

Pursuant to Article 13 of the Associations Act (Official Gazette No. 74/14), at a meeting held on 15 November 2017 the Association of Croatian Navy Veterans Assembly adopted a

STATUTE

OF THE ASSOCIATION OF CROATIAN NAVY VETERANS

I GENERAL PROVISIONS

Article 1

THE ASSOCIATION OF CROATIAN NAVY VETERANS (hereinafter referred to as the Association) is an independent non-profit, non-partisan and voluntary humanitarian Association of citizens, established with the aim of nurturing the tradition of the Croatian navy as an arm of the Republic of Croatia's triumphant armed forces, encouraging patriotism, promoting values of Croatian marine heritage and support to all activities aimed at fostering the maritime reputation and power of the Republic of Croatia.

Article 2

Association's full name: **UDRUGA VETERANA HRVATSKE RATNE MORNARICE.**

Association's abbreviated name is: **UVHRM.**

Association's full name in English is: **ASSOCIATION of CROATIAN NAVY VETERANS.**

Association's abbreviated name in English is: **ACNV.**

The day of the Association is November 15, 1991 when Split was defended and the majority of the Croatian Adriatic freed.

Article 3

The Association is a legal subject, and the legal subject status shall be acquired by its registration at the Registration of Associations.

Article 4

The Associations' Logotype and Coat of arms are of oval shape, consisting in 25 red and white fields of the Croatian historic coat of arms with a vertical sword and two diagonal admiralty anchors. The Association flag's length is double its width, and it consists of three equal size, horizontal red, white and blue stripes with the Association logo in the middle.

Article 5

The Association has an oval stamp of 45 mm x 35 mm, with an inscription along the exterior rim reading: UDRUGA VETERANA HRM-a. The Association logo is in the middle. The stamp can also be smaller in order to make it more practical for financial and other administrative purposes.

Article 6

The Association shall inform its members and the public on its activities. The public nature of the Association shall be ensured and exercised in the manner determined by the present Statute.

Article 7

The Association shall operate throughout the entire territory of Croatia through its organizational forms: subsidiaries, branch offices and clubs which shall be founded according to members' needs, with the aim of reaching the Association's goals. The mutual rights and obligations of organizational forms shall be regulated by the Statute. The Association may join a union or a community of associations, as well as other types of similar alliances and coordinations of veteran associations in the Republic of Croatia and can become member of international alliances of similar associations. Joining or merging cannot be executed with an association the financial reports of which have a negative financial result.

Article 8

The Association shall be represented by the President solely and independently, and by the Vice president, Secretary and the Treasurer only within their powers or through proxies.

II AREA OF ACTIVITY, GOALS, AND ACTIVITIES OF THE ASSOCIATION

Article 9

The areas of operation of the present Association shall be as follows: veterans and victims, economy, human rights, international cooperation, education, science and research, social activity, sports, technical culture, environment and nature protection, protection and rescue.

The goal of the Association is to encourage, support and develop:

- nurturing traditions of the Republic of Croatia Armed Forces branches, mainly Croatian Navy,
- marking the places of death of members of the Croatian Navy,
- care for the members of the Association and their families and promoting and protecting their rights within the framework of the legal system of the Republic of Croatia,
- collecting information on war activities of the Croatia Navy for the purpose of scientific and historical acknowledgment

- publishing, especially related to war activities of the Croatian Navy and Croatian military-navy tradition
- cooperation with the Croatian Navy, associations of civil society, legal subjects, state authorities and the bodies of local government, with the aim of realizing common goals,
- collaboration with foreign and international associations and alliances, in order to achieve common goals,
- protection of the sea and seabed from pollution through implementation of ecological activities,
- educational and humanitarian work with children and the young
- participation in protection and rescue tasks.

Article 10

Activities of the Association whereby the goals are pursued are as follows:

- commitment to systematically exercise the rights of its members and their families,
- encouraging the construction of monuments at the places of death of HRM members,
- visiting families of killed, disabled, sick and deceased members of the HRM and providing assistance,
- issuing Association annual editions and other publications,
- organizing and participating in environmental actions,
- organizing humanitarian activities to assist vulnerable categories,
- preserving maritime tradition through the education of children and young people in maritime skills,
- implementing programs and projects aiming at systematic assistance to Croatian war veterans,
- organizing consultations, lectures, seminars, congresses, forums and other expert meetings on the veterans' issues,
- cooperation with other equivalent and similar associations and organizations abroad and all organizations supporting the work of the Association,
- representing the Association in electronic and print media and on social networks,
- carrying out other activities that contribute to the achievement of the founding goals of the Association established by the Statute,
- other activities that promote the work of the Association

Article 11

In addition to the activities that achieve the goals established by the Statute, the Association shall carry out economic activities in accordance with special regulations regulating the conditions for performing such an activity. The association shall carry out the following economic activities:

- development of professional, scientific, ecological and research studies and projects,
- maritime and land transport services,
- underwater activities,
- organization of protection and rescue of people and property on the sea, rivers and lakes,
- catering and tourist services,
- agricultural activity,

- nautical tourism,
- all other economic activities related to maritime affairs on the sea, rivers and lakes.

