

BOOK-ENTRY SECURITIES ACT (ZNVP-1)

I. GENERAL PROVISIONS

Article 1 (Subject of the Act)

This Act shall regulate book-entry securities, their encumbrances, transfer and the settlement of liabilities arising from the securities, including the central register and access to information kept in the central register.

Article 2 (Directives transposed)

- This Act shall transpose into the legal order of the Republic of Slovenia:
- Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems (OJ L no. 166 of 11 June 1998, p. 45), last amended with Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories, and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (OJ L no. 257 of 28 August 2014, p. 1) and
 - Directive 2009/44/EC of the European Parliament and of the Council of 6 May 2009 amending Directive 98/26/EC on settlement finality in payment and securities settlement systems and Directive 2002/47/EC on financial collateral arrangements as regards linked systems and credit claims (OJ L no. 146 of 10 June 2009, p. 37).

Article 3 (Agency, Member State, organised market, securities settlement system)

- (1) The Agency shall be the Securities Market Agency.
- (2) A Member State shall be a Member State of the European Union or a signatory to the Agreement on the European Economic Area (OJ L no. 1 of 3 January 1994, p. 3).
- (3) Organised market shall be the market organised as determined in the act regulating the financial instruments market.
- (4) The securities settlement system is a settlement system as determined in the act regulating the financial instruments market.

Article 4 (Book-entry security)

- (1) A book-entry security is a statement of the issuer entered in the central register of book-entry securities (hereinafter: central register) whereby the issuer undertakes to meet liabilities pertaining to the book-entry security.

(2) The book-entry security is accepted when entered for the first time in the central register on the account of the holder (hereinafter: holder), and applies until it is deleted from the central register.

Article 5 (Holder)

The holder of a book-entry security shall be a person to whose account the book-entry security is entered in the central register.

Article 6 (To whom book-entry securities may be issued)

Book-entry securities may be issued to a name or to their bearer.

Article 7 (Essential elements of book-entry securities)

(1) The following essential elements of a book-entry security shall be entered in the central register:

- unique identification designation;
- designation of the type of security;
- company and head office or personal name and address of the issuer and relevant unique identification;
- information on whether the security is issued to a name or the bearer;
- information on whether the security is transferable freely or with restrictions, and in the case of restrictions also the content of these restrictions, and
- precisely defined liability of the issuer.

(2) Relating to individual book-entry securities, the date of their entry in the central register and the total number of issued book-entry securities shall be kept in the central register.

(3) Liability pertaining to a book-entry security is determined in detail if all the facts which affect the content of rights included in the security are provided. All facts are provided if the book-entry security includes data on the class of the security, the face value or a designation that a security is a no-par value share, data on voting rights, data on partial payment if the security is not paid in full, and the content of preference in the case of a preference share.

(4) Liability pertaining to a book-entry security is determined in detail if at least the following data are included: the amount of the principal, due dates, and interest rates; the interest calculation method; the dates relevant for the payment of the principal and the interest if the principal is subject to interest and allows the calculation of accrued interest for each day; data on the possible collateral for liabilities and the method of exercising the right to an early recall of the security.

(5) Liability to convert a book-entry security is determined in detail if it contains the essential elements of the book-entry security which the issuer is obliged to hand over instead of the converted security, and the conditions and the conversion implementation method.

(6) If a guarantee is given upon the issue of a book-entry security for the issuer's liability, the liability pertaining to the book-entry security is determined in detail if it includes

the name of the company and its head office or the personal name and address of the guarantor and a description of the guarantor's commitment.

(7) If a book-entry security includes, in addition to, or instead of the liability referred to the third to fifth paragraphs of this Article, other liabilities of the issuer, liability pertaining to the book-entry security is determined in detail if it contains a detailed description of these liabilities.

(8) The unique identification designation of a book-entry security shall be determined by the central securities depository. The designation is determined in compliance with the relevant international standard.

Article 8 (Acquisition and transfer of book-entry securities)

(1) A holder shall obtain a book-entry security after the security is entered in the holder's account in the central register.

