executive Office,
- Represent the association at public events and in the media,
- Engage in fundraising for the association's activities,
- Provide continuous support in expanding membership and strengthening the association.

A Managing Board candidacy needs to be supported by at least five additional full members of NALED.

### **Submitting candidacies and expressing support for the Managing Board**

#### Article 4

Candidates that meet the requirements indicated in Article 3 of this Rulebook have the right to be elected to the Managing Board, if they timely submit their candidacies in the manner indicated in the Assembly convening invitation.

As a rule, submitting candidacies and expressing support for the Managing Board members shall be performed via NALED's digital platform (hereinafter: Platform), and if circumstances require – these activities may also be performed via e-mail or regular mail.

The forms for submitting candidacies and expressing support may be downloaded on NALED's official website, or completed online via the Platform upon online registration using unique credentials provided to members within the Assembly convening invitation.

The completed candidacy application form, accompanied with the candidate's photograph and expressions of support by at least five other full members of NALED, need to be submitted within the deadline defined in the Assembly convening invitation, or if the deadline is not indicated – at least seven days before the Assembly session involving the election of the Managing Board members.

NALED Executive Director (hereinafter: Executive Director) confirms the list of valid candidacies for the Managing Board in line with the requirements defined in this Rulebook. The final list of Managing Board candidates will be published on the Platform and/or NALED website and presented at the Assembly session.

### **Election of the Managing Board members**

#### Article 5

Upon the process of submitting candidacies is completed, the list of candidates from each sector are defined, as stipulated in Article 2 of this Rulebook:

- List of candidates from Sector 1;
- List of candidates from Sector 2;
- List of candidates from Sector 3.

In line with NALED Assembly Rules of Procedure, the Managing Board members are elected through secret ballot using voting ballots or via Platform, at the Assembly session attended by at least a third of the total number of full members.

The vote counting procedure is technically conducted by the Election Committee consisting of at least two representatives of the Executive Office and one representative of the Ethics Committee, appointed by the Executive Director.

In case of electronic Assembly session, upon insight into the online database, the Election Committee will confirm the voting results obtained via the Platform. In the event of any doubts regarding the regularity of the voting process, the Election Committee may decide that the secret ballot for a specific agenda item is to be repeated, within an additionally defined deadline.

The elected Managing Board members will include:

- Five top-ranked (who obtained the highest number of votes) candidates from the list of candidates from Sector 1;
- Three top-ranked candidates from the list of candidates from Sector 2;
- One top-ranked candidate from the list of candidates from Sector 3.

The Managing Board members' election procedure is completed with the announcement of voting results, presented by the Assembly Chairman within the closing of Assembly session, based on the report by the Election Committee.

### **Election of Managing Board President and Vice-Presidents**

#### Article 6

The Managing Board has a President and three Vice-Presidents, from all three Sectors.

Within 30 days from the date of the Election Assembly, the appointed Managing Board is obliged to hold its Constitutive session, scheduled by the Executive Director. The Constitutive session may be organized live or online. Along with the invitation for the Constitutive session, the Executive Director surveys the newly-elected Managing Board members, and collects nominations for the President and Vice-Presidents. Based on the collected nominations, the Executive Director drafts a proposal of presidency members (President and three Vice-Presidents), and submits it to the Managing Board for insight along with the materials for the Constitutive session.

Within the Constitutive session, the Managing Board members vote on the proposal of presidency members and elect the President and Vice-President by a majority of votes.

The voting right at the Constitutive session is provided to the Managing Board members and NALED Executive Director.

### **The term of Managing Board members**

#### Article 7

The term of Managing Board members is four years. A member of the Managing Board may serve a maximum of two consecutive terms.

In the event of Board member term ending before time, the Managing Board may co-opt a new Managing Board member, in a manner defined in the Statute.

The Managing Board adopts the decision on co-opting new members with a majority vote of the total number of Managing Board members. The term of co-opted members lasts until the end of the term period of the member elected to the Managing Board whose term ceased before the end of its period.

## **SUPERVISORY BOARD**

### Article 8

The Supervisory Board has five members, elected and dismissed by the Assembly.

### **Candidacy requirements for the Supervisory Board**

### Article 9

Any organization that has been a full member of NALED for at least two years until the date of submitting candidacy may nominate one candidate to the Supervisory Board.

A full member of NALED which nominated a candidate for the Supervisory Board may not nominate a candidate for the Managing Board.

The right to be elected member of the Supervisory Board is provided to representatives of full members of NALED, holding the highest function or managing the finance sector – President/Member of Executive Board, President/Member of Managing Board, General Manager, CEO/Director, Head of Sector, Mayor etc.

### **Submitting candidacies for the Supervisory Board**

### Article 10

Candidates that meet the requirements indicated in Article 9 of this Rulebook have the right to take part in the Supervisory Board election, if they timely submit their candidacies in the manner indicated in the Assembly convening invitation and specified in Article 4 of this Rulebook, excluding the requirement of submitting expressions of support that are not required for the Supervisory Board candidates.

### **Election of Supervisory Board members**

### Article 11

Upon the process of submitting candidacies is completed, the list of candidates for Supervisory Board members is determined.

The process of voting for Supervisory Board members, the vote counting and the announcement of the voting results is performed in the manner described in Article 5, Paragraph 2, 3, 4 and 6 of this Rulebook.

The Supervisory Board members include the five candidates who obtained the highest number of votes. A candidate who receives the most votes is appointed the President, and the following candidate by the number of votes is appointed the Vice-President of the Supervisory Board.

### **The term of Supervisory Board members**

### Article 12

The term of Supervisory Board members is defined in the same manner as in Article 7 of this Rulebook.

## FINAL PROVISIONS

### Article 13

The templates for Candidacy statement for Managing Board member, Candidacy statement for Supervisory Board member and Letter of Support for Managing Board member candidacy, are highlighted on NALED's website and/or the Platform.

### Article 14

This Rulebook shall enter into force on the day of adoption.



Vladimir Novaković  
President of NALED Managing Board