III ESTABLISHMENT OF ORGANIZATIONAL FORMS OF ASSOCIATION AND THEIR RIGHTS AND OBLIGATIONS

Article 12

Organizational forms of the Association shall be established over the entire Croatian territory according to the territorial principle for the area of a local self-government unit, or as organizational forms that heir tradition of individual HRM units.

Article 13

Organizational forms shall be established in accordance with the expressed needs of members of the Association in the area of an individual local self-government unit, i.e. expressed needs of former members of a particular HRM unit.

The need for the establishment of a particular organizational form shall be submitted to the Steering Board by the initiators in writing.

The initial letter should contain the following information:

- data on the initiators of the organizational form that shall be established;
- whether the form will be founded on the territorial principle or as a successor of one of the HRM units;
- which organizational form is proposed (subsidiary, branch or club);
- whether the form shall have the status of a legal subject;
- a statement that the future organizational form accepts the provisions of this Statute, including the area of activity, goals and activities.

Article 14

The Steering Board shall make the decision to initiate the procedure of establishing an organizational form, which shall be appointed by the Initiative Committee and the Commissioner for gathering new members.

The Steering Board shall provide professional and technical support for the establishment of organizational forms.

The organizational form that shall have the status of a legal person is established in accordance with the Associations Act.

All the actions necessary for the establishment and registration of the organizational form of the Association shall be conducted by the Initial Committee and the Commissioner.

Upon the completion of the procedure of establishment and registration of the organizational form, the Steering Board shall report to the Initial Committee.

The Assembly of the Association shall confirm the establishment of a new organizational form in its first session.

Organizational forms that have the legal subject status shall enter into an agreement with the Association, to regulate mutual relations, including their rights and obligations.

Article 15

Organizational forms shall have the following rights:

- to promote the program of the Association and stand up for its realization;
- to start initiatives for all activities of the Association and actively work on the implementation of the adopted decisions,
- to start initiatives and realize programs at its level, at the level of more organizational forms, or at the level of the whole Association;
- to participate in the work of the Assembly through its representatives;
- to participate in the proposal and election of candidates for the bodies of the Association through its representatives,
- to encourage and disseminate the activities of the Association in its environment (unit of local self-government, HRM unit etc.)

Organizational forms shall have the following obligations:

- to act in accordance with the Statute, the Code of Honor and the decisions of the Assembly of the Association and other bodies of the Association,
- to preserve the reputation of the Association,
- to participate in the activities of the Association,
- to keep prescribed records in accordance with the Associations Act;
- the organizational forms that have the status of a legal person are obliged to conduct financial operations in accordance with the entities subject to the act.

IV MEMBERSHIP, RIGHTS AND OBLIGATIONS OF THE MEMBERS

Article 16

By filling out the application form all citizens of the Republic of Croatia and foreign nationals as well as legal subject who accept the Statute of the Association and meet the following conditions may become a member of the Association:

Veterans / Homeland war veterans - Persons who participated in the defense of the Republic of Croatia and the Croatian entity in Bosnia and Herzegovina as members of the Croatian Navy or other units of the armed forces, the Ministry of Interior of the Republic of Croatia and the HVO (Croatian defense council).

Children and spouses of killed /deceased Homeland war veterans.

Children and spouses of veterans / Homeland war veterans.

Working and retired member of armed forces of the Republic of Croatia, Ministry of Interior and participants of international peace missions who do not have a status of veteran / Homeland war veteran.

Honorary members - physical and legal subjects who materially support the work of the Association and do not have any of the previous membership statuses.

Supporting members do not have the right to vote or to decide in the bodies of the Association.

Article 17

All members of the Association, physical and legal persons, other than honorary and supporting members, shall be subject to paying the membership fee, the amount of which shall be prescribed by the Steering Board.

Article 18

The membership cards of the Association, at the proposal of the Court of Honour shall be signed by the President of the Association, or by his or her authority, by the vice-president of the Association. The form and contents of the card shall be determined by the Steering Board.

The association shall keep a list of its members. The list of members shall be kept electronically and / or by other suitable means and shall contain the following information:

- personal name (title)
- Tax Id. No/ (Cro. *OIB*)
- date of birth
- date of joining the Association
- membership category (in accordance with Article 16 of the Statute)
- date of termination of membership in the Association,
- additional information if necessary.

Article 19

Members of the Association have the right to be informed on the work of the Association and to supervise its work.