(2) The holder shall express willingness to dispose of the book-entry security by issuing a suitable order for the transfer or encumbrance of book-entry securities to the member of the central securities depository who keeps the holder's account of book-entry securities.

(3) The book-entry security shall be transferred with the entry of the encumbrance in the deliverer's, and for the benefit of the recipient's, account in the central register.

(4) The issuer may limit the transferability of book-entry securities issued to a name if this is not contrary to this Act, another act or the conditions for issuing. Notwithstanding the foregoing, the issuer may exchange freely transferable securities for securities transferable with restrictions only with the consent of the holder unless the holder is assured suitable compensation as per the provisions of the act governing companies which regulate the change of status.

(5) If the issuer's consent is required for the acquisition of rights pertaining to securities transferable with restrictions, the transfer of such book-entry securities shall not affect the existence or acquisition of the consent and shall not denote a decision of the existence or acquisition of such consent.

Article 9 (Central register, central securities depository, member of the central securities depository)

(1) The central register is a computerised record of book-entry securities, the rights and liabilities arising from them, their holders and encumbrances kept by the central securities depository.

(2) The central securities depository is a body which, according to Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (OJ L no. 257 of 28 August 2014, p. 1), may conduct the activity of a central securities depository.

(3) A member of the central securities depository is a person who has obtained the position of a member of the central securities depository pursuant to the act regulating the financial instruments market.

(4) The provisions of this Act shall apply to the central register kept by the central securities depository with its head office in the Republic of Slovenia, or a subsidiary of a central securities depository of a Member State which is entered in the Slovenian Business Register (hereinafter: business register).

Article 10
(Book-entry securities with the issuer's liability subject to foreign law)

Book-entry securities whose issuer's liability is subject to foreign law may be entered in the central register.

Article 11
(Encumbrance)

An encumbrance is a legal fact entered in the central register denoting a restriction and manner of restriction of the holder's right pertaining to the book-entry security.

Article 12
(Application of other acts)

(1) The rules of the act regulating obligations, the act regulating property law relations and other acts applicable in the Republic of Slovenia shall apply to book-entry securities, holders' rights arising from them and their encumbrances unless determined otherwise by this Act.

(2) Notwithstanding the preceding paragraph, liabilities contained in book-entry securities referred to in Article 10 of this Act shall be subject to law determined by the issuer.

II. COMPOSITION OF THE CENTRAL REGISTER

Article 13
(Accounts of book-entry securities)

(1) The central register shall consist of accounts of book-entry securities (hereinafter: accounts).

(2) Data on the holder of the account and the type of account are kept for each account, including the member or members of the central securities depository who may enter orders for entries relating to relevant accounts, and the type of entries for which these members may enter orders.

(3) The balance on book-entry securities is maintained on the accounts. The balance maintenance of book-entry securities on an account denotes the current maintenance of data on the type and quantity of book-entry securities on the account and encumbrances of these securities.

Article 14

(Data on account holders and members of the central securities depository)

(1) A unique identification shall apply for the designation of an account holder or a member of the central securities depository. A personal identification number shall be used as the unique identification of a person entered in the central population register, and the registration number shall be used as the unique identification of an entity entered in the business register.

(2) The rules of the central securities depository determine the unique identification method of persons and entities which are not entered in the central population register or the business register, and the unique identification method of association forms which have no legal personality if these association forms may issue or keep book-entry securities in compliance with the applicable legislation.

(3) In addition to the unique identification of the account holder, the central register also includes the personal name, company or title of the account holder, their address or head office and a tax identification number, as determined by the act regulating tax procedures if the holder has such a number.

(4) The authorities keeping the business register, the central population register or the tax register shall report the data referred to in the preceding paragraph free of charge and on an ongoing basis to the central securities depository.

III. GENERAL ARTICLES ON ENTRIES IN THE CENTRAL REGISTER

Article 15

(Types of entries)

(1) Entries in the central register shall denote:

1. entries which change the number of book-entry securities, and
2. entries which do not change the number of book-entry securities.

