

Croatian Actuarial Association
Marticeva 73, Zagreb, Croatia

**ARTICLES OF ASSOCIATION
OF THE CROATIAN ACTUARIAL ASSOCIATION**

(consolidated text)

Zagreb, 2003

The consolidated text contains the Articles of Association of the Croatian Actuarial Association adopted at the inaugural General Meeting held on 1st April 1996 and 21st June 1996, the amendments pursuant to Article 11 of the Associations Act (Official Gazette no. 70/97) adopted at the General Meeting of the Croatian Actuarial Association held on 27th October 1997, as well as the amendments adopted at the General Meeting of the Croatian Actuarial Association held on 11th June 2003.

ARTICLES OF ASSOCIATION of the Croatian Actuarial Association

(consolidated text)

I. GENERAL PROVISIONS

Article 1

These Articles of Association regulate basic principles of organisation of the Croatian Actuarial Association (hereinafter referred to as "the Association"), in particular:

- the name, registered office, scope of activities and seal of the Association,
- the purpose of foundation and objectives of the Association, as well as the Association's activities, tasks and operations,
- the funds required for the Association's activities and fund raising methods,
- the membership of the Association including the rights, obligations and responsibilities of the members, as well as the forms of the members' participation in the activities, tasks and operations of the Association,
- the governing bodies of the Association, their election, conditions and way of discharge, duration of terms of office, decision-making and responsibilities,
- the representation of the Association and dissolution of the Association.

II. NAME, REGISTERED OFFICE, SCOPE OF ACTIVITIES AND SEAL OF THE ASSOCIATION

Article 2

The Association operates under the name: Hrvatsko aktuarsko društvo.
The Association is based in Zagreb. The Board of Directors of the Association decides on the address and change of the address of the registered office.
The abbreviated name of the Association is HAD.

Article 3

In addition to the name in Croatian, the Association shall also use the name in English: Croatian Actuarial Association
and the name in German:
Kroatischer Aktuarverein.
The abbreviated name of the Association in English is CAA and in German KAV.

Article 4

The Association operates on the territory of the Republic of Croatia.
The Association is a legal entity entered in the Register of Associations.
The operations of the Association are public.

Article 5

In its operations the Association uses a seal containing the name and registered office of the Association. The seal is rectangular, 45 mm x 20 mm in size.

III. PURPOSE AND OBJECTIVES FOR THE FOUNDATION OF THE ASSOCIATION, ACTIVITIES, TASKS AND OPERATIONS OF THE ASSOCIATION

Article 6

The Croatian Actuarial Association is a professional association whose foundation was aimed at development, improvement and promotion of actuarial science and profession, its practical application, as well as professional development and training of actuaries.

Article 7

The basic objectives of the Association are: monitoring development of actuarial scientific and professional disciplines, studying and promoting practical applications of actuarial disciplines, integration and improvement of scientific and professional training of actuaries in cooperation with universities and other institutions, international associations of actuaries and other related associations, as well as promotion of actuarial science and profession.

Article 8

The objectives of the Association are fulfilled through the activities aimed at promotion of the actuarial profession, in particular through:

- preparation and compliance with the Code of Conduct applicable to the actuarial profession,
- publishing professional and scientific papers and publications,
- collection of necessary technical literature and organisation of specialist library,
- organisation of seminars, conferences and professional lectures,
- supporting research work,
- giving opinions and taking positions on issues related to the actuarial profession,
- cooperation concerning legislation,
- cooperation with insurance and reinsurance companies, pension funds, health insurance funds, banks and other financial institutions,
- cooperation with other economic and state entities interested in development and application of the actuarial science,
- cooperation with allied associations and/or societies in Croatia and abroad.

Article 9

In order to achieve its objectives, the Association may become member of the International actuarial association (ASSOCIATION ACTUARIELLE INTERNATIONALE) and other related international associations.

IV. FUNDS REQUIRED FOR THE ASSOCIATION'S OPERATIONS AND FUND RAISING METHODS

Article 10

The Association may raise funds through collection of membership fee, contributions, donations, income from publishing activities, organisation of seminars, conferences and other sources in accordance with the legislation in force.

Article 11

Financial operations of the Association are conducted in accordance with legal regulations. The Board of Directors of the Association is authorised to organise and carry out financial operations.