V RIGHTS, OBLIGATIONS AND LIABILITY

Article 20

The rights of the members are:

- to promote the program of the Association and encourage its realization
- to choose and be elected,
- to start initiatives for all activities of the Association and active work on the implementation of the adopted decisions,
- to participate in the work of the Assembly and work actively in other bodies of the Association,
- to propose and select candidates for the bodies of the Association,
- to encourage and disseminate the activities of the Association among the youth,
- other rights determined or approved by the Association.

In order to achieve better quality of work of the Association, the right of a member to be elected to the bodies of the Association is acquired one year after of becoming a member of the Association. Only a member who has fulfilled his obligations, in accordance with the Statute of the Association, may be elected to the bodies of the Association.

Article 21

The obligations of the members of the Association are:

- to act in accordance with the Statute, the Code of Honour and the decisions of the Assembly of the Association as well as other Association bodies,
- to preserve the reputation of the Association,
- to participate in the activities of the Association,
- to supervise work of the Association,
- to pay membership fees.

Article 22

Membership in the Association shall cease:

- in case of termination of the Association,
- in case of non-payment of membership fee within the deadline set by the Steering Board of the Association,
- in case a member terminates his/her membership,
- in case the member is banned from the Association by decision of the Court of Honour,
- in case of member's death.

A member shall terminate his membership in the Association voluntarily on the basis of a written notification to the Steering Board.

A member of the Association may be banned from the membership if he/she violates the provisions of the Statute, endangers the interests of the Association, causes serious harm to the Association and its membership or due to unpaid membership fees for the current year.

The decision on the deletion from the membership shall be made by the Steering Board upon the proposal of the Court of Honour.

An appeal against the decision from the previous paragraph may be filed with the Association Assembly.

The appeal shall be filed in writing within 30 days from the receipt of the decision. The Assembly is obliged to resolve the appeal at its first session.

Article 23

Each member of the Association elected to the bodies of the Association may submit its resignation. The grounds of the resignation shall be decided by the Steering Board, i.e. the Assembly.

Article 24

A member of the Association who fails to abide by the Program, the Statute, the Code of Honour or other acts of the Association or his/her actions damages the interests and reputation of the Association, may be given one of the disciplinary measures:

- the disciplinary measure of warning,
- the disciplinary measure of reprimand for a period of one year,
- the disciplinary measure of reprimand without limitation,
- the disciplinary measure of suspension of membership and mandate of up to two mandates,
- the disciplinary measure of suspension for duty without statutory limitation,
- the disciplinary measure of exclusion from membership of the Association for one year,
- the disciplinary measure of permanent exclusion from membership of the Association.

VI ASSOCIATION BODIES

Article 25

The Members of the Association manage the Association directly or through their elected representatives in the manner established by this Statute.

The bodies of the Association are:

- General Assembly,
- President,
- Vice President
- Secretary
- Treasurer
- Steering Board,
- Supervisory Board,
- The Court of Honour,
- Liquidator

Article 26

The Association bodies that have more than a member shall work in sessions with more than half of the body members present.

Decisions shall be reached through voting and become effective if voted by the majority of the present members of the Association.

All bodies of the Association and their members shall be elected and dismissed by the Assembly according to the Statute and the Rules of Procedure, except in the case of the final disciplinary sanction of the discharge of duty in the Association body "and "banning from the

Association" issued by the Court of Honour, in accordance with the provisions of the Rulebook on the Disciplinary Responsibility of Members of the Association.

In exceptional cases, if waiting for the decision of the Assembly's Court of Honor on the discharge of the member of the Association body would constitute a risk of irreparable damage to the work of the Association, the Board may impose a provisional measure of suspension - suspension of duty of the member of the body of the Association, until the case is decided by the Court of Honour or the Assembly of the Association.

1) GENERAL ASSEMBLY OF THE ASSOCIATION

Article 27

The General Assembly is the Association's highest management body representing all its organizational forms. The number of members of the Assembly shall be determined by the Rules of Procedure of the Assembly.

The Assembly can operate and make decisions properly if at least 50% plus one of its prescribed number of members is present.

The General Assembly shall decide by majority vote of the present members.

The General Assembly shall decide during its sessions, chaired by the Association President, and in the event of his / her absence, the Vice-President of the Association shall chair the sessions.

In the event of absence of the President and Vice-President of the Association, the session shall be chaired by a member of the Assembly elected by the majority of the votes of the present members.

Article 28

The Assembly sessions may be: elective, regular or extraordinary.

The elective session of the General assembly is normally held every 4 years and the regular session of the assembly every year.

The President of the Association convenes the election and regular session of the assembly.

In the event of expiry of the mandate, resignation or death of the Association's President, the elective session of the assembly may be convened by the Steering or Supervisory Board.

Article 29

The extraordinary session of the General Assembly may be convened where necessary on the initiative of the President of the Association, the Steering Board or the Supervisory Board, or more than half of the members of the General Assembly from the previous convocation or 20% of the members of the Association.

