COMMITTEE OF EXPERTS ON THE EVALUATION OF ANTI-MONEY LAUNDERING MEASURES AND THE FINANCING OF TERRORISM (MONEYVAL)

MONEYVAL(2010)7 ANN

Report on Fourth Assessment Visit - **Annexes**

Anti-Money Laundering and Combating the Financing of Terrorism

SLOVENIA

17 March 2010

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LIST OF ANNEXES

ANNEX I

I. DETAILS OF ALL BODIES MET ON THE ON-SITE MISSION - MINISTRIES, OTHER GOVERNMENT AUTHORITIES OR BODIES, PRIVATE SECTOR REPRESENTATIVES AND OTHERS

Agency for the Insurance Supervision
Agency for Public Legal Records and Related Services
Agency for Public Oversight of Auditing
Association of Accountants
Association of Insurance companies
Association of the Management Companies of Investment Funds
Association of the Members of the Stock Exchange
Bank of Slovenia
Bar association
Casino and Gaming Hall representatives
Chamber of Notaries
Committee for the Prevention of Money Laundering at the Bank association of Slovenia (including compliance officers of the commercial banks)
Company Service Providers
Head of the Analysis Service
Head of IT Service
Head of Department for Prevention and Supervision
Head of Department for Suspicious Transactions
Head of the Service for International Cooperation
Market Inspectorate
Ministry of Finance
Ministry of Foreign Affairs
Ministry of Interior, Criminal Police Directorate
Ministry of Interior, Internal Affairs Administration
Ministry of Justice
Office for Money Laundering Prevention
Prevention of Money Laundering, Brokerage Company
Representatives from Auditing Firms
Representatives of estate agents
Representatives of precious metals and stones businesses
State Agency for Gaming Supervision
State Prosecution Office
Securities Market Agency
Slovenian Intelligence and Security Agency
Slovene Institute of Auditors
Supreme Court

ANNEX II

II. DESIGNATED CATEGORIES OF OFFENCES BASED ON THE FATF METHODOLOGY

Designated categories of offences based on the FATF Methodology	Offence in domestic legislation
Participation in an organised criminal group and racketeering;	Criminal Association Article 294 (1) Whoever participates in a criminal association which has the purpose of committing criminal offences for which a punishment by imprisonment of more than three years, or a life sentence may be imposed, shall be punished by imprisonment of three months up to five years. (2) Whoever establishes or leads an association as referred to in the preceding paragraph, shall be punished by imprisonment of six months up to eight years. (3) A perpetrator of a criminal offence from the preceding paragraphs who prevents further commission of these offences or discloses information which has a bearing on the investigation and proving of criminal offences that have already been committed, may have his punishment for these offences mitigated, in accordance with Article 51 of this Penal Code. Criminal Conspiracy Article 295 Whoever agrees to commit a criminal offence with another, for which a punishment exceeding five years' imprisonment or a heavier sentence may be imposed, shall be sentenced to imprisonment for not more than one year.
Terrorism, including terrorist financing	Terrorism Article 108 (1) Whoever with the intention to destroy or severely jeopardise the constitutional, social, or political foundations of the Republic of Slovenia or another country or international organisation, to arouse fright among the population or to force the Government of the Republic of Slovenia or another country or international organisation to perform or stop performing something, to perform or threaten to perform one or more of the following actions: - assault on life or body or human rights and freedoms, - taking hostages, - considerable destruction of state or public buildings or representations of foreign states, transport system, infrastructure, information system, secured platforms in the continental shelf, public place or private property, - hijacking of an aircraft, ship or public transport, - production, possession, purchase, transport, supply or use of weapons, explosives, nuclear, biological or chemical weapons, - research and development of nuclear, biological or chemical weapons, - endangering security by releasing hazardous substances or causing fires, floods or explosions,

- disturbance or termination of supply with water, electrical energy or other basic natural resources, which could endanger human life,

shall be sentenced to imprisonment between three and fifteen years.

(2) Whoever wants to achieve the purpose referred to in the previous paragraph by using or threatening to use nuclear or other radioactive substance or device, by damaging a nuclear facility by releasing radioactive substance or enabling its release, or who by threatening or using force demands nuclear or other radioactive substance, device or facility shall be sentenced to imprisonment of up to fifteen years.

(3) Whoever prepares or helps to prepare criminal offences referred to in the previous paragraphs by illegally obtaining the required means to commit these criminal offences or by blackmailing prepares someone else to participate in these criminal offences, or whoever falsifies official or public documents required to commit these criminal offences shall be sentenced to imprisonment between one and eight years.

(4) If the act under paragraphs 1 or 2 results in death of one or more persons, the perpetrator shall be sentenced to imprisonment between eight and fifteen years.

(5) If the perpetrator in committing offences under paragraphs 1 or 2 of this Article intentionally takes the life of one or more persons, he shall be sentenced to imprisonment of at least fifteen years.

(6) If the act under paragraphs 1 or 2 of this Article was committed by a criminal organisation or group, which has the intention to commit criminal offences (hereinafter, terrorist organisation or group) specified in these paragraphs, it shall be sentenced to imprisonment between eight and fifteen years.

(7) Whoever participates in a terrorist organisation or group, which has the intention to commit criminal offences under paragraphs 1, 2, 4 or 5 of this Article, shall be sentenced to imprisonment of no more than eight years.

(8) Any person who establishes or leads the organisation referred to in the previous paragraph shall be sentenced with imprisonment of at least fifteen years.

Financing of Terrorist Activities

Article 109

(1) Whoever provides or collects money or property in order to partly or wholly finance the committing of offences under Article 108 of this Penal Code shall be sentenced to imprisonment between one and ten years.

(2) Whoever commits an offence from the preceding paragraph shall be subject to the same penalty even if the money or property provided or collected was not used for committing the criminal offences specified in the preceding paragraph.

(3) If an offence from the preceding paragraphs was committed within a terrorist organisation or group to commit terrorist acts, the perpetrator shall be sentenced to imprisonment between three and fifteen years.

(4) Money and property from the preceding paragraphs shall be seized.

Incitement and Public Glorification of Terrorist Activities

Article 110

(1) Whoever incites commitment of criminal offences under Article 108 of this Penal Code and therefore propagates messages or makes them available to other persons in some other manner with the intention to promote terrorist criminal offences and thus causes danger that one or more such criminal offences would be committed, shall be sentenced to imprisonment between one and ten years.

(2) Whoever directly or indirectly publicly glorifies or advocates criminal offences under Article 108 or the criminal offence referred to in the preceding paragraph by, with the purpose under preceding paragraph, propagating messages or making them available to the public and therefore cause danger that one or more such criminal offences would be committed, shall be punished in the same manner.

(3) Persecution for criminal offences under preceding paragraphs shall be initiated with the permission by the Minister of Justice.

Conscripting and Training for Terrorist Activities

Article 111

(1) Whoever conscripts for terrorist activities by encouraging another person to commit criminal offences under Article 108 of this Penal code, or participate in the order of such terrorist act, or joining a terrorist organisation or group to commit terrorist acts, which this criminal organisation or group commits, shall be sentenced to imprisonment between one and ten years.

(2) Whoever trains others for criminal offences under Article 108 of this Penal Code by providing instructions to manufacture and use explosives, firearms or other weapons, harmful or hazardous substances, trains them for other special methods or technology to perform or participate in a terrorist act, shall be punished in the same manner.

Trafficking in human beings and migrant smuggling; Sexual exploitation, including sexual exploitation of children;

Enslavement

Article 112

(1) Whoever, in violation of international law, brings another person into slavery or a similar condition, or keeps another person in such a condition, or buys, sells or delivers another person to a third party, or brokers the buying, selling or delivery of another person, or urges another person to sell his freedom or the freedom of the person he supports or looks after, shall be sentenced to imprisonment between one and ten years.

(2) Whoever transports persons held in the condition of slavery or in similar condition from one country to another, shall be sentenced to imprisonment between six months and five years.

(3) Whoever commits the offence under paragraphs 1 or 2 of this Article against a minor shall be sentenced to imprisonment between three and fifteen years.

Trafficking in Human Beings

Article 113

(1) Whoever purchases another person, takes possession of them, accommodates them, transports them, sells them, delivers them or uses them in any other way, or acts as a broker in such operations, for the purpose of prostitution or another form of sexual exploitation, forced labour, enslavement, service or trafficking in organs, human tissue or blood shall be given a prison sentence of between one and ten years.

(2) If an offence from the preceding paragraph was committed against a minor or with force, threats, deception, kidnapping or exploitation of a subordinate or dependent position, or in order to force a victim to become pregnant or be artificially inseminated, shall be given a prison sentence of between three and fifteen years.

(3) Whoever carries out an offence from paragraphs 1 and 2 of this Article as a member of a criminal organisation to commit such offences, or if a large pecuniary benefit was gained through committing the offence, the perpetrator shall be subject to the same punishment as specified in the preceding paragraph.

Rape

Article 170

(1) Whoever compels a person of the same or opposite sex to submit to sexual intercourse with him by force or threat of imminent attack on life or limb shall be sentenced to imprisonment for not less than one and not more than ten years.

(2) If the offence under the preceding paragraph has been committed in a cruel or extremely humiliating manner or successively by several perpetrators or against offenders serving sentence or other persons whose personal freedom was taken away, the perpetrator(s) shall be sentenced to imprisonment for not less than three and not more than fifteen years.

(3) Whoever compels a person of the same or opposite sex to submit to sexual intercourse by threatening him/her with large loss of property to him/her or to his/her relatives or with the disclosure of any matter concerning him/her or his/her relatives which is capable of damaging his/her or his/her relatives' honour and reputation shall be sentenced to imprisonment for not less than six months and not more than five years.
(4) If offences under paragraphs 1 or 3 of this Article have been committed against a spouse or an extra-marital partner or partner of a registered same-sex civil partnership, the prosecution shall be initiated upon a complaint.

Sexual Violence

Article 171

(1) Whoever uses force or threatens a person of the same or opposite sex with imminent attack on life or limb thereby compelling that person to submit to any lewd act not covered by the preceding Article or to perform such an act shall be sentenced to imprisonment for not less than six months and not more than ten years.
(2) If the offence under the preceding paragraph has been committed in a cruel or extremely humiliating manner or successively by several perpetrators or against offenders serving sentence or other persons whose personal freedom was taken away, the perpetrator(s) shall be sentenced to imprisonment for not less than three and not more than fifteen years.
(3) Whoever compels a person of the same or opposite sex to perform or submit to any lewd act by threatening him/her with a large loss of property to him/her or to his/her relatives or with the disclosure of any matter concerning him/her or his/her relatives which is capable of damaging his/her or his/her relatives' honour and reputation shall be sentenced to imprisonment for not more than five years.
(4) If offences under paragraphs 1 or 3 of this Article have been committed against a spouse or an extra-marital partner or partner of a registered same-sex civil partnership, the prosecution shall be initiated upon a complaint.

Sexual Abuse of Defenceless Person

Article 172

(1) Whoever has sexual intercourse or performs any lewd act with a person of the same or opposite sex by abusing the fact of his/her mental disease, temporary or graver mental disorder or sickness or any other state, owing to which that person is not capable of resisting, shall be sentenced to imprisonment for not less than one and not more than eight years.
(2) Whoever, under circumstances under the preceding paragraph, violates the sexual integrity of another person in any other way shall be sentenced to imprisonment for not more than five years.

Sexual Assault on a Person Below Fifteen Years of Age

Article 173

(1) Whoever has sexual intercourse or performs any lewd act with a person of the same or opposite sex under the age of fifteen years shall be sentenced to imprisonment for not less than three and not more than eight years.
(2) Whoever commits the offence under the preceding paragraph against the defenceless person under the age of fifteen or by threatening him/her with imminent attack on life or limb shall be sentenced to imprisonment for not less than five and not more than fifteen years.
(3) A teacher, educator, guardian, adoptive parent, parent, priest, doctor or any other person who through the abuse of his position has sexual intercourse or performs any lewd act with a person under the age of fifteen and whom he is entrusted to teach, educate, protect or care for shall be sentenced to imprisonment for not less than three and not more than ten years.

(4) Whoever, under circumstances under paragraphs 1, 2 or 3 of this Article, violates the sexual integrity of the person under the age of fifteen years shall be sentenced to imprisonment for not more than five years.

Violation of Sexual Integrity by Abuse of Position

Article 174

(1) Whoever, by abusing his position, induces his subordinate or a person of the same or different sex who depends on him to have sexual intercourse with him or to perform or submit to any lewd act shall be sentenced to imprisonment for not more than five years.

(2) A teacher, educator, guardian, adoptive parent, parent or any other person who through the abuse of his position has sexual intercourse or performs any lewd act with a person above the age of fifteen whom he is entrusted to teach, educate, protect or care for shall be sentenced to imprisonment for not less than one and not more than eight years.

Exploitation through Prostitution

Article 175

(1) Whoever participates for exploitative purposes in the prostitution of another or instructs, obtains or encourages another to engage in prostitution with force, threats or deception shall be given a prison sentence of between three months and five years.

(2) If an offence from the preceding paragraph is committed against a minor, against more than one person or as part of a criminal organisation, the perpetrator shall be given a prison sentence of between one and ten years.

Presentation, Manufacture, Possession and Distribution of Pornographic Material

Article 176

(1) Whoever sells, presents or publicly exhibits documents, pictures or audiovisual or other items of a pornographic nature to a person under fifteen years of age, enables them to gain access to these in any other way or shows them a pornographic or other sexual performance shall be given a fine or a prison sentence of up to two years.

(2) Whoever abuses a minor in order to produce pictures or audiovisual or other items of a pornographic or other sexual nature, or uses them in a pornographic or other sexual performance or is knowingly present at such performance, shall be given a prison sentence of between six months and five years.

(3) Whoever produces, distributes, sells, imports or exports pornographic or other sexual material depicting minors or their realistic images, supplies it in any other way, or possesses such material, or discloses the identity of a minor in such material shall be subject to the same sentence as in the preceding paragraph.

(4) If an offence from paragraphs 2 or 3 of this Article was committed within a criminal organisation for the committing of such criminal offences, the perpetrator shall be given a prison sentence of between one and eight years.

(5) Pornographic or other sexual material from paragraphs 2, 3 or 4 of this Article shall be seized or its use appropriately disabled.

Prohibited Crossing of State Border or Territory

Article 308

(1) Whoever crosses the border of the Republic of Slovenia by force, or enters its territory illegally armed with weapons, shall be sentenced to imprisonment for not less than three months, and not more than three years and punished by a fine.

(2) The same punishment shall be imposed on an alien who does not possess a residence permit for the Republic of Slovenia, or if he stays in its territory in the manner as referred to in the preceding paragraph, or resists a legal removal therefrom.

(3) Whoever engages in the prohibited transit of aliens, without leave to enter or remain in the Republic of Slovenia, across the border of the Republic of Slovenia, or whoever

transits aliens or helps to conceal them, or whoever is engaged in assisting a group of two or more such aliens to cross the border or the territory of the state against payment, shall be punished by a term of up to five years of imprisonment and by a fine.
(4) An official who, by abusing his official position or rights, enables an alien illegal entry to the territory of the Republic of Slovenia or illegal stay therein, shall receive the penalty referred to in the preceding paragraph.
(5) If a disproportionate property benefit has been gained for himself or a third person by the perpetrator committing offences referred to in paragraphs 3 or 4 of this Article, or if he acquires a work force without rights, or poses a threat to human life or health, or commits such acts as a member of a criminal association, he shall be sentenced to imprisonment for not less than one and not more than eight years and punished by a fine.
(6) Whoever gains over or collects people with a view of illegal transfer, provides them with forged documents or transportation, or organises illegal transfer in any other way, shall be sentenced to imprisonment for not more than five years and punished by a fine
(7) The above paragraph shall also apply to criminal offences committed abroad, if the country where such offences have been committed has adopted, like the Republic of Slovenia, the common international legal obligation of preventing such criminal offences, regardless of where they are committed, and has determined such acts in its law in the same proper way as criminal offences. If the criminal offence has been committed in the territory of the European Union, in the application of paragraphs 2, 3, 4 and 5 of this Article the citizens of its Member States shall not be considered aliens.

Illicit trafficking in narcotic drugs and psychotropic substances;

Unlawful Manufacture and Trade of Narcotic Drugs,
Illicit Substances in Sport and Precursors
to Manufacture Narcotic Drugs
Article 186

(1) Whoever unlawfully manufactures, processes, sells or offers for sale plants or substances, which are classified as narcotic drugs or illicit substances in sport, or whoever purchases, keeps or transports such drugs or substances with a view to resell them, or the precursors, which are used to manufacture narcotic drugs, shall be sentenced to imprisonment for not less than one and not more than ten years.
(2) Whoever sells, offers for sale or hands out free of charge narcotic drugs or precursors to manufacture narcotic drugs to a minor, mentally disabled person, person with a temporary mental disturbance, severe mental retardation or person who is in the rehabilitation, or if the offence is committed in educational institutions or in immediate vicinity thereof, in prisons, military units, public places or public events, or if the offence under paragraph 1 is committed by a civil servant, priest, doctor, social worker, teacher or educator and thereby exploits his position, or whoever in order to commit the mentioned offence uses minors shall be sentenced to imprisonment between three and fifteen years.
(3) If an offence from paragraphs 1 or 2 was committed within a criminal organisation for the committing of such criminal offences, or if the perpetrator of this offence organised a network of resellers or agents, the perpetrator shall be sentenced to imprisonment between five and fifteen years.
(4) Whoever without an authorisation manufactures, purchases, possesses or furnishes other persons with the equipment, substances or precursors, which are to his knowledge intended for the manufacture of narcotic drugs or illicit substances in sport, shall be sentenced to imprisonment for not less than six months and not more than five year.
(5) Narcotic drugs or illicit substances in sport and the means of their manufacture and means of transport with a specially adapted space for the transport and storage of drugs or illicit substances in sport shall be seized.

