

**OPINION OF THE COUNCIL OF SECURITIES MARKET AGENCY REGARDING
VALIDITY OF AUTHORIZATIONS PROVIDED IN ACCORDANCE WITH ZTVP-1 WITH
REGARD TO PROVIDING INVESTMENT SERVICES AND ACTIVITIES AND ANCILLARY
INVESTMENT SERVICES IN ACCORDANCE WITH ZTFI**

On July 13, 2011, the Council of Securities Market Agency adopted the following opinion:

Market in Financial Instruments Act (hereinafter ZTFI) in its final provision of Article 582, Paragraph 1, determines the maintaining of the validity of authorizations, in addition to the others, authorizations for providing services and activities regarding securities which have been in place in accordance with Securities Market Act (hereinafter ZTVP-1) on the day of entry into force of ZTFI (11.8.2007) are from this day regarded as authorizations issued in accordance with ZTFI.

Authorizations issued for providing activities and services regarding securities in accordance with ZTVP-1 are considered as authorizations issued in accordance with ZTFI as shown in the following transposition table:

ZTVP-1	ZTFI
A. Services regarding securities:	A. Investment services and activities:
1. Reception and transmission of orders to buy or sell securities executed by other brokerage companies (transmission of orders) – Article 73, first paragraph, point 1	1. Reception and transmission of orders in relation to one or more financial instruments – Article 8, first paragraph, point 1
2. Purchase or sale of securities upon the order and for the account of customers (brokerage services) – Article 73, first paragraph, point 2	2. Execution of orders on behalf of clients – Article 8, first paragraph, point 2
3. Purchase or sale of securities upon the order and for the account of brokerage company (trading for own account) – Article 73, first paragraph, point 3	3. Dealing on own account – Article 8, first paragraph, point 3
4. Ancillary services with regard to securities – Article 73, first paragraph, point 4	4. Portfolio management – Article 8, first paragraph, point 4

<p>Moved from ancillary services under the ZTVP-1 to investment services and activities under the ZTFI</p>	<p>5. Investment advice – Article 8, first paragraph, point 5</p>
<p>B. Special services regarding securities:</p>	
<p>1. the performing of all or several transactions and activities for the account of the issuer of securities necessary for a successful initial offering of securities, without the mandatory buyout of securities not being sold to investors during the initial offering (performance of initial offerings without mandatory buyout) – Article 73, paragraph 2, point 1</p>	<p>6. initial or subsequent placing of financial instruments without a firm commitment basis – Article 8, first paragraph, point 7</p>
<p>2. the performing of all or several transactions and activities for the account of the issuer of securities necessary for a successful initial offering of securities, with the mandatory buyout of securities not being sold to investors during the initial offering (performance of initial offerings with mandatory buyout) – Article 73, paragraph 2, point 2</p>	<p>7. initial or subsequent underwriting and /or placing of financial instruments on a firm commitment basis – Article 8, first paragraph, point 6</p>
<p>3. the performing of all or several transactions and activities for the account of the issuer or holder of securities necessary for the admission of securities to the organized market (services with regard to the admission of securities to organized trading) – Article 73, paragraph 2, point 3</p>	<p>Special services regarding securities that do not have the appropriate investment service or transaction under the ZTFI.</p>
<p>New investment services under the ZTFI.</p>	<p>8. Operation of multilateral trading facilities (hereinafter: operation of an MTF).</p>
<p>C. Ancillary services regarding the securities:</p>	<p>B. Ancillary investment services:</p>

<p>1. the providing advice of with regard to the buying and selling securities (investment advisory service) – Article 74, paragraph 1, point 1</p>	<p>Moved from ancillary services under the ZTVP-1 to investment services and activities under the ZTFI. See: A. Investment services and activities, 5. Investment advice</p>
<p>2. The keeping of accounts of dematerialized securities held by clients at the clearing and deposit house and executing orders placed by holders relating to transfers of securities between several holders' accounts (keeping accounts of dematerialized securities) – Article 74, paragraph 1, point 2</p> <p>3. The safekeeping of securities issued as written documents which are not traded on the organized market (safekeeping of securities) – Article 74, paragraph 1, point 3</p>	<p>1. safekeeping and administration of financial instruments for the account of the clients, including: - custodianship and similar services, such as cash and other collateral management, - the services of keeping accounts of book-entry securities of the clients – Article 10, paragraph 1, point 1, this ancillary services combine two ancillary services under the ZTVP-1 (Article 74, para.1, points, 1 and 2)</p>
<p>New ancillary investment services under the ZTFI.</p>	<p>2. Providing loans to investors so that they can perform one or more transactions in financial instruments, if the investment firm that provided the loan participates in such transactions – Article 10, paragraph 1, point 2</p>
<p>4. The performing of all or several transactions and activities for the account of third parties necessary for carrying out a merger or takeover of a public limited company (services with regard to takeovers) – Article 74, paragraph 1, point 4</p>	<p>3. Advice to companies on capital structure, business strategy and related matters and advice and services relating to mergers and acquisitions of companies – Article 10, paragraph 1, point 3. This ancillary service extends ancillary services under the ZTVP-1 from realization of mergers and takeovers. Under the ZTVP-1 were investment services advisory services, if they relate to advice on financial reorganization, development strategy or advice with regard to takeovers of companies – Article 76, paragraph 2, point 1.</p>
<p>New ancillary investment services under the ZTFI.</p>	<p>4. Foreign exchange services, if provided by the investment firm in relation to investment services,</p>
<p>New ancillary investment services under the ZTFI which contained ancillary services under the ZTVP-1. See: C. Ancillary services regarding the</p>	<p>5. investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments;</p>

<p>securities: 1. Providing advice of with regard to the buying and selling securities (investment advisory service)</p>	
<p>New ancillary investment services under the ZTFI which included a special service regarding securities under the ZTVP-1. See: B. Special services regarding securities, performance of all or some of the transactions on behalf of the issuer of the securities, required for a successful initial public offering of securities, with the obligation to buy securities which were not sold in the process of initial public offering.</p>	<p>6. services related to underwriting of financial instruments on a firm commitment basis</p>
<p>New ancillary investment services under the ZTFI.</p>	<p>7. services and activities of the same type as the investment or ancillary investment services relating to the underlying instruments of derivatives referred to in Points 5, 6, 7, 10 or 11 of the second paragraph of Article 7 hereof, if they are related to investment or ancillary investment services.</p>

**dr. Damjan Žugelj,
President of the
Council of the Securities Market Agency**