The initiator shall be obliged to prepare the agenda of the extraordinary session of the General Assembly and explain the reasons for convening the said assembly in writing.

The extraordinary session of the General Assembly shall only discuss the issue for which it has been convened.

Article 30

If the President of the Association does not convene an extraordinary session of the Assembly within 15 days from the date of decision by the authorized proposers referred to in Art. 29 of this Statute, a session of the Assembly shall be convened by a member of the Steering Board or the Supervisory Board appointed by that body or by the members who submitted the request.

Article 31

The Association's General Assembly shall:

1. decide on goals and plans of work and development of the Association,
2. adopt financial program and financial statement,
3. adopt work plan and financial plan for the next calendar year, approve the report on operation and financial statement for the previous calendar year,
4. adopt annual financial report
5. elect and discharge President, Vice President, members of the Steering Board, Supervisory Board and the Court of Honour, as well as the secretary, treasurer and liquidator.
6. establish and elect working bodies of the General Assembly
7. adopt the Rules of Procedure of its work,
8. consider report on the work of the President, Steering and Supervisory Board and the Court of Honour,
9. adopt the Statute and other general acts, and their amendments
10. adopt decision on joining an alliance, a federation of associations, memberships in international organizations and confirm establishment of new organizational forms,
11. discuss and decide on other matters of importance for the Association in accordance with the Law, the Statute and the Rules of Procedure, and decide on the members' appeals to the decisions of the Steering Board,
12. decide on the termination of the Association and determine the manner of conducting the liquidation procedure,
13. authorize the Steering Board to perform the functions of its authority between two sessions of the Assembly, exceptionally if necessary, from items 2, 8 and 10, paragraph 1 of this Article, and from item 5, appoint new persons to duties in vacant positions, which are, or might have been, vacant for a longer period for any reason whatsoever. All decisions of the Steering Board made under these powers shall be subject to verification by the Assembly at its first session.
14. the Assembly may authorize the Steering Board to replace, if necessary, the members of the body of the Association referred to in paragraph 5 of this Article (except the President of the Association) who have for any reason ceased to perform their duties between the two assemblies. The elected alternate member shall hold office until the new Assembly is held, where he may be re-elected,
15. make a decision on members' status changes,
16. decide on the change of the Association's seat,
17. decide on change the Association' stamp,
18. decide on resolving disputes and conflicts of interest within the Association and exclusion from membership in the second instance,

19. decide on other issues important for the Association's operation, which have not been entrusted by this Statute to the competence of another body.

Article 32

The mandate of all elected bodies of the Association and their members shall last as per rule for four (4) years, i.e. up to the next elective session of the Assembly, and the mandates of those elected between the elective assemblies shall last up to the following elective session of the Assembly.

Minutes shall be kept on the work of the Assembly.

2) PRESIDENT AND VICE PRESIDENT OF THE ASSOCIATION

Article 33

At the head of the Association is the President who is simultaneously the President of the General Assembly and of the Steering Board.

The President shall represent the Association (before the law, too).

A person who has been a member of the Association for at least three years may candidate for the position of the Association's president.

The President of the Association shall have the following rights and duties:

- to manage the work of the Association and represent the Association, convene and chair the sessions of the Assembly and the Steering Board,
- he/she shall be responsible for the execution of the financial plan,
- to sign the acts adopted by the Assembly and the Steering Board,
- to sign the membership cards of the Association,
- to signs the agreements and contracts concluded or entered into by the Association,
- to provide initiatives, opinions and suggestions regarding decisions important for the work and business of the Association,
- to car about the enforcement of the decisions of the competent bodies of the Association,
- to submit a proposal of the Annual Financial Report to the Assembly,
- to deliver minutes from the regular session of the Assembly to the competent state administration office,
- he/she is liable for the proper and lawful work of the Association,
- the President shall be held liable to the General Assembly for his work,
- the President shall submit an annual report on his work to the General Assembly,
- to perform other tasks as set out in this Statute, as well as the acts of the Assembly and the Steering Board.

Election of the President of the Association.

The candidate for the President of the Association shall obtain more than half of the total votes of the members in session of the Assembly.

If there are more candidates, and none has received more than half of the total votes, the vote shall be repeated with the participation of only two candidates who have received the highest

number of votes in the previous vote. The candidate who has received more than half of the total votes of the attending deputies shall be elected.

If none of the candidates receives a majority vote in the repeated vote, it may be repeated, or a new Assembly shall be convened.

Article 34

The president of the Association in absentia shall be replaced by the Vice-President of the Association.

The mandate of the President and the Vice-President of the Association shall last four years and the same persons may be re-elected President and Vice-President.

3) STEERING BOARD

Article 35

The Steering Board of the Association is the highest body of the Association between the two sessions of the Assembly. For its work it shall answer to the General Assembly, and be made up of: the Association's President, who is also the Steering Board President, Secretary, Treasurer, four members of the Split subsidiary, and one member from other subsidiaries. Members of the Steering Board acting without the right to vote when discussing topics from their competence, are also the President of the Supervisory Board and the President of the Court of Honour.