Rendering Opportunity for Consumption of Narcotic Drugs or Illicit Substances in Sport

Article 187

(1) Whoever solicits another person to use narcotic drugs or illegal doping substances or provides a person with drugs to be used by him or by a third person, or whoever provides a person with a place or other facility for the use of narcotic drugs or illicit substances in sport shall be sentenced to imprisonment for not less than six months and not more than eight years.

(2) Whoever commits the offence under paragraph 1 against several persons, a minor, mentally disabled person, person with a temporary mental disturbance, severe mental retardation or person who is in the rehabilitation, or if the offence is committed in educational institutions or in immediate vicinity thereof, in prisons, military units, public places or public events, or if the offence under paragraph 1 is committed by a civil servant, priest, doctor, social worker, teacher or educator, and thereby exploits his position, shall be sentenced to imprisonment between one and twelve years.

(3) Narcotic drugs, illicit substances in sport and the tools for their consumption shall be seized.

Illicit arms trafficking

Manufacture and Acquisition of Weapons and Instruments Intended for the Commission of Criminal Offence

Article 306

(1) Whoever manufactures or acquires or keeps weapons, explosive materials or instruments for their manufacture, or poisons which he knows to be intended for the commission of a criminal offence, or whoever provides another person with access to the same, shall be sentenced to imprisonment for not more than three years.

(2) Whoever manufactures or offers to another, a false key, lock-pick or any other instrument of burglary, if he knows it to be intended for the commission of a criminal offence, shall be sentenced to imprisonment for not more than one year.

(3) The punishment under the above paragraph shall be imposed on whoever possesses, manufactures, sales, puts to use, imports, exports, or makes available in any other manner, with the intention of committing a criminal offence, instruments intended for the breaking or illegal entry into the information system.

Illegal Manufacture of and Trade in Weapons or Explosive Materials

Article 307

(1) Whoever unlawfully manufactures, acquires, offers, sells, barters or imports into or exports from the country firearms, chemical, biological or nuclear weapon, ammunition or explosive materials or military weapons and equipment, trade in which is prohibited to individuals or is restricted, or intermediates therein, shall be sentenced to imprisonment for not less than six months and not more than five years.

(2) If the offence under the preceding paragraph involves a large quantity of or very valuable or dangerous firearms, ammunition, explosive substances or other means of combat, or if it poses threat, or if the act has been committed within a criminal association, the perpetrator shall be sentenced to imprisonment for not less than one and not more than ten years.

(3) If the act under paragraph 1 of this Article involves an individual firearm or a small quantity of ammunition for such a firearm, the perpetrator shall be punished by imprisonment of up to one year.

(4) The same sentence as that referred to in the preceding paragraph shall be imposed on a person who falsifies, or destroys, removes, or changes without authorisation marks on firearms.

(5) Whoever unlawfully manufactures, acquires, keeps, sells, barters imports into or exports from the country composite or spare parts of firearms, ammunition, explosive

materials or military weapons and equipment, a substance or ingredients of which he is aware to be used for the manufacture or operation of the items referred to in preceding paragraphs, or intermediates therein, shall be sentenced to imprisonment for not more than five years.

Illicit trafficking in stolen and other goods

Concealment
Article 217

(1) Whoever purchases, takes as a pledge or otherwise acquires, conceals or disposes either of movable or immovable property which he knows to have been gained unlawfully shall be sentenced to imprisonment for not more than two years.
(2) Whoever commits the offence under the preceding paragraph, and whoever should and could have known that the property had been gained unlawfully, shall be punished by a fine or sentenced to imprisonment for not more than one year.
(3) If the offence referred to in paragraphs 1 or 2 of this Article was committed by at least two persons who colluded with the intention of concealment, or if the property referred to in paragraphs 1 or 2 of this Article is of high value, or the property is either of special cultural significance or a natural curiosity, the perpetrator shall be sentenced to imprisonment for not more than three years for the offence referred to in paragraph 1, and to imprisonment for not more than two years for the offence referred to in paragraph 2.

Corruption and bribery

Unauthorised Acceptance of Gifts
Article 241

(1) Whoever, in the performance of an economic activity, requests or agrees to accept for himself or any third person an unauthorised award, gift or other property benefit, or a promise or offer for such benefit, in order to neglect the interests of his organisation or other natural person or to cause damage to the same when concluding or retaining a contract or other unauthorised benefit, shall be sentenced to imprisonment for not less than six months and not more than five years.
(2) The perpetrator of the offence under the preceding paragraph of this Article, who requests or agrees to accept an unauthorised award, gift or other property benefit, or a promise or offer for such benefit, for himself or any third person in exchange for making or retaining a contract or other benefit, shall be sentenced to imprisonment for not less than three months and not more than five years.
(3) The perpetrator of the offence under paragraph 1 of this Article who requests or agrees to accept an unauthorised award, gift or other property benefit after the contract is concluded or service performed, or other unauthrorised benefit is acquired for himself or any third person, shall be sentenced to imprisonment for not more than two years.
(4) The accepted gift, award, or any other benefit shall be seized.

Unauthorised Giving of Gifts
Article 242

(1) Whoever promises, offers, or gives an unauthorised award, gift or any other property benefit to a person performing an economic activity, intended for such a person or any third person with a view to obtaining any unjustified benefit for himself or any third person when concluding or retaining a contract or other unauthorised benefit under paragraph 1 of Article 241, shall be sentenced to imprisonment for not less than six months and not more than five years.
(2) Whoever promises, offers, or gives an unauthorised award, gift or any other property benefit to a person performing an economic activity, intended for such a person or any third person in exchange for making or retaining a contract or other benefit, shall be sentenced to imprisonment for not more than three years.
(3) If the perpetrator under the previous paragraphs who gave the unauthorised award,

gift or any other property benefit upon request, declares the offence before it was detected or he knew it had been detected, his punishment may be remitted.
(3) The given award, gift or other property benefit shall be seized, while in the case under the preceding paragraph, the same may be returned to the person who gave it.

Acceptance of Bribes

Article 261

(1) An official or a public officer who requests or agrees to accept for himself or any third person an award, gift or other property benefit, or a promise or offer for such benefit, in order to perform an official act within the scope of his official duties which should not be performed, or not to perform an official act which should or could be performed, or make other abuse of his position, or whoever serves as an agent for the purpose of bribing an official, shall be sentenced to imprisonment for not less than one and not more than eight years and punished by a fine.
(2) An official or a public officer who requests or agrees to accept for himself or any third person an award, gift or other property benefit, or a promise or offer for such benefit, in order to perform an official act within the scope of his official duties which should or could be performed, or not to perform an official act which should not be performed, or make other use of his position, or whoever intermediates in such a bribery of the official, shall be sentenced to imprisonment for not less than one and not more than five years.
(3) An official or a public officer who requests or accepts an award, gift or other favour with respect to the performance of the official act under preceding paragraphs after the official act is actually performed or omitted, shall be punished by a fine or sentenced to imprisonment for not more than three years.
(4) The accepted award, gift and other benefit shall be seized.

Giving Bribes

Article 262

(1) Whoever promises, offers or gives an award, gift or other benefit to an official or a public officer for him or any third person in order for him either to perform an official act within the scope of his official duties which should not be performed, or not to perform an official act which should or could be performed, or makes other abuse of his position, or whoever serves as an agent for the purpose of bribing an official, shall be sentenced to imprisonment for not less than one and not more than five years and punished by a fine .
(2) Whoever promises, offers or gives an award, gift or other benefit to an official or a public officer for him or any third person in order for him either to perform an official act within the scope of his official duties which should or could be performed, or not to perform an official act which should not be performed, or makes other use of his position, shall be sentenced to imprisonment for not less than six months and not more than three years.
(3) If the perpetrator under the preceding paragraphs who gave the award, gift or other benefit on request of an official or public officer, had declared such an offence before it was detected or he knew it had been detected, his punishment may be remitted.

Accepting Benefits for Illegal Intermediation

Article 263

(1) Whoever accepts an award, gift or any other favour or promise or offer for such a favour for himself or any third person, in order to use his rank or real or presumptive influence to intervene so that a certain official act be or not be performed, shall be sentenced to imprisonment for not more than three years.
(2) Whoever uses his rank or his real or presumptive influence to intervene either for the performance of a certain official act which should not be performed or for the non-

performance of an official act which should or could be performed, shall be punished to the same extent.
(3) If the perpetrator, prior to or after the intervention, accepts any award, gift or other favour for himself or any third person in exchange for his intervention referred to in the preceding paragraph, he shall be sentenced to imprisonment for not less than one and not more than five years.
(4) The accepted award, gift and other benefit shall be seized.

Giving of Gifts for Illegal Intervention
Article 264

(1) Whoever promises, offers or gives an award, gift or any other favour to another person for himself or any third person, in order to use his rank or real or presumptive influence to intervene so that a certain official act be or not be performed, shall be sentenced to imprisonment for not more than three years.
(2) Whoever promises, offers or gives an award, gift or any other favour to other person for himself or any third person, in order to use his rank or real or presumptive influence to intervene either for the performance of a certain official act which should not be performed or for the non-performance of an official act which should or could be performed, shall be sentenced to imprisonment for not less than one and not more than five years.
(3) If the perpetrator under the preceding paragraphs who gave the award, gift or other benefit on request of the illegal intermediary, had declared such an offence before it was detected or he knew it had been detected, his punishment may be remitted.

Fraud

Fraud
Article 211

(1) Whoever, with the intention of acquiring unlawful property benefit for himself or a third person by false representation, or by the suppression of facts leads another person into error or keeps him in error, thereby inducing him to perform an act or to omit to perform an act to the detriment of his or another's property, shall be sentenced to imprisonment for not more than three years.
(2) Whoever, with the intention as referred to in the preceding paragraph of this Article, concludes an insurance contract by stating false information, or suppresses any important information, concludes a prohibited double insurance, or concludes an insurance contract after the insurance or loss event have already taken place, or misrepresents a harmful event, shall be sentenced to imprisonment for not more than one year.
(3) If the fraud was committed by at least two persons who colluded with the intention of fraud, or if the perpetrator committing the offence referred to in paragraph 1 of this Article caused large-scale property damage, the perpetrator shall be sentenced to imprisonment for not less than one, and not more than eight years.
(4) If the offence referred to in paragraphs 1 or 3 of this Article was committed within a criminal association, the perpetrator shall be sentenced to imprisonment for not less than one, and not more than ten years
(5) If a minor loss of property has been incurred by the committing of the offence under paragraph 1 of this Article and if the perpetrator's intention was to acquire a minor property benefit, he shall be punished by a fine or sentenced to imprisonment for not more than one year.
(4) Whoever, with the intention of causing damage to another person by false representation or the suppression of facts, leads a person into error or keeps him in error, thereby inducing him to perform an act or to omit to perform an act to the detriment of his or another's property shall be punished by a fine or sentenced to imprisonment for not more than one year.

(5) The prosecution for the offences under paragraphs 5 and 6 of this Article shall be initiated upon a complaint.

Defrauding Creditors

Article 227

(1) Whoever, while engaging in economic activities, is aware of himself or a third person being insolvent and who, by payment of a debt or otherwise, intentionally puts a certain creditor in a preferential position, thereby causing a large property loss to other creditors, shall be sentenced to imprisonment for not more than five years.
(2) Whoever, knowing that he or a third person is insolvent, and with the intention of defrauding or causing damage to creditors, concedes a false claim, drafts a false contract or otherwise causes a large property loss to creditors, shall be punished to the same extent.

Business Fraud

Article 228

(1) Whoever, in the performance of an economic activity, when concluding or implementing a contract or a service, defrauds another by representing the obligations as that they will be fulfilled, or by concealment of the fact that the obligations will not be or will not be able to be fulfilled, gains a property benefit or causes loss of property to a client or a third person on account of such partial or complete non-fulfilment of obligations, shall be sentenced to imprisonment for not more than five years.
(2) If the offence under the preceding paragraph has resulted in a large property benefit acquired or a large loss of property, the perpetrator shall be sentenced to imprisonment for not less than one and not more than ten years.
(3) If the act referred to in paragraph 1 of this Article resulted in a small property benefit acquired or a small loss of property, the perpetrator shall be punished by a fine or sentenced to imprisonment for not more than one year.

Fraud to the Detriment of European Communities

Article 229

(1) Whoever avoids expenses by way of using or submitting false, incorrect, or incomplete statements or documents, or does not reveal data and thus misappropriates or unlawfully withholds or uses inappropriately funds of the general budget of European Communities or of the budgets managed by European Communities or managed on their behalf, shall be sentenced to imprisonment for not less than three months and not more than three years.
(2) Whoever acquires funds by means of offences and from the budgets referred to in the preceding paragraph shall be punished to the same extent.
(3) If the offence under the preceding paragraphs has resulted in a large property benefit acquired or a large loss of property, the perpetrator shall be sentenced to imprisonment for not less than one and not more than eight years.
(4) Punishments referred to in above paragraphs of this Article shall apply to the managers of companies or other persons authorised to take decisions or carry out control in enterprises, if they render possible or do not prevent the criminal offences of perpetrators referred to in above paragraphs that are subordinated and act on behalf of the company.

Fraud in Obtaining Loans or Benefits

Article 231

(1) Whoever, without having complied with the conditions required for obtaining a loan, investment assets, a subsidy or any other benefit intended for the performance of an economic activity, obtains such a loan or other benefit for himself or for any third person by presenting to the lender or other person whose job it is to approve such a loan or benefit, false or incomplete data concerning the balance of assets, balance sheets,

profits, losses or any other fact relevant to the approval of the above mentioned loan or other benefit, or suppresses any fact, shall be punished by a fine or sentenced to imprisonment for not more than three years.
(2) If the loan or any other benefit referred to in the preceding paragraph has been used for purposes other than those agreed with the lender or the person competent for granting such a benefit, the perpetrator shall be punished by a fine or sentenced to imprisonment for not more than one year.

Fraud in SecuritiesTrading
Article 231

(1) Whoever, in trading stocks, other securities or other financial instruments, falsely represents the balance of assets, data on profits or losses, or any other data in the prospectus, when publishing an annual report, or in any other way which has considerable influence on the value of the above mentioned securities, thereby inducing one or more persons to make a purchase or sale of, or makes any other transaction with such securities, shall be punished by a fine or sentenced to imprisonment for not more than two years.
(2) If the offence under the preceding paragraph concerns securities or other financial instruments of high value, the perpetrator shall be sentenced to imprisonment for not less than five years.

Deception of Purchasers
Article 232

(1) Whoever, with the intention of deceiving purchasers, puts into circulation to a considerable extent products labelled with false information about their content, type, origin or quality; or products whose weight or quality does not correspond to the required standards applying to such products' weight or quality; or products which are not duly labelled so as to point out their content, type, origin, quality or use-by date, shall be punished by a fine or sentenced to imprisonment for not more than two years.
(2) Whoever makes contracts that contain false declarations regarding the terms of supply or the mode of fulfilment of obligations, where any such declaration is an essential component of the contract, shall be punished to the same extent.
(3) Whoever, with the intention of deceiving purchasers or consumers of services, falsely declares a reduction in prices, sales of merchandise, or announces an impending price increase, or uses any other deceptive advertising, shall be punished by a fine.

Counterfeiting currency

Counterfeiting Money
Article 243

(1) Whoever makes counterfeit money with the intention of putting it into circulation as genuine, or alters genuine money with the same intention, or puts such false money into circulation, shall be sentenced to imprisonment for not less than six months and not more than eight years.
(2) Whoever acquires counterfeit money with the intention of putting it into circulation as genuine shall be punished to the same extent.
(3) If the offence under paragraphs 1 or 2 of this Article involves a great quantity of counterfeit money, the perpetrator shall be sentenced to imprisonment for not less than one and not more than ten years.
(4) Whoever puts false money which he received as genuine into circulation, or whoever knows that money was counterfeited or put into circulation and fails to declare such offences, shall be punished by a fine or sentenced to imprisonment for not more than six months.
(5) Counterfeit money shall be seized.
(6) The money shall be coins or paper money which is put into circulation in the Republic of Slovenia or other country on the basis of the law.

Counterfeiting and piracy of products

Prevention of Printing and Transmission
Article 146
Whoever unlawfully prevents either the printing, sale, or dissemination of a newspaper, book or any other printed matter, or the transmission of any radio or television programme shall be sentenced to imprisonment for not more than one year.