Article 12

The Association shall primarily use the raised funds for the purpose of accomplishing the objectives of the Association.

The Board of Directors decides on the use of the funds in accordance with the work programme.

The performance of the activities of the Association shall not be aimed at making financial gains for its members.

If the Association makes profit in the conduct of its operations, this profit may be used exclusively for performance and improvement of the activities that lead to fulfilment of the objectives set herein.

V. MEMBERS OF THE ASSOCIATION, THEIR RIGHTS, OBLIGATIONS AND RESPONSIBILITIES

Article 13

Membership in the Association is voluntary.

The Association may have regular, honorary and associate members.

Only actual expenses incurred by the members of the Association with the agreement of the Board of Directors and to the Association's benefit may be reimbursed.

Article 14

(1) A person can be a regular member of the Association if he or she meets the following requirements:

- he or she pursues the actuarial profession either in a scientific or practical way,
- he or she accepts these Articles of Association and is governed by them,

- he or she has university degree,
 - he or she has completed specialist training in the actuarial science in accordance with IAA guidelines and the Decision on criteria for granting regular membership, which is taken by the General Meeting of the Association, and
 - he or she has a minimum of two years of working experience as an actuary.
- (2) The General Meeting is authorised to determine by virtue of its decision more stringent criteria for granting regular membership in the Association.
- (3) By way of derogation from paragraph 1 of this Article, the persons who had the status of regular member on 11th June 2003 shall maintain that status.

Article 15

The list of all regular members who are founders of the Association shall be confirmed at the Inaugural General Meeting.

Article 16

Upon a written application of a person who wants to be granted regular membership of the Association, the General Meeting of the Association shall take a decision to either grant or refuse the application for regular membership of the Association. The Board of Directors shall establish whether the interested person meets the requirements under Article 14 and propose to the General Meeting to grant membership. The interested person is obliged to enclose with his or her written application letters of reference by two members of the Association.

Article 17

The rights and obligations of regular members of the Association are as follows:

- to observe the Code of Conduct,
- to participate in sessions of the General Meeting, as well as in its decision-making
- to elect bodies of the Association and to be elected as a member of a body of the Association,
- to give the initiative for calling the General Meeting, for amendments to the Articles of Association and for discharge of a body of the Association,
- to promote the Association's activities,
- to take part in accomplishment of the objectives of the Association,
- to participate in the Association's meetings and conferences,
- to pay membership fee on a regular basis,
- to use the Association's library for scientific and professional work,
- to report on the activities of the Association and its bodies on a regular basis,
- to receive the Association's publications on a regular basis.

Article 18

All persons who are citizens of the Republic of Croatia or foreign citizens who have exceptional merits in relation to the Association itself or development of actuarial science and its application or who are recognised scientists shall be eligible for honorary membership of the Association.

Honorary members are elected by the General Meeting of the Association upon proposal by the Board of Directors of the Association.

Honorary members do not pay membership fee.

Only those honorary members who are also regular members of the Association are entitled to vote at the General Meeting of the Association.

Article 19

Associate members of the Association shall be the persons:

1. who are being educated for or are performing the activities of an actuary and do not meet the requirements for regular membership,
2. who are interested in monitoring the developments in the actuarial profession.

Associate members pay membership fee.

Associate members are not entitled to vote at meetings of the General Meeting of the Association.

Upon a written application of a person who wants to be granted associate membership of the Association, the General Meeting of the Association takes a decision to either grant or refuse the application for associate membership of the Association. The Board of Directors establishes whether the interested person meets the requirements of this Article and proposes to the General Meeting to grant membership.

Article 20

The rights and obligations of honorary and associate members of the Association are as follows:

- to respect the Code of Conduct,
- to promote the Association's activities,
- to take part in accomplishment of the objectives of the Association,
- to participate in the Association's meetings and conferences,
- to use the Association's library for scientific and professional work,
- to report on the activities of the Association and its bodies on a regular basis,
- to receive the Association's publications on a regular basis.

Article 21

The Association informs its members on the activities in the bulletin which is issued once a year after the Annual General Meeting of the Association.

Article 22

Membership in the Association terminates:

1. by resignation of the membership based on a member's written request,
2. by deletion from the membership list due to non-payment of membership fee for more than two years,
3. by expulsion from membership because of:

- a) legally valid conviction for a criminal offence such as robbery, embezzlement and similar;
- b) activities which can ruin the reputation of the Association,

4. on death of a member.

