

## Croatia

### Payroll Process

Payroll is processed on a monthly basis. The pay period runs from the first of the month through the last of the month. Paychecks are processed and deposited to the employee's bank account on the last working day of each month.

### Fixed-Term Contracts

Fixed term contracts are permitted in Croatia. Consecutive fixed term contracts may be concluded only for an objective reason and must not exceed three years total. If a Worker continues working after the expiration of a fixed term contract, that contract will be considered converted to indefinite. Fixed term contracts may only be terminated for reasons outlined in the contract.

### Probationary Periods

Probationary periods up to six months with a seven-day notice period for termination are permitted in Croatia.

### Holidays

In Croatia, Workers recognize 14 paid public holidays. Workers should not be required to work on a public holiday unless there is a special business need. If work is performed on a public holiday, it should be compensated at a premium.

### Vacation

Workers are entitled to at least four weeks of paid vacation each year. Leave is generally acquired after six months of continuous work. Workers cannot 'cash out' their vacation. Vacation time does roll over to the next year, but must be taken by 30 June the following calendar year.

### Sick Leave

Workers are entitled to paid leave for injury or illness, which is generally compensated by the employer for up to 42 days. The employer is still liable for payment after that period, but may apply for reimbursement from the Croatian Health Insurance Fund (HZZO).

### Working Hours

A regular workweek is 40 hours. Workers are entitled to at least 24 consecutive hours of rest each week, which generally is taken on Sundays. Work performed on a rest day should be compensated at a premium.

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### Overtime

Overtime is only permitted in extraordinary circumstances and should be compensated at a premium as outlined by the collective agreement or employment contract.

### Termination

Except in cases of serious breach of duties or other extraordinary circumstances, Workers are entitled to written notice of termination specifying the reason for the termination. Pay in lieu is permitted. The length of notice required depends upon the Workers' length of service as outlined, below: 0 – 1 year: two weeks; 1 – 2 years: one month; 2 – 5 years: one months and one week. After two years of service, Workers are entitled to severance pay. The amount depends upon their length of service.

### Resignation

Workers must follow the same notice requirements in order to resign, but they are not required to state a reason for resigning.