Violation of Moral Copyright
Article 147
(1) Whoever publishes, presents, performs or transmits the work of another author under his own name or the name of a third person, or whoever gives permission for this to be done shall be punished by a fine or sentenced to imprisonment for not more than one year.
(2) Whoever deforms, truncates or otherwise interferes with the content of the work of another person without his authorisation shall be punished by a fine or sentenced to imprisonment for not more than six months.
(3) The prosecution shall be initiated upon a complaint.

Violation of Material Copyright
Article 148
(1) Whoever uses with the purpose to sell and without authorisation one or more copyrighted works or copies thereof of a high total market value shall be given a prison sentence of up to three years.
(2) If the market value of copyrighted works from the preceding paragraph is very high, the perpetrator shall be given a prison sentence of up to five years.
(3) If a very large pecuniary benefit has been unlawfully gained through committing an offence under paragraphs 1 or 2 of this Article and the perpetrator's intention was to secure this pecuniary benefit for himself or another person, the perpetrator shall be given a prison sentence of between one and eight years.
(4) Copies of copyrighted works and the equipment used to reproduce them shall be seized.

Violation of Copyright and Related Rights
Article 149
(1) Whoever reproduces, makes available to the public, distributes or leases one or more performances, phonograms, video recordings, radio and television broadcasts or databases of a high total market value and without authorisation shall be given a prison sentence of up to three years.
(2) Whoever reproduces, makes available to the public, distributes or leases one or more performances, phonograms, video recordings, radio and television broadcasts or databases of a very high total market value and without authorisation shall be given a prison sentence of up to five years.
(3) If a very large pecuniary benefit has been unlawfully gained through committing an offence under paragraphs 1 or 2 of this Article and the perpetrator's intention was to secure this pecuniary benefit for himself or another person, the perpetrator shall be given a prison sentence of between one and eight years.
(4) Copies of performances, phonograms, video recordings, radio and television broadcasts or databases and the equipment used to reproduce them shall be seized.

Unauthorised Use of Another's Mark or Model
Article 233
(1) Whoever, while engaging in economic activities, uses another's trade name, brand, geographical indication, or another's special goods trademark or services trademark, or whoever uses particular components of another's mark in his own trade name, brand, or other mark of goods or services shall be sentenced to imprisonment up to three years.
(2) Whoever, while engaging in economic activities, uses another's model without due

authorisation, shall be punished to the same extent.
(3) Objects under paragraphs 1 and 2 of this Article, as well as tools and devices used for their manufacture, shall be seized.

Unauthorised Use of Another's Patent or Topography

Article 234

(1) Whoever, in performing business operations, uses a patent protected by another person without due authorisation or additional protection certificate, or a registered topography of the circuit of a semiconductor, or a new plant variety, protected by a plant variety right, shall be punished to imprisonment up to three years.
(2) Products manufactured on the basis of unauthorised use from the preceding paragraph shall be seized.

Environmental crime

Burdening and Destruction of Environment

Article 332

(1) Whoever endangers the life or health of a substantial number of people, or causes, in whole or in part, damage to, or the destruction of the environment, or causes the threat of such damage or destruction, by breaching regulations

1) or by any other general dangerous action releases or introduces dangerous substances or ionizing radiation into the air, soil or water,
2) processes, including the removal, storage, transport, export or import of waste, dangerous waste or other dangerous substances, or sending these illegally for profit,
3) manages a plant where a dangerous activity takes place or dangerous substances or preparations are stored which results in a threat to the area outside of the plant,
4) significantly degrades a protected habitat,
5) trades in or uses substances which cause ozone layer depletion,
6) causes an excessive pollution of environment, impair the environment or excessively exploits natural goods,

shall be sentenced to imprisonment for not more than five years.
(2) If the offence under the preceding paragraph is committed through negligence, the perpetrator shall be punished by a fine or by an imprisonment of up to two years.
(3) If the offence under paragraphs 1 or 2 of this Article has as a consequence the impairment of health of a substantial number of people, the destruction, in whole or in part, of flora or fauna, or reservoirs of drinking water, or any other damage to the environment resulting in serious consequences, continuous pollution at a critical level or critical damage to the environment, the perpetrator shall be punished by imprisonment of up to eight years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be punished by imprisonment of up to three years.
(4) If the offence under paragraphs 1 or 2 of this Article results as a consequence in irreparable damage to, or destruction of the environment or protected natural resources, the perpetrator shall be punished by imprisonment of up to ten years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be punished by imprisonment of up to five years.
(5) If the offence under paragraphs 1 or 2 of this Article entails the death of one or more persons, the perpetrator shall be sentenced to imprisonment for not less than one and not more than twelve years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be sentenced to imprisonment for not less than one and not more than eight years.
(6) The same punishment as referred to in the preceding paragraph shall be imposed on a perpetrator who committs the offences referred to in the preceding paragraph as a member of a criminal association for the commission of such criminal offences.

Pollution of Sea or Waters from Ships

Article 333

(1) Whoever breaches regulations by releasing from a ship or other vessel oil, chemicals or other pollutants into the sea, lake or river waters, thus polluting the sea, waters or shores, shall be sentenced to imprisonment for not more than five years.
(2) If the offence under the preceding paragraph is committed through negligence, the perpetrator shall be punished by an imprisonment of up to three years.
(3) If the offence under paragraphs 1 or 2 of this Article causes the impairment of human health, or irreparable damage to, or destruction of waters or shoreline, animals or plants, the perpetrator shall be punished by imprisonment for not less than one and not more than ten years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be punished by imprisonment of not less than six months and not more than five years.
(4) If the offence under paragraphs 1 or 2 of this Article entails the death of one or more persons, the perpetrator shall be sentenced to imprisonment for not less than three and not more than twelve years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be sentenced to imprisonment for not less than one and not more than eight years.

Import and Export of Radioactive Substances

Article 334

(1) Whoever, contrary to regulations, imports or exports nuclear or other dangerous substances or waste to or from the country, shall be punished by imprisonment of up to five years.
(2) Whoever, by abuse of his office or authorisations, enables, contrary to regulations, the import of the substances or waste in paragraph 1 of this Article into the country, shall be punished by imprisonment of six months up to eight years.
(3) If the offence referred to in paragraph 1 of this Article was committed within a criminal association for the commission of such criminal offences, the perpetrator shall be punished by imprisonment of one up to ten years.

Unlawful Acquisition or Use of Radioactive or Other Dangerous Substances

Article 335

(1) Whoever breaches regulations by producing, accepting, possessing, processing, storing, using or transporting, dumping or discharging radioactive or other substances dangerous to human health and life and to the environment, shall be sentenced to imprisonment for not more than five years.
(2) If the offence under the preceding paragraph of this Article entails grievous bodily harm to one or more persons or substantial damage to the quality of air, soil, water, animals, or plants, the perpetrator shall be sentenced to imprisonment for not less than six months and not more than eight years.
(3) If the offence under paragraph 1 of this Article entails the death of one or more persons, the perpetrator shall be sentenced to imprisonment for not less than one and not more than ten years.
(4) Whoever acquires nuclear substances by means of larceny, robbery, misappropriation, fraud, threat or the use of force, or other method of intimidation, shall be sentenced to imprisonment for not less than one and not more than ten years.
(5) If the offence targeting or interfering with the operation of a nuclear facility entails grievous bodily harm or death of one or more persons, or a substantial loss of property or environmental damage, as a result of exposure to radiation or the release of radioactive substances, the perpetrator shall be sentenced to imprisonment for not less than one and not more than fifteen years.
(6) The same punishment as referred to in the preceding paragraph shall be imposed on a perpetrator who committed the offences referred to in the preceding paragraphs in a

criminal association for the commission of such criminal offences.

Pollution of Drinking Water

Article 336

(1) Whoever pollutes water used by people for drinking water with any noxious agent, thereby causing danger to human life or health, shall be punished by imprisonment of up to three years.
(2) If the offence under the preceding paragraph is committed through negligence, the perpetrator shall be punished by a fine or by imprisonment of up to three months.
(3) If the offence under paragraphs 1 or 2 of this Article has as a consequence serious bodily injury to one or more persons, the perpetrator shall be sentenced to imprisonment of up to five years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be punished by imprisonment of up to three years.
(4) If the offence under paragraphs 1 or 2 of this Article has as a consequence the death of one or more persons, the perpetrator shall be punished by imprisonment of one to twelve years for the offence under paragraph 1, while for the offence under paragraph 2 he shall be punished by imprisonment of one to eight years.
(5) Whoever pollutes water intended for the watering of animals with any noxious agent, thereby causing danger to life and health of animals, shall be punished by a fine or by imprisonment of up to one year.
(6) If the offence under paragraph 5 of this Article has as a consequence the death of animals of substantial value or of a substantial number of animals, the perpetrator shall be punished by imprisonment of up to three years.

Destruction of Plantations by a Noxious Agent

Article 339

Whoever causes the destruction of another's plants, fruit trees or other plantations by means of a noxious agent, thereby causing substantial damage to such plantations, shall be punished by a fine or by imprisonment of up to two years.

Destroying of Forests

Article 340

(1) Whoever knowingly and contrary to regulations or orders issued by competent bodies, reduces to a substantial degree or clear fells a forest or otherwise depletes a forest, and where no elements of other criminal offence are constituted, shall be punished by imprisonment of up to one year.
(2) Whoever commits the offence under the preceding paragraph in a specially protected forest or in a forest of a specific purpose, shall be punished by imprisonment of up to three years.

Torture of Animals

Article 341

(1) Whoever treats an animal cruelly or causes it unnecessary suffering, shall be punished by a fine or by imprisonment of up to six months.
(2) If the offence under the preceding paragraph involves the torture of a number of animals, or a permanent grievous mutilation or the cruel death of a tortured animal, the perpetrator shall be punished by imprisonment of up to one year.

Game Poaching

Article 342

(1) Whoever, without permission or otherwise unauthorised, hunts and kills or wounds a wild animal or traps it alive, shall be punished by a fine or by imprisonment of up to six months.
(2) If the offence under the preceding paragraph is committed against game of substantial value or of importance according to hunting regulations, during the closed season or in a group, the perpetrator shall be punished by a fine or by imprisonment of

up to one year.
(3) Whoever hunts endangered or rarefied species of game, the hunting of which is prohibited, or whoever hunts specific game without having a special license to hunt them, or whoever hunts in a manner or by means by which game is killed en masse, or whoever hunts by use of a motor vehicle or a spotlight, shall be punished by a fine or by imprisonment of up to two years.

Fish Poaching
Article 343

Whoever fishes using an explosive, electricity, poison, or narcotic agent, thereby causing the death of fish, or fishes in a manner that is harmful to their reproduction, shall be punished by a fine or by imprisonment of up to one year.

Unlawful Handling of Protected Animals and Plants
Article 344

(1) Whoever illegally possesses, seizes, damages, kills, exports, imports or trades in protected wild animal or plant species, protected animals or plants or their parts, or products made therefrom, shall be punished by imprisonment of up to five years.
(2) If the object referred to in the preceding is of major or exceptional nature protection significance, or it the act referred to in the preceding paragraph was committed within a criminal association for the commission of such criminal offences, the perpetrator shall be punished by imprisonment

Murder, grievous bodily injury

Manslaughter
Article 115

(1) Whoever takes the life of another human being shall be sentenced to imprisonment between five and fifteen years.
(2) If two or more persons, who joined in order to commit manslaughter, commit the offence under the preceding paragraph, the perpetrator shall be sentenced to imprisonment between ten and fifteen years.

Murder
Article 116

Whoever murders another human being by taking his life
1) in a cruel or perfidious manner;
2) due to taking action in official acts to protect public security, or in a pre-trial criminal procedure, or due to decisions of state prosecutors, or due to the proceeding and decisions of judges, or due to criminal complaint, or testimony in a court proceeding;
3) because of violation of equality;
4) out of desire to murder, out of greed, in order to commit or to conceal another criminal offence, out of unscrupulous vengeance, or from other base motives;
5) with the act committed within a criminal organisation to commit such offences,

shall be sentenced to imprisonment for not less than fifteen years.

Voluntary Manslaughter
Article 117

Whoever kills another person through no fault of his own under provocation of assault or serious personal insult from that person shall be sentenced to imprisonment for not less than one and not more than ten years.

Negligent Homicide
Article 118

Whoever causes the death of another by negligence shall be sentenced to imprisonment for not less than six months and not more than five years.

Infanticide
Article 119

A mother who takes her child's life during or immediately after giving birth by reason of mental disturbance provoked by giving birth shall be sentenced to imprisonment for not more than three years.

Solicitation to and Assistance in Suicide

Article 120

(1) Whoever intentionally solicits another person to kill himself or assists him in doing so, resulting in that person indeed committing suicide, shall be sentenced to imprisonment for not less than six months and not more than five years.
(2) Whoever commits the offence under the preceding paragraph against a minor above fourteen years of age or against a person whose ability to understand the meaning of his act or to control his conduct was substantially diminished shall be sentenced to imprisonment for not less than one and not more than ten years.
(3) In the event of the offence under paragraph 1 of the this Article being committed against a minor under fourteen years of age or against a person who was not capable of understanding the meaning of his act or of controlling his conduct shall be punished according to the prescription for murder.
(4) Whoever treats his subordinate or a person depending on him in a cruel or inhumane manner, resulting in this person's suicide, shall be sentenced to imprisonment for not less than six months and not more than five years.
(5) Whoever, under particularly mitigating circumstances, assists another person to commit suicide, and if that person indeed commits suicide, shall be sentenced to imprisonment for not more than three years.
(6) If, relating to a criminal offence under the above paragraphs, the suicide has only been attempted, the Court may reduce the punishment of the perpetrator.

Actual Bodily Harm

Article122

(1) Whoever inflicts bodily harm on another person resulting in the temporary weakness or impairment of an organ or part of his body, his temporary inability to work, the impairment of his outlook on life or temporary damage to his health shall be punished by a fine or by imprisonment for not more than one year.
(2) If the injury under the preceding paragraph has been inflicted by means of a weapon, dangerous tool, or any other instrument, capable of causing serious bodily harm or grave damage to health, the perpetrator shall be sentenced to imprisonment for not more than three years.
(3) The Court may administer a judicial admonition to the perpetrator under the preceding paragraph especially if his conduct was provoked by indecent or brutal behaviour on the part of the injured person.
(4) The prosecution of the offence under paragraph 1 of this Article shall be initiated upon a complaint.

Aggravated Bodily Harm

Article 123

(1) Whoever inflicts bodily harm on another person or damages his health to such an extent that this might place the life of the injured person in danger or cause the destruction or permanent serious impairment of an organ or part of the body, the temporary serious weakness of a vital part or organ of the body, the temporary loss of his ability to work, the permanent or serious temporary diminution of his ability to work, his temporary disfigurement, or serious temporary or less severe but permanent damage to the health of the injured person shall be sentenced to imprisonment for not less than six months and not more than five years.
(2) If the injury under the preceding paragraph results in the death of the injured person the perpetrator shall be sentenced to imprisonment for not less than one and not more

than ten years.
(3) Whoever commits the offence under paragraph 1 of this Article by negligence shall be sentenced to imprisonment for not more than two wears.
(4) The perpetrator, who commits the offence under paragraphs 1 or 2 of this Article through no fault of his own and in the sudden heat of passion provoked by assault or grave insult from the injured person shall be sentenced to imprisonment for not more than three years.

Grievous Bodily Harm
Article 124

(1) Whoever inflicts bodily harm on another or damages his health so gravely that this results in a risk to the life of the injured person, the destruction or substantial permanent impairment of any vital part or organ of the body, permanent loss of his ability to work, or serious permanent damage to his health shall be sentenced to imprisonment for not less than one and not more than ten years.
(2) If the injury under the preceding paragraph results in the death of the injured person, the perpetrator shall be sentenced to imprisonment between three and fifteen years.
(3) Whoever commits the offence under paragraph 1 of this Article by negligence shall be sentenced to imprisonment for not more than three years.
(4) The perpetrator, who commits the offence under paragraphs 1 or 2 of this Article through no fault of his own and in a sudden heat of passion provoked by assault or grave insult from the injured person, shall be sentenced to imprisonment for not less than six months and not more than five years.

Exclusion of Criminal Offence in Bodily Harm
with the Consent of the Injured Person
Article 125

(1) Causing actual bodily harm (Article 122) shall not be illegal if the injured person gave his consent. In this event, the consent of the person representing the minor or helpless person in accordance with the law and caring for their health shall be considered.
(2) Intentional infliction of aggravated (Article 123) or grievous (Article 124) bodily harm shall be illegal if the injured person gave his consent and providing that interests of another person were not affected or that a common legal value was not endangered.
(3) Irrespective of the preceding paragraph, intentional infliction of aggravated or grievous bodily harm during medical treatment or medical activity shall not be illegal if the consent was given in the form and under the conditions stipulated by law.
(4) If the injured person recalls his consent during the commitment of the criminal offence of aggravated or grievous bodily harm, it shall not affect the exclusion of illegality of the acts under the preceding paragraph; in the cases under paragraph 2 of this Article the perpetrator, who did not finish the initiated act, shall not be punished for the attempt thereof or for the finished act of actual bodily harm, included in the attempt to commit an act of aggravated bodily harm.