(2) Entries which change the number of book-entry securities include:

1. the issue of book-entry securities,
2. deletion of book-entry securities, and
3. the conversion of book-entry securities.

(3) Entries which do not change the number of book-entry securities include:

1. the transfer of book-entry securities between accounts, and
2. the entry and deletion of encumbrances on book-entry securities.

Article 16

(Implementing entries)

(1) An individual entry in the central register shall be implemented on the basis of the order entered for such entry.

(2) The rules of the central securities depository determine the time from which the order for entry is considered entered, the conditions which must be met for the order to be considered entered, and the time from which the entered order is considered irrevocable. The initiation of compulsory settlement proceedings, bankruptcy proceedings, wind-up proceedings or any other proceedings whose initiation imposes a limitation on, or termination

of, the validity of orders issued by the person or entity subject to the initiated proceedings shall not affect the validity of the order for an entry made in the central register before the commencement of such proceedings. It shall affect the validity of the order for entry after the commencement of such proceedings only if the order became irrevocable on the same day that proceedings were initiated, and if the central securities depository did not or could not have known about the initiation of such proceedings at the time the order for entry became irrevocable.

Article 17 (Types of order)

- (1) Orders for entry are one-sided or two-sided.
- (2) One-sided orders include orders for entry which change the number of book-entry securities entered in the central register, and orders for the entry and deletion of encumbrances on book-entry securities. A one-sided order is entered in the central register with a single entry.
- (3) Two-sided orders include orders for the transfer of book-entry securities between accounts. A two-sided order is entered in the central register by means of two complementary entries: an entry by the deliverer of book-entry securities and an entry by the recipient of book-entry securities (hereinafter: recipient part of the order). If both entries are complementary, they are paired.

Article 18 (Detailed rules)

A detailed method of managing the central register, including a detailed definition of the types of account (account of the holder of book-entry securities, client account, management account, exemption account, account for judicial deposit and others), the method of keeping accounts, a detailed definition of the types of orders and entries in the central register, a detailed arrangement of entering orders for entry in the central register, pairing and implementing entries, keeping records on issued book-entry securities and reporting data from these records shall be determined by the rules of the central securities depository.

IV. ISSUE AND DELETION OF BOOK-ENTRY SECURITIES

Article 19 (Issue of book-entry securities)

- (1) A request from the issuer shall serve as the basis for the issue of book-entry securities. The request must include all essential elements determined for an individual type of book-entry security by this Act, the amount of book-entry securities to be issued and the signature of the issuer. The rules of the central securities depository determine the form of the request and other conditions which must be met in order for the issue to be executed.
- (2) If the applicant of the request wishes to issue book-entry securities due to the conversion of securities, the applicant must publish a public appeal in daily newspapers being issued on the territory of the Republic of Slovenia to all holders of securities to deliver these securities to the central securities depository in order to convert them into book-entry securities. On the day of publication, the securities shall be annulled and holders may use

them only as evidence for the realisation of their right to conversion. The central securities depository issues book-entry securities to the benefit of persons or entities which delivered their securities or for whose account the securities have been delivered to the central securities depository.

Article 20 (Guarantee)

Upon the issue of book-entry securities, the guarantor may undertake to settle the issuer's liability pertaining to these securities also by signing as a guarantor the issuer's request for the issue.

Article 21 (Deletion of book-entry securities)

(1) A request from the issuer is necessary for book-entry securities to be deleted unless the issuer was wound up without legal succession and no one is obliged to settle its liabilities, or the assets for the payment of the issuer's outstanding liabilities pertaining to book-entry securities were not provided in the wind-up proceedings. The request must include the provision of book-entry securities which are the subject of deletion. The rules of the central securities depository determine the form of request and other conditions which must be met in order to implement deletion.

(2) A deletion is implemented at the request of the issuer if book-entry securities are not encumbered by the issuer's liability, if the issuer is also the holder, and if these book-entry securities are not pledged or if the issuer recalled these securities early as per the conditions of their issue.

