

## **CROATIA LAW ON FOUNDATIONS**

### **Article 16**

The basic property of a foundation assigned to the foundation by a founder in the act on establishment and its value must not be decreased or wasted in the course of achieving the foundation purpose. That property becomes the property of the foundation being registered in the foundation register. The Ministry could undertake operations in relation to the competent bodies aimed at the protection of basic property directly or by means of a temporary director even before the foundation has been entered into the foundation register.

The property of a foundation also involves the resources acquired by using that property (e.g. lease, rent, interests, dividends, copyright, patents and licenses, royalties and the like, incomes from agricultural ground, woods or similar), contributions, donations and the like. For the purpose of acquiring funds a foundation can organize some activities (humanitarian shows, occasional lottery, production and sales of publications, emblems, badges and the like).

The foundation property may be located in foreign countries too.

The funds being a part of the foundation property should be transferred to the Republic of Croatia, and deposited on the foundation's account.

The foundation property can be used only for the achievement of the purpose the foundation has been established for.

Immovable assets brought into the foundation as its capital or bought from the interests for the purpose of fulfilling the foundation's purpose and increasing its financial support must not be misappropriated (sold, exchanged) at the expense of the already acquired financial support and capital purpose.