Participation in Brawl
Article 126

Whoever participates in a brawl resulting in the death of a person or in serious bodily harm shall be, for the participation itself, sentenced to imprisonment for not more than one year.

Endangering Life by Means of Dangerous Instruments in Brawl or Quarrel
Article 127

(1) Whoever in taking part in a brawl or quarrel reaches for weapons, dangerous tools or any other instruments, capable of causing serious bodily harm or damage to health,

shall be punished by a fine or sentenced to imprisonment for not more than six months.
(2) The prosecution shall be initiated upon a complaint.

Kidnapping, illegal restraint and hostage-taking

Criminal Coercion
Article 132

(1) Whoever, by means of force or serious threat, coerces another person to perform an act or to omit performing an act or to suffer any harm shall be sentenced to imprisonment for not more than one year.
(2) The prosecution shall be initiated upon a complaint.

False Imprisonment
Article 133

(1) Whoever unlawfully incarcerates another person or keeps him incarcerated or otherwise deprives him of the freedom of movement shall be sentenced to imprisonment for not more than one year.
(2) If the offence under the preceding paragraph is committed by an official through the abuse of office or official authority, such an official shall be sentenced to imprisonment for not more than three years.
(3) Any attempt to commit the offence under paragraph 1 of this Article shall be punished.
(4) Whoever either deprives another person unlawfully of his liberty for a period exceeding one week or acts so in an aggravated manner shall be sentenced to imprisonment for not less than three months and not more than five years.

Kidnapping
Article 134

(1) Whoever abducts another in order to compel him or any other person to perform an act or to omit to perform an act or to suffer any harm shall be sentenced to imprisonment for not less than six months and not more than five years.
(2) Whoever commits the offence under the preceding paragraph against a minor or threatens the kidnapped person with murder or serious bodily harm shall be sentenced to imprisonment for not less than one and not more than ten years.
(3) The perpetrator of any of the offences under paragraphs 1 or 2 of this Article, who releases the kidnapped person before the payment of a ransom, the extortion of which was the motive of the kidnapping of that person, may be granted a reduction or remission of his sentence.

Taking of Hostages
Article 373

(1) Whoever kidnaps a person and threatens to kill or harm him, or take him hostage with the intention of forcing a state or an international organisation to perform or omit to perform a certain act which constitutes an expressed or implied condition for the release of the hostage, shall be punished by imprisonment of not less than one and not more than fifteen years.
(2) If the offence under the preceding paragraph entails the death of one or more persons, the perpetrator shall be punished by imprisonment of not less than five and not more than fifteen years.
(3) If the perpetrator, in the committing of the criminal offence under paragraph 1 of this Article, deliberately takes the lives of one or more persons, he shall be punished by imprisonment of at least fifteen years.

Robbery or theft;

Larceny
Article 204

(1) Whoever takes another's movable property with the intention of unlawfully appropriating it shall be sentenced to imprisonment for not less than three years.
(2) If the stolen property is of low value and if the perpetrator intended to appropriate

this property, he shall be punished by a fine or sentenced to imprisonment for not more than one year.
(3) The prosecution for the offence under the preceding paragraph of this Article shall be initiated upon a complaint.
(4) If the perpetrator returned the stolen property to the injured person before he came to know of the initiation of the criminal prosecution, his punishment may be remitted.

Grand Larceny
Article 205

(1) The perpetrator of larceny under paragraph 1 of the preceding Article shall be sentenced to imprisonment for not more than five years, if the offence was committed:
1) by entering into a closed building, room or opening a strong-box, wardrobe, case or other enclosure by way of burgling, breaking into or surmounting other larger obstacles;
2) by at least two persons who colluded with the intention of committing larcenies;
3) in a particularly audacious manner;
4) with a weapon or dangerous tool which was intended for use in attack or defence;
5) during a fire, flood or similar environmental catastrophe;
6) by taking advantage of the helplessness or accident of another person.

(2) The same punishment shall be imposed on the perpetrator of larceny if the stolen property is either of special cultural significance, or a natural curiosity, or of high value, and if his intention was to appropriate such property or property of such value.
(3) If the offence referred to in paragraph 1 of this Article was committed in order to acquire property of special cultural significance or of high value and if the intention of the perpetrator was to appropriate such property or property of such value, or if the offence referred to in paragraph 2 of this Article was committed within a criminal association, he shall be sentenced to imprisonment for not less than one and not more than eight years.

Robbery
Article 206

(1) Whoever takes another's movable property with the intention of unlawfully appropriating it by applying force against another person or by threatening another person with imminent attack on life or limb shall be sentenced to imprisonment for not less than one and not more than ten years.
(2) If the robbery was committed by at least two persons who colluded with the intention of committing a robbery, or if the stolen property is of high value and the perpetrator's intention was to appropriate the property of such value, he shall be sentenced to imprisonment for not less than three and not more than fifteen years.
(3) If the offence referred to in paragraphs 1 or 2 of this Article was committed within a criminal association, the perpetrator shall be sentenced to imprisonment for not less than five and not more than fifteen years

Larceny in the Form of Robbery
Article 207

(1) Whoever, when caught stealing, applies force against another person or threatens another person with imminent attack on life or limb in order to keep the stolen property shall be sentenced to imprisonment for not less than one and not more than ten years.
(2) If the stolen property is of high value and if the perpetrator's intention was to appropriate the property of such value, he shall be sentenced to imprisonment for not less than three and not more than fifteen years.

Smuggling

Smuggling
Article 250

(1) Whoever transports goods of high value across the customs line of the European Community, thereby avoiding customs control measures, or whoever transports such goods by using force or threats to do so, shall be sentenced to imprisonment for not more than five years and punished by a fine.
(2) Whoever is engaged in the transportation of goods of high property benefit into the customs territory of the European Community, thereby avoiding customs control measures, or transports such goods through such teritorry, provides hiding places or store places, offers or obtains the sale of such goods, shall be sentenced to imprisonment for not less than one and not more than ten years and punished by a fine.
(3) An official who, by abusing his official position or rights, enables the smuggling of goods into the customs territory of the European Community or transport therein, shall receive the punishment referred to in the preceding paragraph.
(4) If a major property benefit has been gained for himself or a third person by the perpetrator committing offences referred to in paragraphs 2 or 3 of this Article, or if he poses a threat to human life or health, or offers support to terrorist activities, or commits such acts as a member of the criminal association, he shall be sentenced to imprisonment for not less than three and not more than fifteen years and punished by a fine.
(5) Whoever acquires or collects smuggled goods of high property benefit for transportation into the customs territory of the European Community, provides forged documents or transport in and through the customs territory of the European Community, or organises in any other way the hiding, storage or sale of smuggled goods, shall be sentenced to imprisonment for not less than three and not more than twelve years and punished by a fine.
(6) The above paragraph shall also apply to criminal offences committed abroad if the country where such offences have been committed has adopted, likewise the Republic of Slovenia, a common international legal obligation of preventing such criminal offences, regardless of the place of their committal, and has determined such acts by its law in the same proper way as criminal offences.
(7) Smuggled goods shall be seized.

Extortion

Extortion and Blackmail
Article 213

(1) Whoever, with the intention of unlawfully acquiring property for himself or a third person, by use of force or serious threat coerces another person to perform an act or to omit to perform one to the detriment of his or another's property, shall be sentenced to imprisonment for not more than five years.
(2) Whoever, with the intention of unlawfully acquiring property for himself or a third person, threatens another person with disclosure of any matter concerning him or his relatives which is capable of damaging his or his relatives' honour or reputation, thereby compelling that person to perform an act or to omit to perform one to the detriment of his or another's property, shall be punished to the same extent.
(3) If the offences under paragraphs 1 or 2 of this Article have been perpetrated by at least two persons, or if it has been inflicted by means of a weapon or a dangerous tool, or in an especially cruel and humiliating manner, the perpetrators shall be sentenced to imprisonment for not less than one and not more than eight years.
(4) If the offence referred to in the above paragraphs was committed within a criminal association, the perpetrator shall be sentenced to imprisonment for not less than one and not more than ten years.

Forgery

Destruction or Forgery of Electoral Documents

Article 154

(1) Whoever at an election or ballot destroys, damages, hides or forges any electoral or voting document or any object serving as evidence of the election results shall be punished by a fine or sentenced to imprisonment for not more than one year.

(2) If the offence under the preceding paragraph is committed by an official through the abuse of his function relating to the election or ballot, such an official shall be sentenced to imprisonment for not more than two years.

Falsification of the Results of Election or Ballot

Article 155

An official who at an election or ballot alters the number of votes cast by adding or taking away any voting bill or vote, or who publishes the results of the election or ballot, which do not correspond to actual returns, shall be sentenced to imprisonment for not more than two years.

Forgery or Destruction of Business Documents

Article 235

(1) Whoever enters false information or fails to enter any relevant information into business books, documents or files which he is obliged to keep under the statute or regulations derived therefrom and which are essential to the operation of business with other legal or natural persons, or intended for making decisions concerning economic or financial activities, or whoever certifies such a book, document or file containing false information with his signature or renders possible the creation of such a book, document or file, shall be sentenced to imprisonment for not more than two years.

(2) Whoever uses a false business book, document or file as truthful, or whoever destroys or hides books, documents or files under the preceding paragraph or substantially damages or renders the same useless, shall be punished to the same extent.

(3) Any attempt to commit the offence under paragraphs 1 and 2 of this Article shall be punishable.

Fabrication and Use of Counterfeit Stamps of Value or Securities

Article 244

(1) Whoever fabricates counterfeit fiscal, postage or other stamps of value, or alters any of these stamps with the intention of using it as genuine or of conferring it on a third person for his use, or whoever uses counterfeit stamps of value as genuine or acquires them for such a purpose, shall be sentenced to imprisonment for not more than three years.

(3) Whoever fabricates counterfeit securities or alters any security with the intention of using it as genuine or of conferring it to a third person for his use, or whoever uses counterfeit securities as genuine or acquires them for such a purpose, shall be sentenced to imprisonment for not less than one and not more than eight years.

(3) If the offence under the preceding paragraphs involves a great quantity of stamps of value or securities, the perpetrator shall be sentenced to imprisonment for not less than one and not more than ten years.

(5) Whoever removes the official stamp by means of which stamps of value under paragraph 1 of this Article are cancelled or otherwise tries to make such stamps of value appear to have been unused, or whoever applies already used stamps of value or sells them as valid, shall be punished by a fine or sentenced to imprisonment for not more than one year.

(6) Counterfeit stamps of value and securities shall be seized.

(6) Stamps of value under this Penal Code shall be considered fiscal stamps and other stamps of value issued and in circulation under the law of the Republic of Slovenia, and foreign stamps of value.

Use of a Counterfeit Bank, Credit, or Other Card

Article 247

(1) Whoever installs on an automatic dispenser for money or an apparatus for payment by card a device for copying records of bank or credit cards, or acquires the recognition of such cards through a payment on the whole Internet, or makes a forgery thereof in any other way, or whoever uses such a counterfeit bank or credit card and thus gains property benefit, shall be sentenced to imprisonment for not more than five years.
(2) Whoever forges or uses a forged other card which enables the gaining of a property benefit by means of technical devices for card recognition, shall be punished to the same extent.
(3) If a major property benefit has been gained through the offence under paragraphs 1 or 2 of this Article, the perpetrator shall be sentenced to imprisonment for not less than one and not more than eight years.

Fabrication, Acquisition and Disposal of Instruments of Forgery

Article 248

(1) Whoever fabricates, acquires, or sells instruments for forging money, stamps of value or securities, or for copying records of bank or credit cards, or otherwise makes such instruments available for use, shall be sentenced to imprisonment for not more than two years.
(2) The instruments of forgery shall be seized.

Forging Documents

Article 251

(1) Whoever forges a document, or alters a genuine document with the intention of using such a document as genuine or whoever uses a forged or altered document as genuine, shall be punished by imprisonment of up to two years.
(2) An attempt shall be punishable.
(3) Whoever forges a public document, will, public or official book, or any other book which has to be kept under the terms of the statute, alters a genuine document of this kind, or stores such a forged or altered document with the purpose of using it, or uses it as genuine, shall be punished by imprisonment of up to three years.

Special Cases of Forging Documents

Article 252

(1) The punishments provided for forging of documents under the preceding Article shall apply to:

1) whoever without authority completes with any statement that is relevant to legal relations to any writing, blank form or other document previously signed by another person;
2) whoever misinforms another of the contents of any document, inducing him thereby to sign such a document when he believes himself to be signing some other document or other contents;
3) whoever issues any document either in the name of another person without his authorisation or in the name of a non-existent person;
4) whoever, as an issuer of a document, adds to his signature any position or title to which he is not entitled and which has an essential influence on the evidentiary value of the issued document;
5) whoever draws up a document with the unauthorised use of a valid seal or mark.

(2) Whoever compiles as market goods for another person a doctoral thesis, master's thesis, thesis, examination, maturity or seminar paper, or draws up some other written paper for another person necessary for obtaining education, or whoever uses such paper as his own, shall be punished to the same extent

Certification of Untrue Contents

Article 253

(1) Whoever deceives a competent body or a notary so as to certify any untrue matter in a public document, record, book or business document which is intended to serve as evidence in legal transactions, shall be punished by imprisonment of up to three years.
(2) Whoever uses a public document, record, book or business document under the preceding paragraph although he knows such document to be false, shall be punished to the same extent.

Issuance and Use of False Medical or Veterinary Certificate

Article 255

(1) A physician who knowingly issues a false medical certificate, shall be sentenced to imprisonment for not more than three years.
(2) Whoever knowingly uses the medical certificate under the preceding paragraph, shall be punished to the same extent.
(3) A veterinary surgeon who knowingly issues a false veterinary certificate, shall be sentenced to imprisonment for not more than one year.
(4) Whoever knowingly uses the certificate under the preceding paragraph, shall be punished to the same extent.

Fabricating of Counterfeit Marking Trademarks, Measures and Weights

Article 256

(1) Whoever, with an intention to use them as genuine, forges trademarks for the marking of domestic or foreign commodities, such as seals, stamps or other labels, or other prescribed marks for the marking of gold, silver, livestock, timber or other commodities, or whoever alters or removes the genuine labels or uses counterfeit labels as genuine, shall be punished by a fine, or sentenced to imprisonment for not more than two years.
(2) Whoever fabricates measures or weights, or uses them in measuring as genuine, shall be punished to the same extent.
(3) Whoever, without authority, fabricates, acquires or sells instruments for the fabrication of counterfeit-marking trademarks, measures or weights or makes them available for use, shall be sentenced to imprisonment for not more than one year.
(4) Counterfeit labels, measures and weights as well as instruments for the fabrication thereof shall be seized.

Forgery or Destruction of an Official Paper, Book, File or Historical Archives

Article 259

(1) An official who enters false information or fails to enter any relevant information in an official paper, book, or file, or certifies such a paper, book or file containing false information with his signature or stamp, or renders the creation of such a paper, book or file possible, shall be sentenced to imprisonment for not more than three years.
(2) An official who uses a false official paper, book or file as genuine, or who destroys or hides papers, books or files or substantially damages or renders the same useless, shall be punished to the same extent.
(3) Whoever unlawfully alienates, destroys, or conceals historical archives, or renders it useless, shall be sentenced to imprisonment for not less than three months and not more than three years.

Piracy;

Piracy

Article 374

(1) Whoever, by force or serious threat of force, or violation of the rules of international law, takes over command of an aircraft or of a sea vessel shall be sentenced to imprisonment for not less one and not more than ten years.
(2) The same sentence shall be imposed on the member of the crew of an aircraft or of

a sea vessel who undertakes a mutiny and takes over the command of the aircraft or sea vessel.

(3) If the offence under paragraphs 1 or 2 of this Article entails the death of one or more persons or a substantial loss of property, the perpetrator shall be punished by imprisonment of not less than five and not more than fifteen years.

Insider trading and market manipulation

Abuse of Insider Information

Article 238

(1) Whoever, in relation to the position he occupies with the issuer of the security or equity in the capital of the issuer of the security, his employment, or when performing activity, obtains insider information capable of influencing the price of securities or other financial instrument on the organised market in the Republic of Slovenia or in at least one Member State of the European Union, or in respect of which an application has been lodged for such a placement, regardless of whether it is placed on this market or not, using it for himself or any third person with a view to the direct or indirect acquisition or disposal of such security or other financial instrument, shall be sentenced to imprisonment for not more than three years.

(2) Whoever communicates insider information to an unauthorised person, or proposes to the third person on the basis of such insider information a direct or indirect acquisition or disposal of such security or other financial instrument, shall be punished to the same extent.

(3) Whoever acquires insider information without authorisation and uses it for the direct or indirect acquisition or disposal of such security or other financial instrument for himself or any third person, shall be punished to the same extent as laid down in paragraph 1.

(4) If offences under the preceding paragraphs concern securities or other financial instruments of high value, the perpetrator shall be sentenced to imprisonment for not less than five years.

Abuse of Financial Instruments Market

Article 239

(1) Whoever, with the intention of procuring an unlawful property benefit for himself or for a third person, abuses the market in financial instruments by means of a prohibited conduct, by:

1) concluding a business or issuing a trade contract, providing market participants with an incorrect or misleading idea of the offer, demand, or price of the financial instrument, or providing one or more connected persons to assure the price of one or more financial instruments at an abnormal or artificial level:
2) using fictitious means or any other form of fraudulent conduct when concluding business or issuing a trade contract;
3) spreading incorrect or misleading information on financial instruments, following the same objective when spreading rumours, incorrect and misleading information via media, online, or in any other similar way,

shall be sentenced to imprisonment for not more than three years.

