

CROATIAN PARLIAMENT

1920

Pursuant to Article 89 of the Constitution of the Republic of Croatia, I hereby pass the following:

DECISION PROMULGATING KULTURA NOVA FOUNDATION ACT

I hereby promulgate Kultura Nova Foundation Act, as adopted by the Croatian National Parliament at its session of July 15, 2011.

Class: 011-01/11-01/163

No: 71-05-03/1-11-2

Zagreb, July 20, 2011

Dr. Ivo Josipović (m. p.)
President of the Republic of Croatia

KULTURA NOVA FOUNDATION ACT

I. GENERAL PROVISIONS

Article 1

(1) This Act shall regulate the foundation of Kultura Nova Foundation (hereinafter referred to as 'the Foundation'), determine its purpose, foundation bodies, basic assets, models and sources of financing.

(2) Matters not regulated by this Act shall be subject to provisions of the act or acts regulating the activities of foundations.

Article 2

(1) The founder of the Foundation shall be the Republic of Croatia.

(2) Founder's rights and duties, on behalf of the Republic of Croatia, shall be held by the Government of the Republic of Croatia.

(3) The name of the Foundation shall be: Kultura Nova Foundation.

(4) The seat of the Foundation shall be in Zagreb.

(5) The Foundation shall acquire its legal entity status by registering in the Official Register of Foundations, and can begin with its activities when a central body state administration in charge of administrative affairs approves of its Statute.

(6) The Foundation's work shall be public.

II. PURPOSE OF THE FOUNDATION

Article 3

(1) The purpose of the Foundation is the promotion and development of civil society in the Republic of Croatia in the field of contemporary arts and culture.

(2) In order to realize its purpose, the Foundation shall offer professional and financial support to civil society organizations in culture that:

- support the development of production and organizational capacities of program implementers,
- increase the level of professional activities through informal education and professional training,
- support the establishment intersectoral cooperation,
- work to improve program networking and cooperation on national, regional and international levels,
- promote creativity and cultural activism of the youth,
- support other programs directed at the realization of the Foundation's objectives.

(3) The Foundation shall also implement its own programs in the areas listed in Paragraph 2 of this Article.

III. FOUNDATION BODIES

Article 4

(1) The Foundation's bodies shall be the Foundation's Director and the Managing Board.

(2) The Foundation's Statute allows for the establishment of other foundation bodies according to the Foundation's needs.

(3) Members of the Foundation's bodies shall perform their duties conscientiously, in accordance with the law and other legal provisions, the Statute and other legal acts of the Foundation.

Article 5

(1) The Foundation shall be governed by the Managing Board.

(2) The Managing Board consists of five members. The members of the Managing Board shall be appointed and discharged of their duties by the Government of the Republic of Croatia at the recommendation given by the Minister of Culture. The recommendation to serve as members of the Managing Board shall be made after a public call for nominations open to the representatives of civil society organizations in culture as well as distinguished public persons acquainted with the development of the civil society in the Republic of Croatia. The call for nominations for members of the Foundation's Managing Board shall be open for a period of 15 days and announced by the Foundation's Director. After the expiration of the nomination period the Foundation's Director shall draw a list of candidates and deliver it together with their applications to the Minister of Culture for the purpose of making a recommendation for the members of the Managing Board.

(3) The members of the Managing Board shall serve for the period of four years and may be reelected.

(4) The Government of the Republic of Croatia may relieve a member of the Managing Board of their duties if they do not perform their duties conscientiously, in accordance with the law, other regulations and legal acts of the Foundation, if it is established that they have professional or private interests that are in opposition to the interests of the Foundation, if their behavior and public appearances damage the Foundation's reputation or if they do not meet the conditions listed in the act or acts regulating the activities of foundations.

Article 6

(1) By majority of votes of all members, the members of the Managing Board shall elect President and Vice-President from among themselves.