The Steering Board shall be elected for a period of four years.

A member of the Steering Board's mandate may be terminated before the expiration of the time for which he/she has been elected:

- by acting contrary to the decisions of the Assembly,
- if he/she is relieved of duty by the Assembly
- by termination of membership in the Association
- at personal request
- by damaging the reputation of the Association.

A member of the Steering Board may be relieved of duty if he/she does not perform his/her duties in accordance with the law, this Statute and the work program of the Association.

In the place of a member of the Steering Committee whose mandate ceased under paragraphs 3 and 4 of this Article, a new member shall be elected or appointed until the term of office of the predecessor has expired.

The Steering Board as an executive and operating Body of the Association shall meet regularly once a month and, if necessary, more frequently, and its meetings shall be convened by the Steering Board President on his/her own initiative or on the initiative of any member of the Steering Board or other body of the Association.

Article 36

The Steering Board shall work in line with the work program of the Association.

The rights and obligations of the Steering Board shall be:

- to perform activities within the competence of the Assembly between its two sessions, for which it is authorized pursuant to Article 31 of this Statute,
- to prepare and convene the Assembly,
- to submit a report to the Assembly on the overall work of the Association,
- to establish and manage the financial policy of the Association, prepare the budget proposal, care about the assets and submit a final account,
- to initiate activities for the work and development of the Association and its bodies and decide on the establishment of organizational forms,
- to propose a draft Statute and other acts adopted by the Assembly,
- to appoint presidents and members of the working bodies, permanent and temporary committees which shall be established upon need,
- to receive new members of the Association and propose to the Assembly appointing of honorary members,
- to appoint persons for signing transactions on accounts with banking, finance and other organization
- to decide on the appeals of members of the Association,
- to suggest other organizational changes aimed at improving the work of the Association, taking into account its financial capabilities and needs,
- to provide guidelines for the work of other Association bodies, monitor their work and operationalise the adopted tasks and goals of the Association,
- to adopt the Rules of Procedure and decide on presentation of awards and recognitions given by the Association.

The Steering Board can make legitimate decisions if at least more than half of members are present and the decision reached by more than a half of the present members.

Article 37

Each member and all bodies of the Association shall have the right and obligation to start a reasoned initiative for discharge of any member of the Steering Board and the Association, if he/she considers it to be contrary to the Law, the Statute and the Program of the Association. The Steering Board shall be required to make a decision within 30 days of the receipt of a written warning and if the warning is founded to remove the irregularities.

The discharge process shall be guided by democratic principles.

The Assembly's decision on the initiative shall be made by the Assembly at its first next session, and if the next session of the Assembly takes place in more than three months, the Steering Board may also decide on the discharge.

Article 38

Each member of the Management Board of the Association shall have the right to resign and the General Assembly of the Association shall be obliged to discuss the resignation and decide on it at its next session.

If the next session of the Assembly takes place in more than three months, the Steering Board may also decide on the resignation.

Article 39

If due to resignation or for other reasons more than one third of the members of the Steering Board does not participate in the work load, an extraordinary session of the general assembly shall be convened, during which the missing members or the entire Executive Committee shall be elected.

In case of an individual resignation or for other reasons of non-participation in the work load by a member of the Steering Board or any other member of the body of the Association, the Steering Board shall be authorized to elect a new member under the procedure provided for by this Statute.

Paragraph 2 of this Article does not apply to the President of the Association.

Minutes of the sessions of the Steering Board shall be kept.

4) SUPERVISORY BOARD

Article 40

The Supervisory Board shall consist of a President and two members and shall be elected by the General Assembly of the Association by a majority vote of the members, by a public vote of the proposed candidates for a period of four years.

The Supervisory Board directly shall supervise and control the legality of the work of all bodies and organs of the Association, pursue the established financial policy, and analyze the material and financial business on the grounds of periodical and final financial statements of the Association.

The Supervisory Board shall perform the following tasks:

- supervise the legality of financial operations of the Association,
- supervise the execution of legal, contract and other obligations,
- monitor and analyze the achievement of the financial plan of the Association,
- supervise the implementation of certain decisions submitted to it for inspection,
- supervise the decision-making of all executive bodies of the Association.

The members of the Supervisory Board cannot be members of the other management bodies of the Association.

All bodies of the Association shall be obliged to provide the Supervisory Board with an insight into all the files and provide necessary information on their activities.

Minutes shall be kept on the work of the Supervisory Board.

The Supervisory Board shall submit a written report on its supervision work to the Steering Board once a year.

The Supervisory Board shall answer directly to the Assembly of the Association to which it shall submit a report on its work.