(2) If the offence under the above paragraph has resulted in a large property benefit or a large loss of property and if the perpetrator intended to cause such loss of property or to gain such property benefit, he shall be sentenced to imprisonment for not more than five years.

ANNEX III

III. PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING ACT (APMLTF)

(ZPPDFT, published in the Official Gazette of the Republic of Slovenia, No. 60 of 6 July 2007, page 8332)

(Unofficial translation)

CHAPTER I

GENERAL PROVISIONS

1.1 Contents of the Act

Article 1

(Contents of the Act and transposed EU directives)

(1) This Act shall stipulate measures, competent authorities and procedures for detecting and preventing money laundering and terrorist financing.

(2) This Act shall transpose the following directives of the European Communities into the legislation of the Republic of Slovenia:

1. Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (OJ L No. 309 of 25 November 2005, p. 15; hereinafter: Directive 2005/60/EC);

2. Commission Directive 2006/70/EC of 1 August 2006 laying down implementing measures for Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of "politically exposed person" and the technical criteria for simplified customer due diligence procedure and for exemption on grounds of financial activity conducted on an occasional or very limited basis (OJ L No. 214 of 4 August 2006, p.29).

1.2 Definitions and scope

Article 2

(Money laundering and terrorist financing)

(1) For the purposes of this Act, **money laundering** shall mean any conduct for the purpose of disguising the origin of money or other property obtained by an offence and shall include:

1. conversion or any transfer of money or other property derived from criminal activity;

2. concealment or disguise of the true nature, origin, location, movement, disposition, ownership or rights with respect to money or other property derived from criminal activity.

(2) For the purposes of this Act, **terrorist financing** shall mean direct or indirect provision or collection of funds or other property of legal or illegal origin, or attempted provision or collection of such funds or other property, with the intent that they be used or in the knowledge that they are to be used in full or in part by a terrorist (hereinafter: terrorist) or terrorist organisation.

(3) For the purposes of this Act, offence shall mean any offence defined in Article 2 of the Act Ratifying the International Convention for the Suppression of the Financing of Terrorism (Official Gazette – MP, No. 21/04).

(4) For the purposes of this Act, a terrorist shall mean a natural person who:

- commits or intends to commit a terrorist act by any means;
- is involved in the commission of a terrorist act as an accessory, instigator or aide;
- organises a terrorist act to be committed; or
- contributes to a terrorist act of a group of people operating to achieve a common goal,

provided such contribution is intentional and with the purpose to perpetuate the terrorist activity, or provided that he/she understands the group's intent to commit a terrorist act.

(5) For the purposes of this Act, a terrorist organisation shall mean any group of terrorists who:

- commit or intend to commit a terrorist act by any means;
- participate in committing a terrorist act;
- organise a terrorist act to be committed; or
- contribute to a terrorist act of a group of people operating to achieve a common goal,

provided such contribution is intentional and with the purpose to perpetuate the terrorist activity, or provided that they understand the group's intent to commit a terrorist act.

Article 3

(Definition of other terms)

For the purposes of this Act:

1. Property shall mean assets of every kind, whether corporeal or incorporeal, tangible or intangible, moveable or immoveable, and legal documents or instruments in any form, including electronic or digital, evidencing title to or interest in such assets.

2. Assets shall mean financial assets and economic benefits of every kind, including:

a) cash, cheques, claims on money, drafts, money orders and other payment instruments;

b) deposits with organisations;

c) financial instruments stipulated by the law governing financial instruments, namely publicly- and privately-traded securities, including shares and stocks, certificates, debt instruments, bonds, debentures, warrants and derivative financial instruments;

d) interest, dividends or other income from assets;

e) claims, loans and letters of credit;

f) other documents proving entitlement to assets or other financial sources.

3. Office shall mean the Office for Money Laundering Prevention of the Republic of Slovenia.

4. Member State shall mean a Member State of the European Union or a signatory state to the European Economic Area Agreement (Official Gazette, No. 59/05).

5. Third country shall mean a European Union non-member state or a non-signatory state to the European Economic Area Agreement.

6. Trust and company service provider shall mean any natural person or legal entity which by way of business provides any of the following services to third parties:

a) forming legal entities;

b) acting as or arranging for another person to act as director or secretary of a company or partner (hereinafter: partner), where the person concerned does not actually perform the management function or does not undertake business risks concerning capital contribution in the legal entity where he/she is a partner;

c) providing head office, business, correspondence or administrative address and other related services for a legal entity;

d) acting as or arranging for another person to act as trustee of an institution, trust or similar foreign law entity which receives, manages or distributes property funds for a particular purpose; the definition excludes the provision of trustee services for investment funds, mutual pension funds and pension companies;

e) acting as or arranging for another person to act as nominee shareholder for another person, other than a company whose securities are admitted to trading on a regulated market that is subject to disclosure requirements in conformity with European Community legislation or subject to equivalent international standards.

7. Companies providing certain payment transaction services, including money transmission, shall mean persons providing the following financial services: receiving cash, checks or other stores of value at one location and – via a link, notice, transfer or use of settlement network enabling transfer of money or value – subsequent payment of the respective amount in cash or other form to a beneficiary or recipient at another location. Transactions effected through such services may entail one or more intermediaries and a final payment to a third party.

8. For the purposes of this Act, non-profit organisations shall mean societies, establishments, institutions and religious communities predominantly engaged in non-profit activities and established in accordance with the applicable legislation.

9. For the purposes of this Act**,** other civil law entity shall mean an organised group of individuals who pool or will pool assets or other property for a particular purpose.

10. The terms electronic money and electronic data carrier shall have the same meaning as in the Act governing payment transactions.

11. The term credit institution shall have the same meaning as in the Act governing banking.

12.For the purposes of this Act, the term beneficial owner shall include the following:

- a natural person who ultimately owns or supervises or otherwise exercises control over a customer (provided the party is a legal entity or other similar legal subject), or

- a natural person on whose behalf a transaction is carried out or services performed (provided the customer is a natural person).

13.Business relationship shall mean a business or other contractual relationship linked with the organisation's operations, concluded or entered into by a party within the organisation.

14.For the purposes of this Act, a correspondent relationship shall mean a correspondent banking relationship between a domestic and a respondent foreign credit (or other similar) institution established by opening the respondent's account with a domestic credit institution (opening a loro account). A correspondent relationship shall also mean an agreement concluded by a domestic credit institution with a respondent foreign credit or similar institution for the purpose of conducting business abroad through the respondent.

15. A shell bank shall mean a credit institution or an institution engaged in equivalent activities, registered in a jurisdiction in which it does not perform its services and which is unaffiliated with a supervised or otherwise regulated group.

16. Cash referred to in Article 38 hereof shall mean notes or coins in circulation as a means of payment.

17.Cash referred to in Article 73 hereof shall have the same meaning as in Regulation No. 1899/2005 of the European Parliament and the Council of 26 October 2005 on control of cash entering or leaving the Community (OJ L 309 of 25 November 2005, p. 9).

18. The term transaction account shall have the same meaning as in the Act governing payment transactions.

19. A transaction shall mean any receipt, handover, exchange, safekeeping, disposal or other handling of monies or other property by a person liable.

20. Cash transaction shall mean any transaction in which a person liable receives physical cash from the customer or hands over physical cash to the customer in possession and disposition.

21. Factoring shall mean factoring with or without recourse.

22. Forfeiting shall mean financing exports based on purchase with discount and without recourse of long-term outstanding receivables secured by financial instrument.

23. Official personal identification document shall mean any valid authentic instrument bearing a photograph and issued by the competent authority of the Member State or third country.

24. The terms regulated market and stock exchange shall have the same meaning as in the Act governing the financial instruments market.

25. For the purposes of this Act, the term financial institution shall mean organisations referred to in points 3, 5, 6, 7, 8, 10, 16(a) to (i) of paragraph 1 of Article 4 hereof and for institutions of Member States providing equivalent services.

26. For the purposes of this Act, life insurance shall mean insurance defined as life insurance by the Act governing insurance business.

27. Personal name shall consist of a first name and family name, of which each may be composed of several words that form a whole.

28. Information about the activity of a customer (natural person) shall mean data on a customer's private, professional or other similar engagement (employed, retired, student, unemployed, etc.) or data on a customer's activities (in the field of sport, culture and art, scientific research, education or other similar areas) that provide an appropriate basis for establishing a business relationship.

Article 4

(Persons under obligation)

(1) Measures for detecting and preventing money laundering and terrorist financing stipulated by the present Act shall be carried out prior to or at the time of receiving, handing over, exchanging, safekeeping, disposing of or handling monies or other property and in concluding business relationships with:

1. banks, branches of banks from third countries and Member State banks which establish branches in the Republic of Slovenia or which are authorised to directly perform banking services in the Republic of Slovenia;

2. savings banks;

3. companies providing certain payment transaction services, including money transmission;

4. post;

5. management companies of investment funds, branches of management companies of investment funds from third countries, management companies of investment funds from Member States which establish branches in the Republic of Slovenia or are authorised to provide services of investment fund management in the Republic of Slovenia, and other persons who may provide particular services or activities of managing investment funds pursuant to the Act governing investment fund management;

6. founders and managers of mutual pension funds and pension companies;

7. brokerage companies, branches of brokerage companies from third countries, brokerage companies from Member States which establish branches in the Republic of Slovenia or are authorised to provide services relating to securities directly in the Republic of Slovenia, and other persons who may provide particular services relating to securities pursuant to the Act governing the securities market or the Act governing the financial instruments market;

8. insurance companies authorised to pursue life insurance business and insurance companies from Member States which establish branches in the Republic of Slovenia or which are authorised to pursue life insurance business directly in the Republic of Slovenia;

9. electronic money undertakings, branches of electronic money undertakings from third countries, and electronic money undertakings from Member States which establish branches in the Republic of Slovenia or which are authorised to provide electronic money services directly in the Republic of Slovenia;

10. currency exchange offices;

11. auditing firms and independent auditors;

12. concessionaires organising special gaming in casinos or gaming halls;

13. organisers regularly offering sport wagers;

14. organisers and concessionaires offering games of chance via the Internet or other telecommunications means;

15. pawnbroker shops;

16. legal entities and natural persons conducting business relating to:

a) granting credits or loans, also including consumer credits, mortgage credits, factoring and financing of commercial transactions, including forfeiting;

b) financial leasing;

c) issuing and management of payment instruments (such as credit cards and travellers' cheques);

d) issuing of guarantees and other commitments;

e) portfolio management services to third parties and related advice;

f) safe custody services;

g) mediation in the conclusion of loan and credit transactions;

h) insurance agency services for the purpose of concluding life insurance contracts;

i) insurance intermediaries in concluding life insurance contracts;

j) accounting services;

k) tax advisory services;

l) trust and company services;

m) trade in precious metals and precious stones and products made from these materials;

n) trade in works of art;

o) organisation and execution of auctions;

p) real property transactions

(hereinafter: organisations).

(2) Pursuant to the provisions of Chapter III herein, the measures for detecting and preventing money laundering and terrorist financing stipulated by the present Act shall be applied by lawyers, law firms and notaries as well.

(3) For the purposes of this Act, the term **obliged person** shall refer collectively to organisations, lawyers, law firms and notaries.

(4) The Government of the Republic of Slovenia may determine the conditions under which the obligation to apply the measures under the present Act shall not apply to legal entities or natural persons referred to in paragraph 1 of this Article who only pursue activity occasionally or in limited scope and who are exposed to a low risk of money laundering or terrorist financing. When determining terms and conditions, the Government of the Republic of Slovenia shall take account of the technical criteria adopted by the European Commission pursuant to Article 40 of Directive 2005/60/EC and the related findings of the office and supervisory bodies referred to in Article 85 hereof.

CHAPTER II

DUTIES AND OBLIGATIONS OF ORGANISATIONS

2.1 General provisions

Article 5

(Duties and obligations of organisations)

(1) For the purpose of detecting and preventing money laundering and terrorist financing, organisations shall carry out tasks stipulated by the present Act and regulations adopted on the basis thereof in the course of their business.

(2) The tasks referred to in the preceding paragraph shall comprise:

1. applying measures to acquire knowledge about the customer (hereinafter: customer due diligence) under the terms and conditions and in the manner provided by the present Act;

2. reporting prescribed and requisite data and submitting evidence to the office in accordance with the provisions of the present Act;

3. appointing an authorised person and assistant authorised person and ensuring conditions for their work;

4. providing regular professional training and education for workers and ensuring regular internal control over the performance of duties under this Act;

5. preparing a list of indicators for identification of customers and transactions in respect of which reasonable grounds to suspect money laundering or terrorist financing exist;

6. ensuring protection and retention of data and management of records required by this Act;

7. applying measures for detecting and preventing money laundering and terrorist financing in branches and majority-owned subsidiaries located in third countries;

8. performing other tasks and duties under this Act and the ensuing regulations.

Article 6

(Risk of money laundering and terrorist financing)

(1) Risk of money laundering or terrorist financing shall mean the risk that the customer would misuse the financial system for money laundering and terrorist financing or that a business relationship, transaction or product would be used, directly or indirectly, for money laundering or terrorist financing.

(2) An organisation shall prepare a risk analysis and establish a risk assessment for individual groups or customers, business relationships, products or transactions with respect to their potential misuse for money laundering or terrorist financing.

(3) An organisation shall draw up the risk analysis referred to in the preceding paragraph in accordance with guidelines issued by and within the powers of the competent supervisory body referred to in Article 85 of this Act.

(4) In respect of point 4 of paragraph 1 of Article 33 of this Act, only persons meeting the criteria set in the rules issued by the minister responsible for finance may be treated by an organisation as customers assessed as representing a low risk of money laundering or terrorist financing. The minister shall take account of the technical criteria adopted by the European Commission pursuant to Article 40 of Directive 2005/60/EC and related data from the office and supervisory bodies.

(5) The risk analysis or the procedure to establish risk assessment referred to in paragraph 2 of this Article shall reflect the specific features of the organisation and its operations (e.g. its size and composition, scope and structure of business, types of customers doing business with the organisation, and types of products offered by the organisation).

2.2 Customer due diligence

2.2.1 General provisions

Article 7

(Customer due diligence elements)

(1) If not otherwise provided by this Act, customer due diligence shall comprise:

1. establishing the customer’s identity and verifying the customer’s identity on the basis of authentic, independent and objective sources;

2. identifying the beneficial owner of the customer;

3. obtaining data on the purpose and intended nature of the business relationship or transaction, as well as other data pursuant to this Act;

4. regular diligent monitoring of business activities undertaken by the customer through the organisation.

(2) The organisation shall define procedures for the implementation of the measures referred to in paragraph 1 of this Article in its internal regulations.

Article 8

(Obligation to carry out customer due diligence)

(1) An organisation shall apply customer due diligence in accordance with the terms and conditions provided by the present Act in the following cases:

1. when establishing a business relationship with a customer;

2. when carrying out a transaction amounting to EUR 15,000 or more, whether the transaction is carried out in a single operation or in several operations which are evidently linked;

3. when there are doubts about the veracity and adequacy of previously obtained customer or beneficial owner information;

4. whenever there is a suspicion of money laundering or terrorist financing in respect of a transaction or customer, regardless of the transaction amount.

(2) When transactions referred to in point 2 of paragraph 1 of this Article are carried out on

the basis of or within a previously established business relationship, the organisation shall only obtain the missing data referred to in paragraph 2 of Article 21.

(3) In transactions referred to in point 2 of paragraph 1 of this Article, a concessionaire offering games of chance in a casino or gaming hall shall verify the identity of the customer carrying out the transaction and obtain the required information when the transaction is effected at the cashier's desk.

(4) For the purposes of this Act, the customer's registration for participation in a system of organising games of chance with organisers and concessionaires who offer games of chance via the Internet or other telecommunications means shall be deemed an established business relationship. Pursuant to this Act, the customer's accession to the fund rules of a mutual fund managed by a management company shall be deemed as an established business relationship between the customer and the management company. Accession to the fund rules of another mutual fund managed by same management company shall not be deemed as an established new business relationship between the customer and the management company.

Article 9

(Customer due diligence in the establishment of a business relationship)

(1) When establishing a business relationship referred to in point 1 of paragraph 1 of Article 8 of this Act, an organisation shall apply the measures provided for in points 1, 2 and 3 of paragraph 7 of this Article before the business relationship is established.

(2) Notwithstanding the provisions of the preceding paragraph, an organisation may exceptionally apply measures from points 1 and 2 of paragraph 1 of Article 7 during the establishment of a business relationship with the customer if this is necessary not to interrupt the normal conduct of the organisation's business and where in accordance with Article 6 of this Act there is little risk of money laundering or terrorist financing.

(3) Notwithstanding the provisions of paragraph 1 of this Article, an organisation referred to in point 8 of paragraph 1 of Article 4 hereof may, in relation to life insurance business, verify the identity of the beneficiary under the policy after the business relationship has been established but not later than at or before the time of payout or at or before the time the beneficiary intends to exercise his/her rights vested under the policy.