(2) The President and members of the Managing Board shall serve without financial compensation.

Article 7

(1) The Managing Board shall:

- adopt the Statute of the Foundation at the proposal of the Foundation's Director,
- elect and discharge of duty the Foundation's Director,
- adopt the Foundation's Rules of Procedure,
- adopt the rules on conditions and the procedure for awarding funds to meet the Foundation's purpose,

- pass decisions on the distribution of funds and monitor the spending of allocated funds of the Foundation,
- pass decisions in relation to the implementation of the Foundation's own programs,
- decide on the use of the Foundation's assets,
- report on the Foundation's work to the Government of the Republic of Croatia and other state bodies in accordance with the law regulating the Foundation's activities, and
- perform other duties in accordance with the law and the Statute of the Foundation.

(2) The Rules of Procedure of the Managing Board closely regulate the work of the Managing Board, its sessions, voting, decision making procedures and other general and individual acts, the exemption of voting in the case of conflict of interest, as well as other facts relevant to the Managing Board's work.

Article 8

(1) The Foundation's Director shall be appointed and discharged by the Managing Board by majority vote of all of its members. The decision on appointing the Foundation's Director shall be made after a public call for nominations has been closed.

(2) The Foundation's Director shall serve for a period of four years and may be reelected to the position.

Article 9

(1) The Foundation's Director shall:

- represent the Foundation,
- implement the decisions passed by the Managing Board,
- oversee the Foundation's business and other activities in accordance with the decisions passed by the Managing Board,
- be responsible for the legality of Foundation's business and affairs,
- propose the financial plan and final financial report of the Foundation to the Managing Board,
- submit reports on Foundation's work to the Managing Board twice a year and on demand, and
- perform all other duties in accordance with the law, other regulations and the Foundation's Statute.

(2) The Foundation's Director cannot be appointed from among the members of the Managing Board but shall have the right to participate in the work of the Managing Board without the right to vote. He/she shall have the right to propose items that need to be included in the meeting agenda of the Managing Board for a particular session.

(3) The Foundation's Director may issue a proxy statement to another person allowing that person to conduct certain kinds of legal business and undertaking certain legal actions on behalf and for the account of the Foundation within their authority.

Article 10

(1) The Foundation's Director may be discharged of his/her duties before the expiration of his/her term if he/she does not perform his/her duties conscientiously, in accordance with the Act, Statute and other general acts of the Foundation, if he/she does not participate in the preparation of the Managing Board meetings, does not participate in them, if it is established that he/she has personal or business interests that are in opposition to the Foundation's interests, if his/her behavior and public appearances damage the reputation of the Foundation, or does not meet one or more of legal conditions regulating activities of foundations.

(2) The Foundation's Director may be discharged of his/her duty by the decision passed by the Managing Board with majority of votes of all members as stated in Article 8, Paragraph 1 of this Act.

Article 11

(1) The President of the Managing Board convokes meetings of the Managing Board at least once every three months.

(2) The President establishes the agenda and presides over the sessions of the Managing Board in accordance with the Foundation's Statute and the standing orders on the managing Board's work. In case of President's absence, his duties are taken over by the Vice-President of the Managing Board.

(3) The session can be held if majority of members of the Managing Board is present, and the decisions are passed by the majority vote of all members of the Managing Board.

(4) The decisions passed by the Managing Board are made public and published at a notice board at the Foundation's seat, on the Foundation's website or in any other way regulated by the Foundation's Statute.

Article 12

A member of the Managing Board or any other body of the Foundation cannot vote or decide on matters in which himself/herself, his/her spouse, his/her foster parent or foster child, his/her lineal or collateral descendant to the fourth generation, his/her affine to the second generation, has any property or financial interest, as well as on matters dealing with legal

entities which they are members of, where he/she is employed, in whose governance he/she participates or in which he/she has property or financial interests.