The mandate of a member of the Supervisory Board may terminate before the time for which he/she has been elected, if discharged by the Assembly, and in other cases prescribed by this Statute.

The Supervisory Board shall carry out its activities in accordance with the Supervisory Board Rules of Procedure, approved by the Assembly of the Association.

Article 41

The members of the Association may supervise the work of the Association themselves.

If a member of the Association thinks that any of the Association's bodies or a member of the Association violated the Statute or other general act of the Association, he/she shall be entitled to warn the Association's competent body and request that the irregularities be removed.

If the warning is not considered within 30 days of the date of the submitted written request, the request is not acted upon and the irregularities are not remedied within further 30 days, the member may file a lawsuit with the competent municipal court according to the Association's seat.

5) COURT OF HONOUR

Article 42

Disciplinary proceedings shall be initiated on the proposal of the President of the Association, the Steering Board or the Supervisory Board.

The disciplinary measures referred to in Article 24 of this Statute shall be pronounced by the Court _____ of _____ Honour.

The disciplinary measure referred to in paragraph 2 of this Article shall be rendered by the Court of Honour within 30 days from the date on which the motion for initiation of disciplinary proceedings was filed.

The member of the Association against whom disciplinary proceedings have been initiated shall be allowed to address the body conducting the disciplinary proceedings regarding all the facts and circumstances that are relied on against him/her.

An appeal to the Steering Board may be filed against the imposed disciplinary measure if the proposal was submitted by the Supervisory Board, and in other cases to the Association's Assembly.

The appeal shall be filed within 30 days from receipt of the decision on the imposed disciplinary measure.

The decisions of the Steering Board, i.e. the Assembly related to the appeal in disciplinary proceedings are final.

The Court of Honour consists of the President and two members, elected by the Association's Assembly, by majority vote of the members, and by a public vote of the proposed candidates for a period of four years.

The Court of Honour shall act in line with this Statute and the Rulebook on the Disciplinary Responsibility of Members of the Association.

Article 43

The President and Vice-President of the Association, as well as the Presidents and members of other bodies of the Association, cannot be members of the Court of Honour at the same time.

An exception to the provision of paragraph 1 of this Article is the President of the Court of Honour who by his/her function is a member of the Steering board, but without the right to vote when the Steering Board decides on the disciplinary liability of the member of the Association in the second instance.

Article 44

The members of the Association shall be held disciplinary responsible for serious violations of the positive laws of the Republic of Croatia, international law, this Statute or the public morality, which would harm the reputation and honour of the Association and its members, as set out in the Rulebook on the Disciplinary Responsibility of Members of the Association.

Article 45

The disciplinary responsibility of the members shall be discussed, and decision reached in the first instance by the Court of Honour, and in the second instance the Steering Board, with the possibility of lodging appeals to the Assembly.

When the Steering Board decides on the disciplinary responsibility of a member of the Association in the second instance, the President of the Court of Honour, who is also a member of the Steering Board, cannot vote on this decision.

Article 46

Due to disciplinary violations provided for in Articles 20 and 21 of this Statute and the Rulebook on the Disciplinary Responsibility of Members of the Association, the Court of Honour may impose disciplinary sanctions referred to in Article 24 of this Statute.

Article 47

The Rulebook on Disciplinary Responsibility is passed by the General Assembly of the Association.

6) SECRETARY

Article 48

The Assembly shall elect the Secretary of the Association, with a majority of votes between members of the Association for a period of four years.

Article 49

The Secretary of the Association shall have the following rights and obligations:

- to care about the conditions of work and activities and the performance of professional and administrative affairs for the Association,
- to organize the preparation and drafting of normative acts and other documents,
- to take care of the legality of work and undertake measures for the realization of the plan and program,
- to coordinate and supervise the work of professional services and bodies,
- to represent the Association within the powers given to him by the President,
- to assist the President of the Association and the President of the working bodies,
- he/she is responsible for timely preparation of sessions of all bodies of the Association,
- to care about providing the public nature and information,
- to perform other tasks in line with the Statute and other acts,
- to keep the register of members and be responsible for his its proper keeping,
- to perform other tasks for the needs of the Assembly and the Steering Board.

7) TREASURER

Article 50

The Assembly elects the Treasurer of the Association, by a majority vote among the members of the Association for a period of four years.

Article 51

The Treasurer of the Association has the following rights and obligations:

- to take care of collecting and securing the financial means necessary for the work of the Association,
- to prepare and propose the financial plans of the Association,
- to participate in the work program and financing of the Association,

- to organize and supervise the work of professional-financial affairs for the Association,
- to care and take measures to implement the established financial policy of the Association,
- to co-sign all financial documents of the Association and those responsible for the Association's obligations,
- to represent the Association within the power given to him by the President,
- to assist the President of the Association and the Presidents of the bodies of the Association,
- to perform other tasks in line with the Statute and other acts.