Article 10

(Customer due diligence in carrying out transactions)

When effecting transactions referred to in point 2 of paragraph 1 of Article 8 hereof, an organisation shall apply the measures provided for in points 1, 2 and 3 of paragraph 1 of Article 7 hereof before the transaction is carried out.

Article 11

(Non-performance of customer due diligence obligation)

An organisation that cannot apply the measures referred to in points 1, 2 and 3 of paragraph 1 of Article 7 hereof in accordance with the provisions of this Act shall not establish a business relationship or effect a transaction, or shall terminate the business relationship if already established, and shall consider reporting data on the customer or transaction to the office in accordance with paragraph 3 of Article 38 hereof.

Article 12

(Exemption from the obligation to carry out customer due diligence for certain products)

(1) Insurance companies authorised to pursue life insurance business and insurance companies from third countries authorised to pursue life insurance business, insurance companies of Member States which establish branches in the Republic of Slovenia or are authorised to pursue life insurance business directly in the Republic of Slovenia, founders and managers of mutual pension funds, pension companies, and legal entities and natural persons conducting business relating to life insurance agency or brokerage business in selling life insurance policies need not apply customer due diligence measures in the following cases:

1. when arranging life insurance contracts where the single premium or multiple premiums to be paid in a year do not exceed EUR 1,000 or where the single premium does not exceed EUR 2,500;

2. in arranging pension insurance contracts, provided that:

a) such insurance policies contain no surrender clause and cannot be used as security for a loan; or

b) the collective insurance contract is entered into within a pension or other similar scheme guaranteeing the right to pension to the employees and provided the premiums are paid through salary deductions and the scheme rules contain no surrender clause.

(2) Electronic money undertakings, electronic money undertakings from Member States and branches of electronic money undertakings from third countries need not apply customer due diligence measures in the following cases:

1. when issuing electronic money, provided the amount of deposit made for the issue of electronic money stored in a non-rechargeable device does not exceed EUR 150;

2. when issuing electronic money and in transactions via e-money, provided that the maximum amount for its issue in respect of the transaction stored in a rechargeable device does not exceed EUR 2,500 in a calendar year, except when an amount of EUR 1,000 or more is redeemed in that same calendar year by the bearer.

(3) The minister responsible for finance may also stipulate in the rules that an organisation need not apply customer due diligence measures in respect of other products or transactions representing a low risk of money laundering or terrorist financing. When determining the types of products and related transactions not requiring customer due diligence, the minister shall take account of the technical criteria adopted by the European Commission pursuant to Article 40 of Directive 2005/60/EC and the data from the office and supervisory bodies referred to in Article 85 hereof.

(4) Notwithstanding the provisions of paragraphs 1, 2 and 3 of this Article, the omission of customer due diligence shall not be permitted when reasons for suspicion of money laundering or terrorist financing exist in connection with the customer or transaction.

2.2.2 Application of customer due diligence measures

2.2.2.1 Determining and verifying customer identity

Article 13

(Determining and verifying the identity of a natural person or his/her statutory representative, sole proprietor, or self-employed person)

(1) In respect of a customer, namely:

1. a natural person or his/her statutory representative (hereinafter: representative),

2. a sole proprietor, or

3. a self-employed person,

an organisation shall determine and verify the customer's identity and obtain the data referred to in point 4 of paragraph 1 of Article 83 of this Act by examining the customer's official personal identification document in the customer's presence. When all the required data cannot be obtained from the mentioned document, the missing data shall be obtained from another authentic document submitted by the customer or directly from the customer.

(2) Notwithstanding the preceding paragraph and subject to the terms and conditions prescribed by the minister responsible for finance in the rules, an organisation may determine and verify the identity of a customer (natural person or his/her representative, sole proprietor, or self-employed person) based on:

1. a qualified digital certificate issued by a certification authority situated in the Republic of Slovenia in accordance with the Act governing electronic commerce and electronic signature;

2. the customer's qualified digital certificate issued by a certification authority situated in a European Union Member State or in a third country subject to conditions stipulated by the Act governing electronic commerce and electronic signature, and provided that technological possibilities for such purpose are available.

(3) When determining and verifying the identity of the customer pursuant to paragraph 2 of this Article, an organisation shall obtain the required data on the customer referred to in point 4 of paragraph 1 of Article 83 hereof from the qualified digital certificate. Data not available on the mentioned certificate shall be obtained from the copy of the official personal document sent by the customer to the organisation in paper or digital form. When all required data cannot be

obtained in the manner described above, the missing data shall be obtained directly from the customer.

(4) The certification authority referred to in paragraph 2 of this Article which issued a qualified digital certificate to the customer shall forthwith submit data on the manner of determining and verifying the identity of the customer-bearer to the organisation upon its request. The data obtained shall be kept by the organisation in accordance with the provisions of the present Act and the Act regulating protection and retention of data.

(5) Notwithstanding paragraphs 2 and 3 of this Article, determining and verifying the identity of the customer by using a qualified digital certificate shall be prohibited in the following cases:

1. when opening an account with the organisations referred to in points 1 and 2 of paragraph 1 of Article 4 hereof, except when opening a provisional deposit account for payments of start-up capital; or

2. when there is a suspicion that a qualified digital certificate may be misused or an organisation establishes that circumstances substantially affecting the validity of a certificate have changed but the issuing certification authority has not yet revoked it.

(6) When the customer is a sole proprietor or self-employed person, an organisation shall obtain the data referred to in point 5 of paragraph 1 of Article 83 hereof by applying Article 14 of this Act mutatis mutandis.

(7) If, in determining and verifying the identity of the customer pursuant to the provisions of this Article, the organisation doubts the reliability or veracity of documents and other business records from which the data have been obtained, it shall also demand a written statement from the customer.

(8) When an organisation entering a business relationship determines and verifies the identity of the customer on the basis of paragraph 2 of this Article, it shall be obliged to act in accordance with paragraph 3 of Article 32 hereof.

Article 14

(Determining and verifying the identity of a legal entity)

(1) An organisation shall determine and verify the identity of the customer (legal entity) and obtain the data referred to in point 1 of paragraph 1 of Article 83 hereof by inspecting the original or certified documentation from the court register or other public register submitted to the organisation by the statutory representative or his/her authorised person on behalf of the legal entity.

(2) The submitted documentation referred to in the preceding paragraph shall not be older than three months.

(3) An organisation may determine and verify the identity of a legal entity and obtain the data referred to in point 1 of paragraph 1 of Article 83 of this Act by inspecting a court or other public register. The extract from the register used shall bear a remark by the organisation to indicate the date and time of access and the personal name of the person who inspected the register. The extract from the register shall be kept by the organisation in accordance with the provisions of the present Act and the Act regulating protection and retention of data.

(4) An organisation shall obtain other data from paragraph 1 of Article 83 hereof, with the exception of data on a beneficial owner, by inspecting original or certified documents and other business documentation. When all the data referred to in paragraph 1 of Article 83 hereof cannot be obtained from such documents and documentation, the missing data, with the exception of data on the beneficial owner, shall be obtained from the statutory representative or authorised person.

(5) If, in determining and verifying the identity of a legal entity, an organisation doubts the reliability of submitted data or veracity of documents and other business records from which the data have been obtained, it shall require a written statement from the statutory representative or authorised person prior to entering into a business relationship or effecting a transaction.

(6) When determining and verifying the identity of the customer pursuant to paragraphs 1 and 3 of this Article, an organisation shall beforehand examine the nature of the register from which data for the verification of identity shall be obtained.

(7) When the customer is a foreign legal entity pursuing an activity in the Republic of Slovenia through its branch, an organisation shall determine and verify the identity of the foreign legal entity and its branch.

Article 15

(Determining and verifying the identity of a legal entity's statutory representative)

(1) An organisation shall determine and verify the identity of a statutory representative and obtain the data referred to in point 2 of paragraph 1 of Article 83 of this Act by examining the statutory representative's official personal identification document in the representative's presence. When all required data cannot be obtained from the mentioned document, the missing data shall be obtained from another authentic document submitted by the statutory representative.

(2) An organisation may determine and verify the identity of the statutory representative of a legal entity in some other manner if so stipulated in the rules issued by the minister responsible for finance.

(3) If, in determining and verifying the identity of a statutory representative, an organisation doubts the reliability of submitted data, it shall request a written statement.

Article 16

(Determining and verifying the identity of an authorised person)

(1) An organisation shall determine and verify the identity of an authorised person concluding a business relationship in place of a statutory representative on behalf of a legal entity and shall obtain the data referred to in point 2 of paragraph 1 of Article 83 of this Act by examining the authorised person's official personal identification document in his/her presence. When all required data cannot be obtained from the mentioned document, the missing data shall be obtained from another authentic document submitted by the authorised person or directly from the authorised person. An organisation shall obtain the data referred to in point 2 of paragraph 1 of Article 83 hereof about a statutory representative on whose behalf an authorised person acts from the certified written authorisation issued by the statutory representative.

(2) If a transaction referred to in point 2 of paragraph 1 of Article 8 hereof is effected on behalf of the customer by his/her authorised person, an organisation shall determine and verify the authorised person's identity and obtain the data required in point 3 of paragraph 1 of Article 83 hereof as set forth in paragraph 1 of this Article. When an authorised person acts on behalf of a customer (natural person or sole proprietor or self-employed person), an organisation shall obtain the data referred to in point 4 of paragraph 1 of Article 83 hereof from the customer's written authorisation.

(3) If, in determining and verifying the identity of an authorised person, an organisation doubts the reliability of submitted data, it shall request the authorised person's written statement.

Article 17

(Determining and verifying the identity of other civil law entities)

(1) When the customer is a civil law entity referred to in point 9 of Article 3 hereof which is not a natural person or legal entity, the organisation shall:

1. determine and verify the identity of the person with powers of representation (hereinafter: agent);

2. obtain certified written powers of representation;

3. obtain the data referred to in points 2 and 16 of paragraph 1 of Article 83 of this Act.

(2) The organisation shall determine and verify the identity of the agent referred to in paragraph 1 of this Article and obtain the data referred to in point 2 of paragraph 1 of Article 83 of this Act by examining the agent's official personal identification document in the agent's presence. When all required data cannot be obtained from the mentioned document, the missing data shall be obtained from another authentic document submitted by the agent or directly from the agent.

(3) The organisation shall obtain the data referred to in point 16 of paragraph 1 of Article 83 hereof about a person who belongs to a civil law entity referred to in paragraph 1 of this Article from the certified written powers of representation submitted to the organisation by the agent. When all the data referred to in point 16 of paragraph 1 of Article 83 hereof cannot be obtained from such document, the missing data shall be obtained directly from the agent.

(4) If, in determining and verifying the identity of a person referred to in paragraph 1 of this Article, the organisation doubts the reliability of submitted data or veracity of documents from which the data have been obtained, it shall require a written statement from the agent prior to entering into a business relationship or effecting a transaction.

Article 18

(Specific cases concerning determination and verification of the identity of a customer)

(1) Subject to the provisions of Article 8 of this Act, the customer's identity shall also be determined and/or verified in the following cases:

1. upon the customer's entry into a casino or gaming hall;

2. each time the customer accesses the safe.

(2) In determining and verifying the identity of the customer pursuant to paragraph 1 of this Article, a concessionaire offering games of chance in a casino or gaming hall or an organisation providing safekeeping services shall obtain the data required under points 6 and 8 of paragraph 1 of Article 83 of this Act.

(3) Provisions of this Act concerning the obligation to verify the identity of the customer when accessing the safe shall apply to each person actually accessing the safe, regardless of whether or not the person concerned is a party to the safekeeping contract or the party's statutory representative or authorised person.

2.2.2.2 Identifying the beneficial owner of the customer

Article 19

(Beneficial owner of a customer)

(1) Pursuant to this Act, the beneficial owner of a corporate entity shall be:

1. any natural person who owns through direct or indirect ownership at least 25% of the business share, stocks or voting or other rights, on the basis of which he/she participates in the management or in the capital of the legal entity with at least 25% share or has the controlling position in the management of the legal entity's funds;

2. any natural person who indirectly provides or is providing funds to a legal entity and is on such grounds given the possibility of exercising control, guiding or otherwise substantially influencing the decisions of the management or other administrative body of the legal entity concerning financing and business operations.

(2) For the purposes of this Act, the beneficial owner of other legal entities, such as foundations and similar foreign law entities which accept, administer or distribute funds for particular purposes, shall mean:

1. any natural person who is the beneficiary of more than 25% of the proceeds of property under management, where the future beneficiaries have already been determined or can be determined;

2. a person or a group of persons in whose main interest the legal entity or similar foreign law entity is set up and operates, where the individuals that benefit from the legal entity or similar foreign law entity have yet to be determined;

3. any natural person exercising direct or indirect control over 25% or more of the property of a legal entity or similar foreign law entity.

Article 20

(Identifying the beneficial owner of a legal entity or similar foreign law entity)

(1) The organisation shall identify the beneficial owner of a legal entity or similar foreign law entity by obtaining the data referred to in point 15 of paragraph 1 of Article 83 hereof.

(2) The organisation shall obtain the data referred to in paragraph 1 of this Article by inspecting the original or certified documentation from the court register or other public register, which shall not be older than three months. The organisation may obtain such data by direct inspection of the court or other public register. In this regard, the organisation shall follow the provisions of paragraphs 3 and 5 of Article 14 of this Act.

(3) If all the data on the beneficial owner of a customer cannot be obtained from the court or any other public register, the organisation shall obtain the missing data by inspecting the original or certified documents and business records submitted by the statutory representative or his/her authorised person. When the organisation due to objective reasons cannot obtain the missing data in the manner described in this Article, it shall obtain it from the written statement of the statutory representative or his/her authorised person.

(4) The organisation shall obtain data on the ultimate beneficial owner of a legal entity or similar foreign law entity. With regard to the risk of money laundering or terrorist financing to which the organisation is exposed in conducting business with such customer, the organisation shall verify the data to such an extent that it understands the ownership and control structure of its customer and is satisfied that it knows who the beneficial owner is.

2.2.2.3 Obtaining data on the purpose and intended nature of the business relationship or transaction, as well as other data pursuant to this Act

Article 21

(Set of data)

(1) Within the customer due diligence referred to in point 1 of paragraph 1 of Article 8 of this Act, the organisation shall obtain the data from points 1, 2, 4, 5, 7, 8 and 15 of paragraph 1 of Article 83 of this Act.

(2) Within the customer due diligence referred to in point 2 of paragraph 1 of Article 8 of this Act, the organisation shall obtain the data from points 1, 2, 3, 4, 5, 9, 10, 11, 12 and 15 of paragraph 1 of Article 83 of this Act.

(3) Within the customer due diligence referred to in points 3 and 4 of paragraph 1 of Article 8 of this Act, the organisation shall obtain the data from paragraph 1 of Article 83 of this Act.

2.2.2.4 Monitoring business activities

Article 22

(Due diligence in monitoring business activities)

(1) The organisation shall diligently monitor business activities undertaken by the customer through the organisation with due diligence and thus ensure knowledge of the customer, including the origin of assets used in business operations. Monitoring business activities undertaken by the customer through the organisation shall include:

1. verification of the customer's business operations compliance with the purpose and intended nature of the business relationship established between the customer and the organisation;

2. monitoring and verification of the customer's business operations compliance with his/her regular scope of business;

3. checking and updating obtained documents and data on the customer, including undertaking annual review of the customer in cases referred to in Article 23 of this Act.

(2) The organisation shall ensure the scope and frequency of measures referred to in paragraph 1 of this Article appropriate to the risk of money laundering or terrorist financing to which it is exposed in carrying out individual transactions or in business operations with an individual customer. The organisation shall assess such risk pursuant to Article 6 of this Act.

Article 23

(Annual review of a foreign legal entity)

(1) When a foreign legal entity carries out transactions referred to in paragraph 1 of Article 8 of this Act, the organisation shall, in addition to the tasks referred to in Article 22 of this Act, carry out regular repeated review of the foreign legal entity at least once a year and not later than one year after the last review of the foreign legal entity.

(2) Notwithstanding the preceding paragraph, the organisation shall carry out review when a customer carrying out transactions from paragraph 1 of Article 8 of this Act is a legal entity with its head office in the Republic of Slovenia and in more than 25% ownership of:

1. a foreign legal entity which is not or may not be engaged in trade, manufacturing or other activity in the country of registration;

2. fiduciary or other similar foreign law companies with unknown or hidden owners or managers.

(3) The annual review of the customer referred to in paragraphs 1 and 2 of this Article shall include:

1. obtaining or verifying data on the firm, address and legal entity's head office referred to in paragraph 1 or 2 of this Article;

2. obtaining data on the personal name and permanent or temporary residence of the legal entity's statutory representative referred to in paragraph 1 or 2 of this Article;

3. obtaining data on the legal entity's beneficial owner referred to in paragraph 1 or 2 of this Article;

4. obtaining the new authorisation referred to in paragraph 2 of Article 16 of this Act.