IV. BASIC ASSETS OF THE FOUNDATION

Article 13

Basic assets of the Foundation is the amount of 100,000.00 HRK allocated from the state budget of the Republic of Croatia that will be transferred to the Foundation's account by a central body of the state administration responsible for culture.

Article 14

The Foundation shall have a checking account in Croatian (HRK) and foreign currency open at a commercial bank.

V. FINANCING, FINANCIAL OPERATIONS AND SUPERVISION OF THE FOUNDATION'S WORK

Article 15

(1) The Foundation shall be financed from the portion of profits made on games of chance and promotional award games in accordance with the Law on Conducting Games of Chance and the Regulation on the Criteria of Selecting Beneficiaries and Modes of Distributing the Portion of the Profits Made on Games of Chance as well as from its core assets, income made from core assets, donations and other incomes in accordance with the law.

(2) Upon decision of the Managing Board the incomes shall be distributed for Foundation's purposes in accordance with Article 3 of this Act as well as general regulations of the Foundation.

Article 16

(1) The Foundation shall keep financial and other related business records and compose financial reports in accordance with the protocols regulating accounting activities of non-profit organizations.

(2) The Foundation's fiscal year shall start on January 1, or on the date the Foundation is established, and end on December 31 of the same year.

(3) The Managing Board shall be required to submit financial reports for the current fiscal year within 60 days from the expiration of reporting period.

(4) The Managing Board shall be required to submit to the Government of the Republic of Croatia program and financial reports within 90 days from the expiration of the reporting period.

VI. LIABILITY OF THE FOUNDATION

Article 17

- (1) The Foundation shall be fully liable for all of its obligations with all of its assets.
- (2) The Foundation's debts or losses shall be covered from the Foundation's own sources.

VII. STATUTE AND OTHER GENERAL ACTS OF THE FOUNDATION

Article 18

- (1) The Foundation shall have a Statute regulating the ways in which its purpose will be achieved, defining the Foundation's internal organization, the work of the Managing Board as well as other matters important for the fulfillment of the Foundation's purpose in accordance with this Act and other regulations.
- (2) The Foundation's statute shall comply with the provision of this Act, and other general acts in accordance with the Statute and this Act.
- (3) The interpretation of the provisions of the Statute and other general acts shall be given by the Managing Board.

VIII. TRANSITIONAL AND FINAL PROVISIONS

Article 19

- (1) The Government of the Republic of Croatia shall appoint a interim Director of the Foundation within 30 days after this Act has entered into force.
- (2) The interim Director of the Foundation shall be authorized to represent the Foundation and perform all activities deemed necessary for the beginning of the Foundation's work until the appointment of the Foundation's Director.
- (3) The interim Director of the Foundation shall announce a public call for nominations for members of the Managing Board within 30 days from the date of his/her appointment.
- (4) The Minister of Culture will give a recommendation to the Government of the Republic of Croatia for the members of the first Managing Board within 30 days from the date the public call from Paragraph 3 of this article has been closed.
- (5) The interim Director of the Foundation shall, within 30 days after the appointment of the Managing Board, submit the proposal of the Foundation's Statute for approval to the Managing Board.
- (6) The Statute of the Foundation shall be approved by the Managing Board within 60 days from the date of appointment.

Article 20

The interim Director of the Foundation shall submit the Statute to the central administrative body responsible of general administration for consent within 10 days after the approval of the Foundation's Statute.

Article 21

The Managing Board shall announce a call for applications for the Foundation's Director within 90 days from the date the Foundation's Statute has entered into force.

Article 22

Administrative, technical and professional duties necessary for the foundation and registration of the Foundation shall be performed by a central body of state administration responsible for culture.

Article 23

The Act shall enter into force on the eight day of its publication in the Official Gazette of the Republic of Croatia.

Class: 025-01/11-01/01

Zagreb, July 15, 2011

CROATIAN PARLIAMENT

Luka Bebić (m.p.)
President of the Croatian Parliament