Article 22 (Issuer's silence)

It is understood that the issuer has withdrawn its request for the issue or deletion of book-entry securities if it fails to take the action necessary for the issue or deletion of book-entry securities within the deadline determined by the central securities depository in compliance with this Act, other acts or its rules.

Article 23 (Special provisions for certain changes of status)

(1) If a public limited company participates in a status change in the role of an acquiring or a new company, the central securities depository keeping the central register (which includes issued shares of the said company) acts as a representative for the takeover of shares and possible cash payments which must be ensured for shareholders of the acquired or transferring company as per the act regulating companies.

(2) The central securities depository keeping the central register, which includes the issued shares of the said company, conducts the transfer of shares of shareholders whose shares, on the basis of a decision of a general meeting, are transferred to the main shareholder or the main company from the shareholders' accounts to the account of the main shareholder or the main company on the basis of the contract concluded between the main shareholder or the main company and the central securities depository. This contract shall apply as an already paired two-sided order for the transfer of book-entry securities from the

accounts of shareholders whose shares are transferred to the account of the main shareholder or the main company.

(3) If the shares referred to in the preceding paragraph are subject to encumbrance, the central securities depository shall delete this encumbrance simultaneously with the transfer. If the deleted encumbrance constituted a lien, the payment of compensation to which shareholders are entitled is made to the benefit of the lienor.

(4) When shares are issued without a payment of contributions on the basis of current shareholding and when issuing book-entry securities for the conversion in the current book-entry securities, the encumbrances entered on current book-entry securities shall be transferred to the newly issued book-entry securities without any special request of the holder, while observing the ratio between the holder's book-entry securities which are encumbered and those that are not.

Article 24 **(Issue or deletion on the basis of decisions)**

Notwithstanding Articles 19 and 21 of this Act, the central securities depository shall also issue or delete book-entry securities on the basis of decisions issued by state authorities or holders of public authorisation.

Article 25 **(Keeping records of registered securities)**

(1) In the name of, and for the account of, the issuers of book-entry securities entered in the central register, the central securities depository managing the register shall also keep a share register and a register of other registered book-entry securities for issuers of other registered book-entry securities.

(2) The central securities depository makes entries in the share register or the register of other registered book-entry securities on the basis of data on performed entries in the central register.

(3) The share register or the register of other registered book-entry securities may include data on a holder who is a natural person: personal name, address, tax identification number as defined by the act regulating tax procedure, and also their unique identification number if the holder has been allocated such a number as per Article 14 of this Act, and the number of the holder's registered book-entry securities.

V. TRANSFER OF BOOK-ENTRY SECURITIES

Article 26 **(Transfer of book-entry securities in organised exchange)**

When the settlement of transactions concluded in the organised market is effected through the settlement system managed by the central securities depository, the notification of the exchange organiser on the completed transactions shall be understood as an already paired two-sided order for the transfer of book-entry securities from the account of the seller or the deliverer to the account of the purchaser or the recipient.

Article 27
(Transfer of book-entry securities on the basis of decisions)

Orders for the transfer of book-entry securities on the basis of decisions issued by state authorities or holders of public authorisation shall be entered in the central register by the central securities depository unless a decision determines action by a member of the central securities depository. If an order is entered by the central securities depository, the third paragraph of Article 17 of this Act shall not apply.

VI. ENCUMBRANCES ON BOOK-ENTRY SECURITIES

Article 28
(Occurrence of encumbrance)

(1) Encumbrances arise on the basis of a legal transaction, act, decision of a state authority or holder of public authorisation.

(2) Encumbrances which arise on the grounds of a legal transaction are a lien and a ban on disposal.

Article 29
(Entry of legal transaction encumbrances)

(1) An encumbrance arising from a legal transaction shall be entered in the central register by the member on the basis of a request from the holder of book-entry securities at whom the entry is implemented.

(2) In addition to the entry of the encumbrance arising from the legal transaction in the central register, the person to the benefit of whom the encumbrance was established is also entered. Article 14 of this Act applies *mutatis mutandis* to the suitable denotation of an encumbrance.