(4) When the transactions referred to in paragraph 1 of Article 8 of this Act are carried out on behalf and for the account of a foreign legal entity by its branch, the organisation shall obtain, in addition to the data referred to in paragraph 2 of this Article, the following data within the annual review of a foreign legal entity:

1. data on the address and head office of the foreign legal entity's branch;

2. data on personal name and permanent residence of the foreign legal entity's statutory representative.

(5) The organisation shall obtain the data referred to in points 1, 2 and 3 of paragraph 3 of this Article by inspecting the original or certified documentation from the court or other public register, which shall not be older than three months, or by direct inspection of the court or other public register. When the required data cannot be obtained in the described manner, the organisation shall obtain the missing data from the original or certified documents and business records submitted by the legal entity referred to in paragraph 1 or 2 of this Article. When due to objective reasons the organisation cannot obtain the missing data in the prescribed manner, it shall obtain it directly from the written statement of the statutory representative of the legal entity referred to in paragraph 1 or 2 of this Article.

(6) The organisation shall not effect transactions if it does not or cannot undertake annual review of the customer in accordance with this Article.

(7) Notwithstanding the provisions of paragraph 1 of this Article, the annual review of a foreign legal entity shall not be required if the foreign legal entity is the organisation referred to in paragraph 1 of Article 33.

2.2.3 Customer due diligence via third parties

Article 24

(Due diligence relying on third parties)

(1) Under the conditions stipulated by this Act, the organisation entering into a business relationship may rely on a third party to apply the measures referred to in points 1, 2 and 3 of paragraph 1 of Article 7 of this Act.

(2) The organisation shall verify in advance whether the third party entrusted to carry out customer due diligence meets all the conditions stipulated by this Act.

(3) Customer due diligence performed for the organisation by a third party can not be accepted as appropriate if, within this procedure, the third party determined and verified the identity of a customer in his/her absence.

(4) The organisation which relies on a third party in respect of customer due diligence shall remain responsible for the proper customer due diligence procedure under this Act.

Article 25

(Third parties)

(1) The third party referred to in paragraph 1 of Article 24 of this Act shall be the following:

1. the organisation referred to in points 1, 2, 4, 5, 6, 7 or 8 of paragraph 1 of Article 4 of this Act;

2. a bank of a Member State or a branch of a Slovenian bank in a Member State;

3. an investment fund management company from a Member State or a branch of a Slovenian investment fund management company in a Member State;

4. founders or managers of mutual pension funds from a Member State or a pension company from a Member State;

5. a brokerage company from a Member State or a branch of a Slovenian brokerage company in a Member State;

6. an insurance company from a Member State or a branch of a Slovenian insurance company in a Member State;

7. a branch or subsidiary of a bank from a Member State in a third country, a branch or subsidiary of a management company from a Member State in a third country, a branch or subsidiary of a brokerage company from a Member State in a third country, or a branch or subsidiary of an insurance company from a Member State in a third country;

8. other persons meeting the conditions set by the minister responsible for finance in the rules. The minister shall, inter alia, take account of the technical criteria adopted by the European Commission pursuant to Article 40 of Directive 2005/60/EC, data from the competent international organisations and data from the office.

(2) Notwithstanding paragraph 1 of this Article, a notary situated in a Member State or in an equivalent third country referred to in paragraph 5 of this Article shall also be considered a third party.

(3) Notwithstanding other provisions of this Article, a shell bank or other similar credit institution which does not or may not pursue its activities in the country of registration can in no case act as a third party.

(4) The third parties referred to in paragraph 1 of Article 24 of this Act shall not include outsourcing service providers and agents.

(5) The minister responsible for finance shall draw up the list of equivalent third countries that impose and comply with money laundering and terrorist financing standards as defined by Directive 2005/60/EC, while taking into account the instrument adopted by the European Commission pursuant to Article 40 of Directive 2005/60/EC, data from the competent international organisations and the office.

Article 26

(Exceptions relating to customers)

Notwithstanding paragraph 1 of Article 24 of this Act, the organisation may not rely on a third party to apply customer due diligence procedure when the customer is:

1. a foreign legal entity which is not or may not be engaged in trade, manufacturing or other activity in the country of registration;

2. a fiduciary or other similar foreign law company with unknown or hidden owners or managers.

Article 27

(Obtaining data and documentation from a third party)

(1) A third party applying customer due diligence procedure in place of the organisation shall make immediately available to the organisation the obtained data on the customer which is required by the organisation to enter into a business relationship under this Act.

(2) The third party shall immediately forward to the organisation, upon its request, copies of documents and other documentation used in the customer due diligence procedure. Obtained copies and documentation shall be kept by the organisation in accordance with the provisions of the present Act and the Act regulating protection and retention of data.

(3) When the organisation relies on third parties referred to in points 2 to 8 of paragraph 1 of Article 25 of this Act to apply customer due diligence procedure, the organisation may accept documentation or data used in customer due diligence procedure in the country concerned, even if the documentation and data differ from those required by this Act.

(4) When the organisation assesses that there is good reason to doubt the veracity of applied customer due diligence procedure or the identification documentation or the reliability of obtained data on the customer, it shall immediately demand a written statement from the third party on the veracity of the respective customer due diligence procedure and reliability of obtained customer data.

(5) The organisation shall not enter into a business relationship if:

1. customer due diligence procedure was applied by a person not considered a third party pursuant to Article 25 of this Act;

2. the third party relied on by the organisation to apply customer due diligence procedure determined and verified the identity of a customer in his/her absence;

3. the organisation failed to obtain in advance the data referred to in paragraph 1 of this Article from the third party which applied customer due diligence procedure;

4. the organisation failed to obtain in advance copies of identification documents and other customer documentation from the third party which applied customer due diligence procedure;

5. there is good reason to doubt the veracity of the performed customer due diligence procedure or reliability of obtained data on the customer, and the third party, despite the organisation's request, failed to submit the written statement referred to in paragraph 4 of this Article.

(6) When the third party relied upon by the organisation to apply customer due diligence procedure is an organisation referred to in points 1, 2, 4, 5, 6, 7 or 8 of paragraph 1 of Article 4 of this Act, it shall itself be responsible for performing the obligations under this Act, including the obligation to report transactions when reasons for suspicion of money laundering or terrorist financing exist, and to retain data and documentation.

2.2.4 Special types of customer due diligence

Article 28

(General)

Customer due diligence procedure shall be applied in accordance with paragraph 1 of Article 7 of this Act; in some cases stipulated by this Act, particularly rigorous measures shall be required or simplified customer due diligence measures allowed. Special types of customer due diligence shall be:

1. enhanced due diligence;

2. simplified due diligence.

2.2.4.1 Enhanced customer due diligence

Article 29

(General)

(1) Enhanced customer due diligence shall, in addition to the measures referred to in paragraph 1 of Article 7 of this Act, include additional measures stipulated by this Act in the following cases:

1. entering into a correspondent banking relationship with a respondent bank or similar credit institution situated in a third country;

2. entering into a business relationship or carrying out a transaction referred to in point 2 of paragraph 1 of Article 8 of this Act with a customer who is a politically exposed person referred to in Article 31 of this Act;

3. when, within customer due diligence, a customer was not physically present for the purpose of determining and verifying his identity.

(2) The organisation shall apply enhanced customer due diligence procedure in all cases referred to in paragraph 1 of this Article. In addition, the organisation shall apply, by analogy, a measure or measures of enhanced customer due diligence from Articles 30, 31 and 32 of this Act in cases where pursuant to Article 6 of this Act it assesses that there is a high risk of money laundering or terrorist financing due to the nature of the business relationship, form or manner of executing the transaction, business profile of the customer, or other circumstances relating to the customer.

Article 30

(Corresponding banking relationships with credit institutions from third countries)

(1) When entering into a corresponding banking relationship with a bank or similar credit institution situated in a third country, the organisation shall apply measures referred to in paragraph 1 of Article 7 of this Act within enhanced customer due diligence procedure and shall in addition obtain the following data, information and documentation:

1. date of issue and period of validity of the authorisation to perform banking services, and name and head office of the competent authority from the third country that issued the authorisation;

2. description of the performance of internal procedures relating to the detection and prevention of money laundering and terrorist financing, in particular to customer due diligence procedures, procedures for determining the beneficial owners, for reporting data on suspicious transactions to competent authorities, for keeping records, internal control and other procedures adopted by the bank or other similar credit institution with respect to detecting and preventing money laundering and terrorist financing;

3. description of systemic arrangements in the field of detection and prevention of money laundering and terrorist financing applicable in the third country where the bank or other similar credit institution is established or registered;

4. a written statement that the bank or other similar credit institution does not operate as a shell bank;

5. a written statement that the bank or other similar credit institution has not established or does not enter into business relationships with shell banks;

6. a written statement that the bank or similar credit institution is subject to administrative supervision in the country of its head office or registration and is, in accordance with the legislation of the country concerned, under the obligation to comply with laws and

regulations governing the detection and prevention of money laundering and terrorist financing.

(2) An employee of the organisation establishing the correspondent relationship referred to in paragraph 1 of this Article and conducting the enhanced customer due diligence procedure shall obtain the written approval of his/her superior and the responsible person in the organisation prior to entering into such relationship.

(3) The organisation shall obtain the data referred to in paragraph 1 of this Article by inspecting public or other accessible data records, or by inspecting documents and business records submitted by the bank or other similar credit institution situated in the third country. (4) The organisation shall not enter into or continue a correspondent banking relationship with a respondent bank or other similar credit institution situated in a third country if:

1. no data referred to in points 1, 2, 4, 5 and 6 of paragraph 1 of this Article have been obtained in advance;

2. the employee of the organisation failed to obtain prior written approval of his/her superior and the responsible person in the organisation for entering into the correspondent relationship;

3. the bank or other similar credit institution situated in the third country does not have in place a system for detecting and preventing money laundering and terrorist financing or is, in accordance with the legislation of the third country where it is established or registered, not under the obligation to comply with laws and other relevant regulations concerning the detection and prevention of money laundering and terrorist financing;

4. the bank or other similar credit institution situated in the third country operates as a shell bank or enters into correspondent or other business relationships and effects transactions with shell banks.

Article 31

(Foreign politically exposed persons)

(1) The organisation shall establish an appropriate procedure to determine whether a person is a foreign politically exposed person. It shall define such procedure in its internal act while taking account of the guidelines of the competent supervisory body referred to in Article 85 of this Act.

(2) The foreign politically exposed person referred to in paragraph 1 of this Article shall mean any natural person who is or has been entrusted with prominent public function in the previous year and resides in another Member State or in a third country, or a person who is or has been entrusted with prominent public function in another Member State or in a third country in the previous year, including immediate family members and close associates.

(3) Natural persons who are or have been entrusted with prominent public function shall be the following:

1. heads of state, prime ministers, ministers and their deputies or assistants;

2. elected representatives in legislative bodies;

3. members of supreme and constitutional courts and other high-level judicial authorities against whose decisions there is no ordinary or extraordinary legal remedy, save in exceptional cases;

4. members of courts of audit and boards of governors of central banks;

5. ambassadors, chargés d'affaire and high-ranking officers of armed forces;

6. members of the management or supervisory bodies of undertakings in majority state ownership.

(4) Immediate family members of the person referred to in paragraph 2 of this Article shall be the following: spouse, common law partner, parents, brothers and sisters and children and their spouses or common law partners.

(5) The close associate referred to in paragraph 2 of this Article shall mean any natural person who has a joint profit from property or business relationship or has any other close business links.

(6) When the customer entering into a business relationship with or effecting a transaction, or when the customer on whose behalf a business relationship is entered into or a transaction effected, is a foreign politically exposed person, the organisation shall in addition to the measures referred to in paragraph 1 of Article 7 of this Act within the enhanced customer due diligence procedure take the following measures:

1. The organisation shall obtain data on the source of funds and property that are or will be the subject of business relationship or transaction from documents and other documentation submitted by the customer. When such data cannot be obtained in the described manner, the organisation shall obtain it directly from the customer's written statement.

2. An employee of the organisation who conducts the procedure for entering into a business relationship with a customer who is a foreign politically exposed person shall obtain the written approval of his/her superior and the responsible person prior to entering into such relationship.

3. After a business relationship has been entered into, the organisation shall monitor the transactions and other business activities effected through the organisation by a foreign politically exposed person with due diligence.

Article 32

(Physical absence of a customer when determining and verifying identity)

(1) When a customer is not physically present in the organisation when determining and verifying identity, the organisation shall, in addition to the measures referred to in paragraph 1 of Article 7 of this Act within enhanced customer due diligence procedure, take one or more additional measures referred to in paragraph 2 of this Article.

(2) The organisation shall compensate for the higher risk of money laundering and terrorist financing occurring where the customer has not been physically present by:

1. obtaining additional documents, data and information on the basis of which it verifies the customer's identity;

2. additional verification of submitted documents or additional confirmation by the financial institution referred to in point 25 of Article 3 of this Act;

3. applying the measure referred to in paragraph 3 of this Article as set by the competent supervisory authority referred to in Article 85 of this Act.

(3) The organisation shall only be allowed to enter into a business relationship without the customer's presence under paragraph 2 of Article 13 of this Act if it takes measures ensuring that, prior to effecting the customer's subsequent transaction through the organisation, the first payment of the operation is carried out through an account opened in the customer's name with a credit institution.

2.2.4.2 Simplified customer due diligence

Article 33

(General)

(1) Notwithstanding the provision of Article 7 of this Act, the organisation may, except when reasons for suspicion of money laundering or terrorist financing exist in connection with the customer, in cases under points 1 and 2 of paragraph 1 of Article 8 of this Act apply simplified customer due diligence if the customer is:

1. the organisation referred to in points 1, 2, 4, 5, 6, 7 and 8 of paragraph 1 of Article 4 of this Act, provided the organisation has its head office in a Member State or equivalent third country referred to in paragraph 5 of Article 25 of this Act;

2. a state body, self-governing local community body, public agency, public fund, public institution or chamber;

3. a company whose securities are admitted to trading on a regulated market in one or more Member States in accordance with European Community legislation, or a company situated in a third country whose securities are admitted to trading on a regulated market in a Member State or in that country, provided that its disclosure requirements are consistent with European Community legislation;

4. the person referred to in paragraph 4 of Article 6 of this Act in connection with whom there is little risk of money laundering or terrorist financing.

(2) Notwithstanding paragraph 1 of this Article, the organisation entering into a correspondent banking relationship with a respondent bank or other similar credit institution situated in a third country shall act in accordance with paragraph 1 of Article 30 of this Act.

(3) Notwithstanding the provision of Article 7 of this Act, an auditing firm or independent auditor that establishes a business relationship of mandatory auditing of annual accounts of a legal entity pursuant to the Act governing its operations, may apply simplified due diligence procedure, except when reasons for suspicion of money laundering or terrorist financing exist in connection with the customer or auditing circumstances.

Article 34

(Obtaining and verifying customer data)

(1) Notwithstanding the first paragraph of Article 7 of this Act, the simplified customer due diligence procedure referred to in paragraph 1 of Article 33 of this Act shall only include obtaining certain customer, business relationship or transaction data.

(2) Within the simplified customer due diligence procedure, the organisation shall obtain the following data:

1. when establishing a business relationship:

- the name, address and registered office of the legal entity establishing the business relationship or legal entity on whose behalf the business relationship is established;

- the personal name of the statutory representative or authorised person establishing the business relationship for a legal entity;

- the purpose and intended nature of the business relationship and the date of establishment of the business relationship;

2. when conducting transactions under point 2 of paragraph 1 of Article 8 of this Act:

- the name, address and registered office of the legal entity for whom the transaction is conducted;

- the personal name of the statutory representative or authorised person conducting the transaction for the legal entity;

- the date and time of the transaction;

- the amount of transaction, currency of transaction and manner of effecting the transaction;

- the purpose of transaction and the personal name and permanent address or name and registered office of the person to whom the transaction is directed.

(3) The organisation shall obtain the data referred to in paragraph 2 of this Article by inspecting the original or certified documentation from the court or other public register submitted by the customer or by direct inspection of the court or other public register.

(4) When all required data cannot be obtained in the manner stipulated in paragraph 3 of this Article, the organisation shall obtain the missing data from the original or certified documents and business records submitted by the customer. When due to objective reasons the organisation cannot obtain the missing data even in the manner described, it shall obtain it directly from the written statement of the statutory representative or authorised person.

(5) The submitted documentation referred to in paragraphs 3 and 4 of this Article shall not be older than three months.

2.2.5 Limitations on transactions with customers

Article 35

(Prohibition on using anonymous products)

The organisation shall not open, issue or keep anonymous accounts, passbooks or bearer passbooks, or other products enabling, directly or indirectly, the concealment of the customer's identity.

Article 36

(Prohibition on conducting business with shell banks)

The organisation shall not enter into or continue a correspondent banking relationship with a respondent bank that operates or may operate as a shell bank, or other similar credit institution known to allow shell banks to use its accounts.

Article 37

(Limitations on cash operations)

(1) Persons pursuing the activity of selling goods in the Republic of Slovenia shall not accept cash payments exceeding EUR 15,000 from their customers or third persons when selling individual goods. Persons pursuing the activity of selling goods shall also include legal entities and natural persons who organise or conduct auctions, deal in works of art, precious metals or stones or products thereof, and other legal entities and natural persons who accept cash payments for goods.