The Board of Directors of the Association decides on deletion from the membership list, whereas the General Meeting decides on expulsion from the membership.

VI. BODIES OF THE ASSOCIATION

Article 23

The bodies of the Association are:

- General Meeting,
- Board of Directors,
- Supervisory Board,
- President of the Association.

Only regular members of the Association are eligible to be appointed to the bodies of the Association.

General Meeting

Article 24

The General Meeting is the highest decision-making body of the Association.

The General Meeting consists of all regular members of the Association.

The General Meeting can either be annual or extraordinary.

The President of the Association presides over sessions of the General Meeting and in his absence the sessions are chaired by the first or second vice-president in accordance with the powers laid down in these Articles of Association.

At the beginning of a session of the General Meeting a keeper of the minutes is elected.

The minutes of the meeting are signed by the keeper of the minutes and the chairman.

Sessions of the General Meeting are open for public.

Article 25

The General Meeting may take valid decisions only if more than a half of the regular members of the Association are present at a session.

If less than one half of the regular members are present, the General Meeting shall start the session one hour after the time appointed for the session if more than one third of the regular members are present. In that case the General Meeting may take valid decisions.

If less than one third of regular members are present one hour after the time appointed for the session of the General Meeting, the competent body of the Association shall take a decision to reconvene the session of the General Meeting, which must be held within 30 days.

At the reconvened session of the General Meeting the participants may take valid decisions if more than one third of regular members are present. If this is not the case, the session shall

start one hour later regardless of the number of regular members present and valid decisions may be taken by the General Meeting.

In any case, valid decisions cannot be taken by the General Meeting if less than 10 regular members of the Association are present.

Article 26

At a session of the General Meeting decisions are taken by a simple majority of votes of the members attending the session.

By way of derogation from paragraph 1 of this Article, decisions on amendments to the Articles of Associations, discharge of a body of the Association, expulsion from membership and dissolution of the Association shall be taken by a two-thirds majority, provided that the session is attended by more than one half of regular members of the Association.

Article 27

As a rule, open voting is applied at the General Meeting. However, if any of the present members proposes secret voting, the chairman shall bring the motion to a vote.

Article 28

The Annual General Meeting of the Association is held once a year, and as a rule it is held in June.

The Annual General Meeting of the Association is called in writing at least 14 days in advance.

The decision to call the Annual General Meeting is made by the Board of Directors. If the Board fails to do so until 31st May of the current year, the decision shall be made by the President of the Association within 15 days.

Article 29

The General Meeting of the Association:

- takes decisions on establishment and dissolution of the Association;
- adopts the Articles of Association of the Actuarial Association, amendments thereto and other regulations that govern the operations of the Association;
- elects the President of the Association, as well as members of the Board of Directors and Supervisory Board, and relieves them of their duties;
- accepts the annual report of the Board of Directors and Supervisory Board;
- allocates the budget and adopts annual financial statements;
- accepts the business plan and programme for the following year;
- decides upon admission of new members and expulsion from membership;
- determines the level of membership fee;
- elects the national correspondent of the Association and relieves him or her of his or her duties;
- decides on membership of the Association in other associations;
- decides on any other issues concerning the accomplishment of the objectives of the Association.

Article 30

The Extraordinary General Meeting of the Association may be called by the Board of Directors, Supervisory Board or by at least one fifth of the total number of regular members of the Association, however, not less than five regular members of the Association. According to the criteria referred to in paragraph 1, the Supervisory Board or members of the Association submit proposal to call the Extraordinary General Meeting along with the proposed agenda which cannot be changed. Upon receipt of the request for calling the Extraordinary General Meeting, the Board of Directors must call the Extraordinary General Meeting of the Association within 15 days. If it fails to do so, the Extraordinary General Meeting may be called pursuant to the criteria under paragraph 1 of this Article directly by the Supervisory Board or members of the Association who made request for calling the Extraordinary General Meeting. Invitation for the Extraordinary General Meeting must be sent 15 days in advance.

Board of Directors

Article 31

The General Meeting of the Association elects the president, the first and second vice-president, secretary and treasurer to a term of office of three years. The Board of Directors consists of the president, two vice-presidents, secretary and treasurer. The President of the Association is also the President of the Board of Directors.