Article 30
(Acquisition of lien)

(1) The lienor shall acquire a lien on a book-entry security when the lien is entered in the central register. The register includes data on the amount and maturity of the receivable secured by means of the lien and data on the lienor.

(2) A lien may be entered in the central register with a provision on whether the beneficiary for the payment of dividends or interest from pledged securities is the lienor or the holder of book-entry securities. If the entry of the lien fails to contain a provision on the person entitled to payments, the lienor shall thus be entitled to such payments.

(3) When entering a lien, a member of the central securities depository authorised by the lienor to realise or remove a lien on behalf of the lienor (hereinafter: lien member) shall also be entered in the central register.

Article 31
(Repayment from lien)

(1) If the lienee fails to settle the liabilities subject to a lien of book-entry securities until their maturity, the lienor may sell the pledged book-entry securities, as determined by the act regulating property rights relationships for the sale of pledged movable property, unless determined otherwise by another act. It is understood that an agreement on an out-of-court sale is in force.

(2) An out-of-court sale of the pledged book-entry security shall be implemented by the lien member for the lienor.

Article 32 (Deletion of lien)

An order to delete a lien from the central register shall be entered by the lien member on the basis of a request from the lienor.

Article 33 (Entry of lien on the basis of the Act)

(1) The central securities depository has a lien on book-entry securities whose holder for its own account is a member who is in default on their liabilities arising from their membership.

(2) The member of the central securities depository has a lien on book-entry securities of the holder whose account it manages if the relevant holder is in default on their liabilities arising from their contract on the implementation of investment services.

(3) Articles 30, 31 and 32 of this Act shall be applied *mutatis mutandis* to a lien as per the preceding paragraphs.

Article 34 (Multiple lien of book-entry securities)

(1) Book-entry securities may be pledged several times.

(2) Lienors to the benefit of whom a lien on book-entry securities was entered in the central register prior to the entry of the lien as per the first or second paragraph of the preceding Article shall have priority over the central securities depository or its member with regard to repayment.

Article 35 (Ban on disposal)

(1) Unless determined otherwise by this Act, the ban on disposal is subject to the provisions of the act regulating property rights relationships concerning the prohibition of the alienation of goods or encumbrances on movable property.

(2) The ban on disposal may be entered in the central register. The effect of the entry of the ban is that the member of the central securities depository who may enter orders for entry relating to an account for the benefit of which encumbered book-entry securities are entered may not enter the order for transfer or encumbrance without the consent of the beneficiary.

Article 36
(Encumbrances on the basis of decisions)

(1) Orders for the entry of encumbrances on the basis of decisions of state authorities or holders of public authorisation shall be entered in the central register by the central securities depository unless the decision determines action by a member of the central securities depository.

(2) Encumbrances entered on the basis of the preceding paragraph have effects which arise from the decision serving as the basis for their entry.

VII. RULES ON SETTLING LIABILITIES PERTAINING TO BOOK-ENTRY SECURITIES

Article 37
(Application of this Chapter)

(1) A corporate action over a book-entry security shall be an act denoting the settlement of liabilities on the relevant book-entry security, whereby the settlement of liabilities does not affect the ownership of the book-entry security (takeover corporate action) or is conducted in exchange for the relevant book-entry security (replacement corporate action). A corporate action shall be implemented as determined in this Chapter. Such implementation is considered lawful.

(2) Corporate actions as per this Act shall not include acts of the issuer relating to book-entry securities which could also be implemented by another party who would not be acting in the name of, for the account of, or for the benefit of, the issuer.

Article 38
(Rules on the implementation of corporate actions)

(1) Corporate actions shall be implemented through the central securities depository and its members who keep holders' accounts.