8) LIQUIDATOR

Article 52

The Liquidator of the Association is also a secretary, however it may be another person elected and discharged by the General Assembly.

The Liquidator shall be a person / legal subject, member of the Association or a person who is not a member of the Association. In case of engagement, the liquidator shall be entitled to reimbursement of expenses for his work from the funds of the association in the amount determined by the Assembly at the first session after his appointment.

The liquidator of the association shall represent the association in the liquidation procedure and, by opening the liquidation procedure, he/she/it shall be registered into the register of the association as a person authorized to represent it until completion of the liquidation procedure and deletion of the association from the register of associations. (Article 64)

9) HONORARY PRESIDENT

Article 53

At the suggestion of the Central Committee, the Assembly may elect the Honorary President of the Association between the natural persons of the citizens of Croatia and the members of the Association, who have been particularly prominent during the Homeland war and the period after it in defence and construction of our homeland.

The Honorary President has no mandate and executive powers in the Association but has counselling powers.

10) WORKING BODIES

Article 54

The Assembly of the Association and the Steering Board may, when necessary, set up working bodies and committees of the Association that may be permanent or temporary.

The decision on the establishment of a working body shall prescribe the manner of election, action, work, rights and obligations, i.e. all that is necessary for the work of the working bodies of the Association.

Due to operational implementation of the Association's task and its effective work, depending on the financial capacity, the said bodies and commissions can be paid or voluntary, in accordance with special regulations.

VII RECOGNITIONS AND AWARDS

Article 55

The Steering Board of the Association shall grant awards and recognitions for outstanding merit or contribution to the work of the Association.

The decision on the award or the recognition shall contain in detail the reasons and the manner in which it is awarded, in accordance with the Rulebook on Establishing and Granting Awards and Recognition, issued by the Steering Board.

VIII ASSOCIATION'S ASSETS

ASSETS AND ACQUISITION OF ASSETS

Article 56

The assets of the Association shall consist of:

- funds received by collecting membership fees,
- voluntary contributions and gifts,
- money assets acquired by carrying out activities that pursue the goals,
- carrying out economic activities,
- financing the programs and projects of the Association from the state budget and the budget of local government and self-government units,
- movable property,
- immovable property,
- other property rights.

The association may dispose of its assets solely for the pursue of the objectives and performance of the activities determined by the Statute, in accordance with the law.

Article 57

If the Association carries out programs and projects of general interest financed by public resources, it shall inform the finance providers at least once a year about its work, scope, manner of acquisition and use of funds, and inform the general public through the web site.

Funds received in advance may be used exclusively by the Association for the implementation of approved programs or projects.

Article 58

Assets for the work of the Association shall be collected from membership fees, donations and contributions, gifts, grants and other sources in line with the law.

Sources and use of financial resources of the Association shall be determined by the annual plan brought and adopted by the Steering Board of the Association.

Article 59

The President and the Treasurer of the Association shall be authorized to perform financial operations.

The Assembly of the Association shall decide on the acquisition, sale, mortgage borrowing and transfer of immovable property to another legal person.

If, during the performance of the Association's activities profit is realized, it shall, in accordance with the Statute of the Association, be used exclusively for the performance and promotion of the activities of the Association, achieving its objectives set out in the Statute.

Article 60

The Association shall be liable to the full extent of its assets.

For each business year, the Association shall establish a work program and a financial plan. The President and Secretary of the Association shall have the right to dispose of funds allocated to the financial plan.

The Association shall keep business records and compile financial reports in accordance with the regulations governing the accounting of non-profit organizations.

The association shall be obliged to keep business records and compile financial reports in accordance with the regulations governing the manner of financial management and accounting of non-profit organizations.

DISPOSING OF ASSOCIATION'S ASSETS IN CASE OF ITS TERMINATION OF OPERATION

Article 61

In the event of termination of the Association's operation, the assets shall, upon settlement of the creditors and the costs of liquidation, court and other proceedings, be submitted to the association, institutions or foundations which have the same or similar statutory goals and based on the decision of the Assembly in accordance with the Statute.

The Association shall have no right to share the property of the Association among its founders, members of the Association, persons authorized to represent it, employees or their affiliates.

LIABILITY FOR OBLIGATIONS AND DAMAGE

Article 62

In terms of its obligations, the Association is liable to the full extent of its assets.

The members of the Association and the members of its bodies are not liable for the obligations of the Association.

Bankruptcy of the Association may be carried out in accordance with the Law.

The Association and the persons authorized to represent it shall be liable in accordance with the general regulations for damages for damage done to the Association or by the Association to third parties.

IX ACHIEVING THE PUBLIC NATURE OF THE ASSOCIATION

Article 63

The work of the Association and its bodies is public.

The public nature of operation of the Association and its bodies is realized through the openness and availability of the sessions of the individual bodies of the Association to the public media and the interested public.

When special interests of the Association or a member require so, by the decision of the appropriate body the public may be excluded.

