

GOVERNMENT OF THE REPUBLIC OF CROATIA

On the basis of the provision of Article 12 of the Law on institutions (official gazette "Narodne novine", No. 76/93), at the session held on March 1, 1995 the Government of the Republic of Croatia made the following

Decree

on the founding of Croatian academic and research network – CARNet

Founder and institution's name

Article 1

On the basis of this Decree, the Republic of Croatia founds an institution for informatic-information infrastructure activity in education and science.

The institution from paragraph 1 of this Article is founded under the name: Croatian Academic and Research Network – CARNet.

The institution's abbreviated name is: CARNet.

The institution's seat is in Zagreb, Josipa Marohnića bb.

Article 2

Upon the day of entering into force of this Decree, the rights on the institution from Article 1 of this Decree that are owned by the Republic of Croatia, as the founder, are carried out by the Ministry of Science and Technology.

Article 3

CARNet operates on the entire territory of the Republic of Croatia.

CARNet may found its own branch offices. In order to perform its activities, CARNet may found branch offices abroad if it does not oppose the legal order of the country in question.

CARNet's internal organization is defined in detail by the Statute.

Article 4

CARNet's activity is:

- development, creation and maintenance of computer-communication infrastructure that will join educational and scientific-research institutions together in a unique information system
- linking of CARNet with international networks
- development and creation of information nodes and networks.

CARNet's activity from paragraph 1 is of a special interest for the Republic of Croatia.

CARNet's activity is not performed in order to gain profit.

Organization and CARNet's bodies

Article 5

CARNet's bodies are Managing Council and Chief Executive Officer.

Article 6

CARNet is run by the Managing Council. Managing Council introduces the Statute, Act on internal organization and way of working, Act on distribution of employees' salaries, work and development program, supervises their execution, decides on financial and annual account, proposes activity's changing and statutory changes, provides the Ministry of Science and Technology and CARNet's Chief Executive Officer with proposals and opinions on certain issues and makes decisions and performs other duties defined by this Decree and CARNet's Statute.

Managing Council has the President and four (4) members, which are appointed by the Minister of Science and Technology for the period of two (2) years.

Minister of Science and Technology may acquit the Managing Council's President and members of duty even before the expiry of the period for which they were appointed.

Managing Council makes decisions by the majority of its members' votes.

Managing Council's President and members are entitled to remuneration for its work, in accordance with CARNet's general acts.

Article 7

CARNet's leader is the Chief Executive Officer. Chief Executive Officer is appointed and acquitted by the Minister of science and technology, in accordance with the law and the Statute.

Chief Executive Officer represents CARNet, organizes and coordinates its business, takes all legal actions on behalf and to the account of CARNet and represents it in all judicial procedures in courts, managing and other governmental bodies and legal persons with public authorities, executes decisions of CARNet's Managing Council, is responsible for the legality of CARNet's work and also performs other duties defined by this Decree and CARNet's Statute.

Article 8

CARNet's Chief Executive Officer has a Deputy, as well as one or more Assistant managers, which are appointed by Managing Council, at the Chief Executive Officer's proposal.

The Deputy substitutes the Chief Executive Officer within the Chief Executive Officer's authorities and the provision from paragraph 2, Article 7 of this Decree is appropriately applied to the Deputy.

Article 9

Professional work in CARNet is performed within internal organizational units, and is coordinated by professional leaders of certain units. Professional leaders from paragraph 1 of this Article are appointed by CARNet's Chief Executive Officer.

Article 10

Without the Managing Council's consent, Chief Executive Officer cannot conclude business transactions on acquiring, alienation or burdening of real estates.

Chief Executive Officer cannot act as other contracting party and conclude contracts with CARNet on his or her behalf and for the account of other persons.

Chief Executive Officer may give the power of attorney to the professional leader of an internal organizational unit and other person to represent CARNet in the legal transactions, but within the limitations of his or her authorities, and in accordance with provisions of the law that define obligatory relations.

Article 11

Without the founder's consent, CARNet cannot acquire, burden or alienate real estate or other assets, nor contract other business operation, if the value of individual contract exceeds the amount of HRK 500,000.

CARNet's assets and liability for its obligations

Article 12

CARNet's assets are the following:

- computer-communication equipment purchased by the means of Ministry of Science and Technology to serve the needs of CARNet's projects and network until the issuing of this Decree,
- office for activity's performing of 80 m² in Zagreb, Ulica Josipa Marohnića bb.

Article 13

Means for CARNet's regular activity are ensured from the Republic of Croatia government budgetary assets and from its own income.

Article 14

When bearing losses caused by business operation, as well as for its own obligations, CARNet is liable with its entire assets.

Republic of Croatia has joint and several, as well as unlimited liability for CARNet's obligations.

CARNet's general acts

Article 15

CARNet's Statute is issued by Managing Council with consent of the Ministry of Science and Technology.

The Statute defines in detail the organization, authorities, way of working and decision making of CARNet's individual bodies, mutual rights and obligations of the founders and

CARNet, the way of profit's management and other issues significant for performance of CARNet's operations.

CARNet's Statute will be made by Managing Council within 30 days upon the day of CARNet's registration.

Statute and other general acts must be in compliance with the law and this Decree.

CARNet's openness to the public

Article 16

CARNet's activity is public.

Chief Executive Officer takes care of CARNet's openness to the public.

At least once per year, CARNet's Managing Council is obliged to submit a report to the Ministry of Science and Technology on CARNet's work.

Beginning of CARNet's work

Article 17

CARNet starts working upon the day of registration in the institutions' court register.

Article 18

Minister of Science and Technology appoints CARNet's temporary Chief Executive Officer, who will perform preparations for the beginning of CARNet's work and will make the entry for the registration in the institutions' court register.

Entering into force of this Decree

Article 19

This Decree enters into force upon the day of publishing in the official gazette "Narodne novine".

Class: 023-03/94-01/07
Reg. No.: 5030104-95-2
Zagreb, March 1, 1995

President

Nikica Valentić, signed

Me, Iva Špoljar, sworn interpreter of English language, appointed by the President of the District Court in Zagreb, Decision No. 4 Su-406/02 of June 27, 2002, confirm hereby that the above translation fully corresponds to its original in Croatian language.

Reg. No. 32/04
Zagreb, August 12, 2004