(2) As per internationally established standards for the implementation of corporate actions concerning book-entry securities, the central securities depository shall determine in its rules:

1. deadlines and the method of notifying the central securities depository about corporate actions implemented by the issuer; the method of submitting notices to members of the central securities depository; and deadlines and the method in which members of the central securities depository forward these notices to persons by whom they are authorised to enter orders. It shall be understood that the issuer has revoked its request for implementation of the corporate action if it fails to perform the necessary actions within the deadline determined by the central securities depository as per this Act, other acts or its rules;
2. the method of submitting a decision on a selection when a selection is anticipated within the corporate action, whereby the issuer is bound only by the selection which the holder of a book-entry security submitted as per this Article. If the selection is not reported in accordance with this Article, it may be implemented by the issuer;
3. decisive dates for the implementation of corporate actions, which must be the same for all book-entry securities of a certain type and corporate action, whereby relating to the type of corporate action, the central securities depository shall determine the following:

- the date which is decisive for nominating the persons involved in an individual corporate action,
 - the date which is decisive for separating an individual entitlement arising from a book-entry security from the relevant security,
 - the final deadline for exchange when a book-entry security which is subject of a corporate action ceases due to the corporate action,
 - the date on which the liability is settled upon the implementation of the corporate action, and
 - the starting date and final deadline for reporting on the selection when such selection is anticipated within a corporate action;
4. the method of settling the liability pertaining to the book-entry security;
 5. the method of offsetting when it arises from the content of the order to transfer the book-entry securities that the person participating in a particular corporate action according to the rules of the central securities depository has transferred the entitlement to participation to another business party;
 6. the impact of corporate actions on orders for transfer of book-entry securities on the basis of which the entry in the central register has not been implemented by the decisive date for the execution of the corporate action; and
 7. the type of effect that the person who entered, or for whom the recipient part of the order was entered, had on the decision which may be adopted by the participants in a corporate action relating to book-entry securities of this type, although the transfer of book-entry securities had not yet been implemented on its grounds.

VIII. ACCESS TO DATA KEPT IN THE CENTRAL REGISTER, KEEPING OF RECORDS OF BOOK-ENTRY SECURITIES AND THE ISSUE OF OWNERSHIP CERTIFICATES

Article 39 (Access to data)

(1) Access to data in the central register referring to a certain person as the holder or beneficiary shall be permitted in accordance with this Act.

(2) Anyone may request data that refers to them from the central securities depository. Any member of the central securities depository who keeps clients' accounts may request data relating to the balance of accounts and entries with regard to relevant accounts.

(3) The Agency, court, a tax authority, the Bank of Slovenia, the Insurance Supervision Agency, other state authority, holder of public authorisation, an authority of the European Union or a Member State may request data from the central register which it requires for the execution of tasks arising from its jurisdiction.

(4) The Statistical Office of the Republic of Slovenia has the right to data which it requires for the implementation of the national programme of statistical surveys in the Republic of Slovenia for statistical purposes.

(5) Anyone may request data kept in the share register or the register of other registered book-entry securities as per the third paragraph of Article 25 of this Act, with the exception of data on tax identification numbers and unique identification numbers of natural persons. The aforesaid limitation of such data shall not apply in the cases referred to in the third paragraph of this Article.

(6) The central securities depository shall forward data to persons who may request data, in accordance with the second to fifth paragraphs of this Article, and which

these persons are entitled to request within five business days. The central securities depository shall forward data free of charge to the persons referred to in the third and fourth paragraphs of this Article.

Article 40
(Account balance statement)

At the request of an account holder of book-entry securities, the central securities depository shall issue annually and free of charge an account balance statement on 31 December for the past year.

Article 41
(Record of accesses)

(1) The central securities depository shall keep a record of accesses to the central register.

(2) The record as per the preceding paragraph is kept in such a way as to enable the complete traceability of processing personal data relating to accessing and other processing of personal data by the administrator, including cases of submitting personal data of users within the scope and duration as determined by the act regulating personal data protection.

Article 42
(Record of book-entry securities)

(1) The central securities depository shall keep a record of issued book-entry securities with data on the essential elements of said securities.

(2) The central securities depository shall publish on its website a list of book-entry securities entered in the central register which it keeps.

Article 43
(Issue of ownership certificate)

When ownership of, or other entitlement to, book-entry securities must be proven to the issuer for the realisation of rights over bearer securities, the certificate issued by the central securities depository shall serve as evidence. The detailed procedure for issuing certificates shall be determined by the central securities depository in its rules.