Article 32

Meetings of the Board of Directors are held as and when necessary. A meeting of the Board of Directors is convened by the President of the Association or by either of two vice-presidents. The Board of Directors may take valid decisions if at least three members are present at a meeting. At a meeting of the Board of Directors decisions are taken by a majority vote. If a member of the Board of Directors does not come to three consecutive meetings of the Board of Directors over a period not shorter than one year, he or she shall cease to be the member and the Board of Directors shall appoint a new member for the period until the next meeting when the appointed member shall be confirmed or a new member elected. The same procedure shall be applied if membership of a member of the Board of Directors in the Association terminates within the meaning of Article 22. The procedure described in paragraphs 5 and 6 of this Article can be used in respect of not more than two members of the Board of Directors, otherwise a new Board of Directors shall be elected.

Article 33

The Board of Directors of the Association prepares the work programme and annual report, and submits these to the General Meeting of the Association. The Board of Directors of the Association implements decisions of the General Meeting, sets up committees and decides on any issue concerning the operations of the Association other than that falling within the scope of the General Meeting of the Association.

Supervisory Board

Article 34

The General Meeting of the Association elects the Supervisory Board to a term of office of three years.

The Supervisory Board consists of three members.

Members of the Board of Directors cannot at the same time be members of the Supervisory Board.

Article 35

Members of the Supervisory Board elect from among themselves the chairman of the Supervisory Board.

Meetings of the Supervisory Board are convened by the chairman of the Supervisory Board.

The first meeting after election of the Supervisory Board is convened by the oldest member of the Supervisory Board.

If a member of the Supervisory Board does not come to three consecutive meetings of the Supervisory Board over a period not shorter than one year, he or she shall no longer be the member and the Supervisory Board shall appoint a new member for the period until the next meeting when the appointed member shall be confirmed or a new member elected.

The same procedure shall be applied if membership of a member of the Supervisory Board in the Association terminates within the meaning of Article 22.

The procedure described in paragraphs 3 and 4 of this Article can be used in respect of not more than one member of the Supervisory Board, otherwise a new Supervisory Board shall be elected.

Article 36

The Supervisory Board supervises the operations of the Association and its bodies.

The Supervisory Board warns the Board of Directors about irregularities in the operations of the Association and proposes appropriate measures for elimination of such irregularities.

At the Annual General Meeting of the Association the Supervisory Board submits a report on its activities in the previous year.

President of the Association

Article 37

The President of the Association represents the Association before third parties in accordance with the decisions of the Board of Directors, these Articles of Association and law.

The President of the Association implements decisions of the Board of Directors.

In case that the President of the Association is unable to perform his or her tasks, the first or second vice-president shall deputise for him or her in accordance with the powers laid down in these Articles of Association.

Assumption of and removal from office

Article 38

Members of the Association shall assume office upon conclusion of the session of the General Meeting at which they are elected to a body of the Association, and they shall be relieved of their duties upon conclusion of the session of the General Meeting at which new members are elected.

On an exceptional basis, the members of a body of the Association who have been relieved of their duties before expiry of their term of office shall be removed from office immediately after the decision to that effect has been adopted.

Committees of the Association

Article 39

The Board of Directors may set up standing or ad hoc committees to deal with important issues and take specific actions aimed at fulfilment of the objectives of the Association. By virtue of its decision on establishment of a committee the Board of Directors defines tasks, powers and obligations of a certain committee.

VII. ASSETS OF THE ASSOCIATION

Article 40

The assets of the Association comprise the funds acquired by the Association in the manner referred to in Article 10, its real and personal property, as well as other property rights.

VIII. DISSOLUTION OF THE ASSOCIATION

Article 41

The Association shall be dissolved in the following cases:

- if a decision on dissolution of the Association is taken at the Annual General Meeting of the Association;
- if the number of regular members drops below the legally stipulated level;
- for any other reason specified by law.

Article 42

In case of dissolution of the Association, the remaining assets after settlement of the creditors' claims, as well as costs of legal and any other proceedings shall be transferred to the Croatian Insurance Regulatory Authority.

IX. FINAL PROVISIONS

Article 43

These Articles of Association shall take effect on the date when they are adopted and shall be applied from the date of entry of the Association in the register kept with the competent body.

Chairman of the General Meeting

President of the Association