X TERMINATION OF ASSOCIATION'S OPERATION AND PROCEDURE REGARDING ASSETS

TERMINATION OF ASSOCIATION'S OPERATION

Article 64

The reasons for the termination of the Association are:

1. assembly decision on termination of the Association;
2. joining another association, merging with another association, division of the Association by separation;
3. if the ordinary session of the Assembly has not been held twice the time intended for it;
4. final decision of the Court to terminate the Association;
5. initiation of bankruptcy proceedings;

6. upon request of the member of the Association, if the number of members has fallen below the number of founders required for the establishment of the Association, and the competent authority has not made a decision to receive the new members within one year from the occurrence of that fact.

In the case referred to in paragraph 1, items 1 and 5 of this Article, the liquidator shall submit a request for registration of the activities of the association to the register of associations within 8 (eight) days from the date of the decision on termination of the Association or the initiation of the bankruptcy proceedings.

In case of termination of the existence based on the decision of the Assembly, the latter shall decide on the termination of the Association by a two-thirds majority of the total number of members of the Assembly of the Association

Article 65

The Assembly of the Association shall adopt the procedure and manner of termination of the Association with its decision.

The process of liquidation in the event of the termination of the Association's operation shall be carried out by the persons authorized to represent it.

Article 66

In case of the Association's termination of operation, the rest of the property that would remain after the payment of the debt shall be transferred to the legal successor of the Association or shall be distributed to the entities that contributed to acquiring of the said property.

XI STATUTES AND OTHER GENERAL ACTS

Article 67

The Initiative for the adoption, amendment of the Statute and other acts may be initiated by the President of the Association, the Steering Board, the Supervisory Board, the Court of Honour or ten percent of the members of the Association.

Article 68

The Draft Statute and other acts shall be drawn up by the Secretary of the Association and submitted to the Steering Board.

The Steering Board shall discuss and specify the final text of the draft and hand it over to the members of the Association for remarks and opinions.

Article 69

The Steering Board of the Association shall discuss the submitted remarks and opinions and, with the help of the Secretary, set out the final text of the proposal to the Assembly.

The Assembly shall make a decision on the Draft Statute or other acts by public majority vote of the members present.

Article 70

The Assembly shall be authorized to give an authentic interpretation of the provisions of the Statute and other acts it renders.

Interpretation of other acts of the Association shall be given by the President of the Association or the Steering Board.

XII RESOLVING DISPUTES AND CONFLICTS OF INTEREST WITHIN THE ASSOCIATION

Article 71

A dispute / conflict of interest in the Association exists if it arises from the rights and interests of members of the Association on which the members can freely discuss, and which affect the work of the Association as a whole, or if they concern issues of members' common interests.

To resolve the dispute / conflict of interest, the Assembly shall appoint an arbitration committee between the members of the Association. The composition, mandate, and manner of decision of the committee shall be regulated by the Ordinance adopted by the Assembly. The arbitration committee shall, in its work, apply the provisions of the Settlement Act in an appropriate manner.

The decision of the arbitration committee shall be final. If a conflict of interest arises from the issues for which a request for amendment registration in the associations' register, which is a decision that shall be made by the competent office, the dissatisfied member shall first address the Association to resolve the dispute / conflict of interest. Upon the finality of the arbitration committee's decision, the Association shall file a request for registration of amendments to the associations' register together with the decision of the arbitration committee to the competent office.

XIII TRANSITIONAL AND FINAL PROVISIONS

Article 72

For all matters not governed by this Statute, the Associations Act and the Financial Business Act of Non-Profit Organizations shall be applied.

The Association' Assembly and other bodies shall make the necessary decisions and acts prescribed by the Law and this Statute within three months upon the entry into force of this Statute.

The Statute of the Association as well as its amendments shall be made by the Assembly by majority vote of the total number of members of the Association Assembly after the hearing has been conducted.

This Statute shall enter into force on the date of its adoption and shall be applied on the day of its authentication by the competent state administration body.

In Split, 15 November 2017

ASSOCIATION SECRETARY

/signature illegible/

Roberto Kramarić

/stamp of the Association of Croatian Navy Veterans/

THE STATE ADMINISTRATION OFFICE IN THE COUNTY OF SPLIT-DALMATIA,
DEPARTMENT FOR GENERAL ADMINISTRATION HEREBY CERTIFIES THAT THE
PRESENT STATUTE IS IN LINE WITH THE ASSOCIATIONS ACT.

CLASS NO.: UP/I-230-02/17-01/462

REG.NO.: 2181-06-01/056-17-2

In Split, 28 December 2017

INDEPENDENT ADMINISTRATION CLERK

Jasna Marušić, mag.iur

/signature illegible/

/round stamp reading: REPUBLIC OF CROATIA

Croatian coat of arms

STATE ADMINISTRATION OFFICE IN SPLIT/