IX. SUPERVISION OF THE ACT'S IMPLEMENTATION AND PENAL PROVISIONS

Article 44
(Supervisory authority)

(1) The implementation of the provisions of this Act shall be supervised by the Agency.

(2) The Agency shall be offence authority which decides on offences and imposes the fines as per this Act.

Article 45
(Amount of fines)

A fine in an amount higher than the lowest prescribed fee specified with this Act may be imposed in a fast-track procedure for offences referred to in this Act.

Article 46
(Violations by the central securities depository)

(1) A fine between EUR 1,000 and 10,000 shall be imposed on the central securities depository if:

1. it fails to report data to the persons referred to in the third paragraph of Article 39 of this Act as per the sixth paragraph of Article 39 of this Act;
2. it fails to keep a record of accesses pursuant to Article 41 of this Act.

(2) A fine between EUR 500 and 5,000 shall be imposed on the responsible person of the central securities depository for the offence referred to in the preceding paragraph.

(3) If the nature of the offence referred to in the first paragraph of this Article is particularly serious due to the amount of damage caused or the amount of unlawfully acquired proceeds, the perpetrator's intent or their self-serving interest, a fine between EUR 5,000 and 30,000 shall be imposed on the central securities depository, and a fine between EUR 2,500 and 10,000 shall be imposed on the responsible person of the central securities depository.

(4) A fine between EUR 12,000 and 250,000 shall be imposed on the central securities depository if it fails to keep a record on book-entry securities as per the first paragraph of Article 42 of this Act.

(5) A fine between EUR 800 and 10,000 shall be imposed on the responsible person of the central securities depository for the offence referred to in the preceding paragraph.

(6) If the nature of the committed offence referred to in the fourth paragraph of this Article is particularly serious due to the amount of damage caused or the amount of unlawfully acquired proceeds, the perpetrator's intent or their self-serving interest, a fine between EUR 41,000 and 750,000 shall be imposed on the central securities depository. A fine between EUR 41,000 and 1,500,000 shall be imposed on the central securities depository, which, according to the act regulating companies, is considered a medium-sized or large company, and a fine between EUR 2,500 and 30,000 shall be imposed on the responsible person of the central securities depository.

Article 47
(Violations by other persons)

(1) A fine between EUR 12,000 and 250,000 shall be imposed on a legal entity and a fine between EUR 25,000 and 500,000 shall be imposed on a legal entity which, according to the act regulating companies, is considered a medium-sized or a large company if, contrary to the first paragraph of Article 9 of this Act, it manages a central register, but is not a central securities depository.

(2) A fine between EUR 25,000 and 150,000 shall be imposed on a sole trader (hereinafter: trader) or an individual performing an activity independently if they commit an offence referred to in the preceding paragraph.

(3) A fine between EUR 800 and 10,000 shall be imposed on the responsible person of a legal entity, a trader or an individual performing the activity independently if they commit an offence referred to in the first paragraph of this Article.

(4) A fine between EUR 130 and EUR 5,000 shall be imposed on an individual for the offence referred to in the first paragraph of this Article.

(5) If the nature of the offence as per the first paragraph of this Article is particularly serious due to the amount of damage caused or the amount of unlawfully acquired proceeds, the perpetrator's intent or their self-serving interest, a fine between EUR 41,000 and 750,000 shall be imposed on an offender that is a legal entity. A fine between EUR 41,000 and 1,500,000 shall be imposed on a legal entity which, according to the act regulating companies, is considered a medium-sized or a large company; a fine between EUR 41,000 and 450,000 shall be imposed on a trader or an individual performing the activity independently; a fine between EUR 400 and 15,000 shall be imposed on an individual, and a fine between EUR 2,500 and 30,000 shall be imposed on the responsible person of a legal entity, a trader or an individual performing the activity independently.

X. TRANSITIONAL AND FINAL PROVISIONS

Article 48

(Termination of register accounts and determination of the highest management costs)

(1) The central securities depository shall terminate the register accounts of legal entities by 30 September 2016, and the accounts of other persons by 1 January 2017. The book-entry securities in register accounts which shall not be transferred to other accounts by the due date for termination of register accounts shall be transferred to the account of the competent court as per the rules of the central securities depository and shall be subject to the provisions of acts regulating payment into court. A payment into court is free of charge if:

- performed from a register account whose holder is a natural person;
- the value of all book-entry securities kept in the register account and which shall be paid into court do not exceed EUR 100;
- none of the book-entry securities kept in the register account are subject to trading on the organised market;
- the holder of a register account has not received any payment arising from the ownership of book-entry securities kept in the register account since 1 January 2014.

(2) The central securities depository shall publish a notice on the termination of register accounts on its website and in two daily newspapers which are available throughout the Republic of Slovenia and shall inform thereof all holders of such accounts in writing.

(3) A detailed method of terminating register accounts shall be determined in the rules of the central securities depository, whereby the central securities depository shall:

- take all necessary actions to terminate register accounts free of charge, and
- enable holders of book-entry securities to irrevocably, permanently, with no right to compensation and free of charge renounce their book-entry securities which are free of any encumbrances and kept in register accounts.

(4) The annual cost of keeping an account and the fee for maintaining an account balance kept by the member of the central securities depository for a natural person shall not exceed 0.5 per cent of the average value of the book-entry securities kept in the relevant account. This limitation is part of reasonable business terms and conditions and is determined in the tariffs and price lists of the central securities depository and its members that keep accounts for natural persons. In accordance with reasonable business terms and conditions and the criterion on the value of book-entry securities kept in accounts of natural persons, the central securities depository may lower this threshold. With the exception of costs determined in the tariff, the members of the central securities depository may not charge additional costs for opening or closing accounts to natural persons.

(5) The central securities depository keeping book-entry securities in register accounts on the day this Act enters into force shall, no less than one month before the due date for the termination of register accounts, submit an estimate to the Agency on the change in income due to the termination of register accounts of natural persons. The provisions of the act regulating the financial instruments market on the assessment of the compliance of the tariff with reasonable business terms and conditions shall be applied *mutatis mutandis* to the assessment of the estimate in the preceding sentence, whereby the assessment of compliance also includes an assessment of reductions of fees for keeping the accounts of natural persons and balance maintenance of book-entry securities in these accounts which would be justified when considering all circumstances.

(6) A fine between EUR 12,000 and 250,000 shall be imposed on the central securities depository if:

- it fails to enable holders of book-entry securities to irrevocably, permanently, with no right to compensation and free of charge renounce their book-entry securities which are free of any encumbrances and kept in register accounts as per the first and third paragraphs of this Article;
- it fails to take all necessary actions to terminate register accounts free of charge as per the third paragraph of this Article, and
- it fails to submit to the Agency the estimate as per the preceding paragraph.

(7) A fine between EUR 800 and EUR 10,000 shall be imposed on the responsible person of the central securities depository for the offence referred to in the preceding paragraph.

Article 49 (Termination of validity)

(1) On the day this Act enters into force, the Book Entry Securities Act (Official Gazette of the Republic of Slovenia, nos. 23/99, 75/02 – ZIZ-1, 114/06, 2/07 – official consolidated text, 67/07 – ZTF1, 58/09 and 78/11; hereinafter: ZNVP) shall cease to apply.

(2) Notwithstanding the preceding paragraph, Articles 18 and 82 of the ZNVP shall further apply until 31 January 2016.

Article 50 (Preservation of third-party rights)

The rights of third parties entered in the central register on the basis of the ZNVP shall continue to apply as they had been entered.

Article 51
(Entry into force)

(1) This Act shall enter into force on the fifteenth day following its publication in the Official Gazette of the Republic of Slovenia.

(2) The provisions referred to Article 14 of this Act shall enter into force on 1 February 2016.

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Ljubljana, 25 September 2015
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National Assembly
of the Republic of Slovenia
Primož Hainz
Vice-President