(2) The limitation for accepting cash payments referred to in the preceding paragraph shall also apply where the payment is effected by several linked cash transactions exceeding in total the amount of EUR 15,000.

(3) Persons pursuing the activity of selling goods shall receive payments referred to in paragraphs 1 and 2 of this Article from the customer or third party on their transaction accounts, unless otherwise provided by other Acts.

2.3 Reporting

Article 38

(Reporting obligation and deadlines)

(1) The organisation shall furnish the office with the data referred to in points 1, 2, 3, 4, 5, 9, 10, 11 and 12 of paragraph 1 of Article 83 of this Act on any cash transaction exceeding EUR 30,000 immediately after the transaction is completed and not later than within three working days following its completion.

(2) The reporting obligation concerning cash transactions referred to in paragraph 1 of this Article shall not apply to auditing firms, independent auditors, and legal entities and natural persons performing accounting or tax advisory services.

(3) Notwithstanding the provisions of the preceding paragraphs of this Article, the organisation shall furnish the office with the data referred to in paragraph 1 of Article 83 of this Act where reasons for suspicion of money laundering or terrorist financing exist in connection with the customer or transaction, prior to effecting the transaction, and shall state the time limit in which the transaction is to be carried out. Such report may also be submitted by telephone; however, the written report shall be sent to the office the next working day at the latest.

(4) The reporting obligation concerning the transactions referred to in the preceding paragraph shall also apply to an intended transaction, irrespective of whether it is effected at a later date or not.

(5) Notwithstanding paragraphs 3 and 4 of this Article, the auditing firms, independent auditors, legal entities and natural persons performing accounting or tax advisory services shall report all cases where the customer seeks advice for money laundering or terrorist financing purposes to the office immediately or not later than within three business days of seeking such advice.

(6) If in cases referred to in paragraphs 3 and 4 of this Article and due to the nature of the transaction or because the transaction was not completed, or due to other justified reasons, the organisation cannot follow the described procedure, it shall furnish the data to the office as soon as is practicable or immediately after the suspicion of money laundering or terrorist financing is raised. The organisation shall explain in the report the reasons for not acting in accordance with the described procedure.

(7) The organisation shall forward to the office the data referred to in paragraphs 1, 3, 4 and 5 of this Article in the manner prescribed in the rules issued by the minister responsible for finance.

(8) The minister responsible for finance shall issue the rules setting the conditions under which the organisation shall not be required to forward to the office the data on certain customer transactions referred to in paragraph 1 of this Article.

2.4 Application of measures for detecting and preventing money laundering and terrorist financing in branches and majority-owned subsidiaries located in third countries

Article 39

(Obligation to apply measures in third countries)

(1) The organisation shall ensure that its branches and majority-owned subsidiaries located in third countries apply the measures for detecting and preventing money laundering and terrorist

financing stipulated by the present Act to the same extent, unless explicitly contrary to the legislation of the third country.

(2) If the legislation of a third country does not allow for the application of measures for detecting and preventing money laundering or terrorist financing to the same extent as stipulated by this Act, the organisation shall forthwith inform the office thereof and take appropriate measures to eliminate the risk of money laundering or terrorist financing.

(3) Organisations shall inform their branches and majority-owned subsidiaries located in third countries of internal procedures relating to the detection and prevention of money laundering and terrorist financing, in particular with respect to customer due diligence, reporting obligations, keeping records, internal control and other relevant circumstances relating to the detection and prevention of money laundering and terrorist financing.

2.5 Authorised person, education and internal control

2.5.1 Authorised person

Article 40

(Appointment of authorised person and his/her deputy)

(1) Organisations shall appoint an authorised person and one or more deputies for the specific tasks of detecting and preventing money laundering and terrorist financing stipulated by this Act and the ensuing regulations.

(2) Notwithstanding the provisions of paragraph 1 of this Article, organisations of fewer than four employees shall not be required to appoint an authorised person and conduct internal control pursuant to this Act.

Article 41

(Conditions for the authorised person)

(1) The organisation shall ensure that the work of the authorised person referred to in Article 40 of this Act is entrusted solely to a person meeting the following requirements:

1. holds a position within the classification of posts ranking high enough to enable rapid, quality and timely execution of tasks stipulated by this Act and ensuing regulations;

2. has not been convicted by a final judgment, nor is subject to criminal proceedings either for an intentionally committed criminal offence that is prosecuted ex officio or for one of the following criminal offences committed by negligence: negligent homicide, serious bodily injury, aggravated bodily injury, threatening work safety, concealment, disclosure and undue obtaining of professional secrecy, money laundering, disclosure of an official secret, causing general danger or disclosure of a state secret, and the penalty has not yet been expunged from the criminal record;

3. holds appropriate professional qualifications for the tasks of preventing and detecting money laundering and terrorist financing and possesses the characteristics and experience necessary to discharge the function of the authorised person;

4. is well acquainted with the nature of the organisation’s operations in the fields exposed to risk of money laundering or terrorist financing.

(2) The authorised person’s deputy shall meet the requirements referred to in points 2, 3 and 4 of paragraph 1 of this Article.

Article 42

(Duties of authorised person and deputy)

(1) The authorised person referred to in Article 40 of this Act shall perform the following tasks:

1. provide for the setting up, functioning and development of the system for detecting and preventing money laundering and terrorist financing within the organisation;

2. provide for correct and timely reporting to the office in accordance with this Act and ensuing regulations;

3. participate in the drawing up and modification of the operative procedures and in the preparation of internal regulations concerning the prevention and detection of money laundering and terrorist financing;

4. participate in the elaboration of guidelines for the conduct of control related to the prevention and detection of money laundering and terrorist financing;

5. monitor and coordinate the activities of the organisation in the field of detecting and preventing money laundering and terrorist financing;

6. participate in the setting up and development of information support for the activities related to the detection and prevention of money laundering and terrorist financing within the organisation;

7. suggest initiatives and make proposals to the management or other administrative body of the organisation for improvement of the system for detecting and preventing money laundering and terrorist financing within the organisation;

8. participate in preparation of the professional education and training programme for employees in the field of prevention and detection of money laundering and terrorist financing.

(2) The deputy shall deputise for the authorised person in his/her absence with regard to the full scope of the tasks referred to paragraph 1 of this Article and shall carry out other tasks pursuant to this Act if so stipulated by the internal regulations of the organisation.

Article 43

(Obligations of the organisation)

(1) To enable the authorised person to carry out tasks for detecting and preventing money laundering and terrorist financing pursuant to this Act, the organisation shall:

1. provide unlimited access to all data, information and documentation required to carry out those tasks;

2. give appropriate authorisations for the efficient performance of tasks referred to in paragraph 1 of Article 42 of this Act;

3. provide appropriate staff, material and other working conditions;

4. ensure appropriate premises and technical capacities guaranteeing an adequate level of protection of classified information available to the authorised person pursuant to this Act;

5. provide appropriate information and technical support enabling permanent and safe monitoring of activities in this field;

6. provide for regular professional training related to the detection and prevention of money laundering and terrorist financing;

7. provide a replacement during the authorised person's absence.

(2) Internal organisational units, as well as the management or other administrative body within the organisation, shall provide help and support to the authorised person in carrying out tasks pursuant to this Act and ensuing regulations, and supply updated information about all facts which are or might be linked to money laundering or terrorist financing. The organisation shall lay down the method of cooperation between its internal organisational units and the authorised person in its internal regulation.

(3) The organisation shall provide for the person acting as the authorised person pursuant to this Act to carry out his/her functions and duties as a sole full-time job, provided that due to the large number of employees, nature or scope of business or other justifiable reasons the workload concerning the detection and prevention of money laundering and terrorist financing is permanently increased.

(4) The authorised person referred to in the preceding paragraph shall carry out his/her tasks as an independent organisational unit directly responsible to the management or other administrative body and shall be functionally and organisationally separated from other organisational units of the organisation.

(5) The organisation shall forward to the office the personal name and title of the position held by the authorised person and his/her deputy and any changes thereof immediately and in no case later than within fifteen days following the appointment or change of data.

2.5.2 Education and professional training

Article 44

(Obligation to undertake regular education)

(1) The organisation shall provide regular professional training and education for all employees carrying out tasks for the prevention and detection of money laundering and terrorist financing pursuant to this Act.

(2) Professional training and education referred to in the preceding paragraph shall relate to information about the provisions of the Act and ensuing regulations and internal regulations, about professional literature relating to the prevention and detection of money laundering and terrorist financing, and about lists of indicators for recognising customers and transactions in respect of which reasons for suspicion of money laundering or terrorist financing exist.

(3) The organisation shall draw up the annual professional training and education programme for the prevention and detection of money laundering and terrorist financing not later than by the end of March for the current year.

2.5.3 Internal control

Article 45

(Regular internal control obligation)

The organisation shall ensure regular internal control over the performance of tasks for detecting and preventing money laundering and terrorist financing pursuant to this Act.

2.5.4 Implementing regulation for the purpose of carrying out certain tasks

Article 46

(Detailed regulations concerning the authorised person, method for executing internal control, retention and protection of data, keeping of records and professional training of employees)

The minister responsible for finance shall issue rules laying down detailed rules about the authorised person, the method for executing internal control, retention and protection of data, the administration of records and professional training of employees within the organisations, lawyers, law firms and notaries pursuant to this Act.

CHAPTER III

TASKS AND OBLIGATIONS OF LAWYERS, LAW FIRMS AND NOTARIES

Article 47

(Tasks and obligations of lawyers, law firms and notaries)

Unless otherwise provided in this Chapter, a lawyer, law firm or notary shall act in accordance with the provisions of this Act governing tasks and obligations of organisations in applying the measures for detecting and preventing money laundering and terrorist financing when:

1. assisting in planning or executing transactions for a client concerning:

    a) buying or selling real property or a company;

    b) managing client money, securities or other assets;

    c) opening or managing bank, savings or securities accounts;

    d) raising funds required to establish, operate or manage a company;

    e) establishing, operating or managing foundations, trusts, companies or similar legal organisational forms;

2. or conducting a financial or real estate transaction on behalf and for the account of the client.

Article 48

(Client due diligence)

(1) Within the client due diligence referred to in point 1 of paragraph 1 of Article 8 of this Act, the lawyer, law firm or notary shall obtain the data from points 1, 2, 3, 4, 5, 6 and 11 of paragraph 3 of Article 83 of this Act.

(2) Within the client due diligence referred to in point 2 of paragraph 1 of Article 8 of this Act, the lawyer, law firm or notary shall obtain the data from points 1, 2, 3, 4, 7, 8, 9, 10 and 11 of paragraph 3 of Article 83 of this Act.

(3) Within the client due diligence referred to in points 3 and 4 of paragraph 1 of Article 8 of this Act, the lawyer, law firm or notary shall obtain the data from paragraph 3 of Article 83 of this Act.

(4) A lawyer, law firm or notary shall determine and verify the identity of the client or his/her statutory representative or authorised person and shall obtain the data referred to in points 1, 2 and 3 of paragraph 3 of Article 83 of this Act by examining the client's official personal identification document in his/her presence or by inspecting the original or certified documentation from the court or other public register, which shall not be older than three months.

(5) A lawyer, law firm or notary shall determine the beneficial owner of a client who is a legal entity or similar foreign legal entity by obtaining the data referred to in point 4 of paragraph 3 of

Article 83 of this Act by inspecting the original or certified documentation from the court or other public register, which shall not be older than three months. When all the data cannot be obtained from such register, the missing data shall be obtained by inspecting the original and certified documents and other business records submitted by the legal entity's statutory representative or agent.

(6) The lawyer, law firm or notary shall obtain the other data referred to in paragraph 3 of Article 83 of this Act by inspecting the original or certified documents and other business records.

(7) When all the data cannot be obtained in the manner prescribed in this Article, the missing data, other than those referred to in points 12, 13 and 14 of paragraph 3 of Article 83 of this Act, shall be obtained directly from the client's written statement.

Article 49

(Reporting data on clients and transactions in respect of which reasonable grounds to suspect money laundering or terrorist financing exist)

(1) When, in carrying out business referred to in Article 47 of this Act, reasons for suspicion of money laundering or terrorist financing exist in connection with the client or transaction, the lawyer, law firm or notary shall report such suspicion prior to effecting the transaction and shall state the time limit in which the transaction is to be carried out. Such report may also be submitted by telephone; however, the written report shall be sent to the office the next working day at the latest.

(2) The reporting obligation concerning the transactions referred to in the preceding paragraph shall also apply to an intended transaction, irrespective of whether it is effected at a later date or not.

(3) If, in cases referred to in paragraphs 1 and 2 of this Article and due to the nature of the transaction, or because the transaction was not completed or due to other justified reasons, the lawyer, law firm or notary cannot follow the described procedure, they shall furnish the data to the office as soon as is practicable or immediately after the suspicion of money laundering or terrorist financing is raised. The lawyer, law firm or notary shall explain in the report the reasons for not acting in accordance with the described procedure.

(4) The lawyer, law firm or notary shall report all cases where the client seeks advice for money laundering or terrorist financing purposes to the office immediately or not later than within three business days of seeking such advice.

(5) The lawyer, law firm or notary shall forward to the office the data referred to in paragraph 3 of Article 83 in the manner prescribed in the rules issued by the minister competent for finance.

Article 50

(Exceptions)

(1) The provisions of paragraphs 1 and 2 of Article 49 of this Act shall not apply to the lawyer, law firm or notary with regard to the data obtained from or about the client in the course of establishing the client's legal position or when acting as the client's legal representative in a judicial proceeding, including advice on instituting or avoiding such proceeding, irrespective of whether such data is obtained before, during or after such proceedings.

(2) Subject to the conditions referred to in paragraph 1 of this Article, the lawyer, law firm or notary shall not be obliged to forward the data, information and documentation on the basis of a request from the office referred to in paragraphs 1 and 2 of Article 55 of this Act. In such case, they shall immediately and not later than within 15 days of receipt of the request inform the office in writing about the reasons for non-compliance with the office's request.

(3) Notwithstanding the other provisions of this Act, the lawyers, law firms or notaries shall not be obliged to report to the office the cash transactions referred to in paragraph 1 of Article 38 of this Act, unless reasons for suspicion of money laundering or terrorist financing exist in connection with the transaction or client.

CHAPTER IV

LIST OF INDICATORS FOR THE RECOGNITION OF CUSTOMERS AND TRANSACTIONS IN RESPECT OF WHICH REASONABLE GROUNDS TO SUSPECT MONEY LAUNDERING OR TERRORIST FINANCING EXIST

Article 51

(Obligation to compile and use the list of indicators)

(1) Organisations, lawyers, law firms and notaries shall be obliged to compile a list of indicators for the recognition of customers and transactions in respect of which reasonable grounds to suspect money laundering or terrorist financing exist.

(2) In compiling the list of indicators referred to in paragraph 1 of this Article, organisations, lawyers, law firms and notaries shall take into account in particular the complexity and scope of implementing the transactions, unusual patterns, value or relation of transactions which have no apparent economic or visible lawful purpose and/or are not in compliance or are in disproportion with the usual or expected business of a customer, as well as other circumstances related to the status and other characteristics of the customer.

(3) Organisations, lawyers, law firms and notaries shall be obliged to use the list of indicators referred to in paragraph 1 hereof when determining the grounds to suspect money laundering or terrorist financing or other circumstances relating thereto.

(4) The minister responsible for finance may prescribe obligatory inclusion of individual indicators on the list of indicators for the identification of customers and transactions in respect of which reasonable grounds to suspect money laundering or terrorist financing exist.

Article 52

(Participation in preparing the list of indicators)

The Bank of Slovenia, Securities Market Agency of the Republic of Slovenia, Insurance Supervision Agency, Office of the Republic of Slovenia for Gaming Supervision, Slovenian Audit Institute, Chamber of Notaries of Slovenia, Bar Association of Slovenia, and associations and societies whose members are bound under this Act shall participate in drawing up the list of indicators referred to in paragraph 1 of Article 51 hereof.

CHAPTER V

DUTIES AND COMPETENCIES OF THE OFFICE FOR MONEY LAUNDERING PREVENTION OF THE REPUBLIC OF SLOVENIA

5.1 General provisions

Article 53

(General)

(1) The Office shall perform duties relating to the prevention and detection of money laundering and terrorist financing, and other duties as stipulated by this Act.

(2) The Office shall receive, collect, analyse and forward data, information and documentation obtained in accordance with the provisions of this Act.

(3) All data, information and documentation from personal data records shall be forwarded to the Office under this Act free of charge.

5.2 Detection of money laundering and terrorist financing

Article 54

(Request to an organisation for the submission of data on suspicious transactions or persons)

(1) If the Office considers that in respect of a transaction or a certain person there are grounds to suspect money laundering or terrorist financing, it may demand that the organisation submit to it the following:

1. data from records of customers and transactions, which shall be kept by organisations pursuant to paragraph 1 of Article 83 hereof;

2. data on the assets and other property of said person with the organisation;

3. data on transactions with assets and property of said person with the organisation;

4. data on other business relationships of the organisation;

5. all other data and information obtained or retained by the organisation under this Act which are required for detecting and proving money laundering and terrorist financing. In the request the Office shall specify the data required, as well as the legal basis for submission, purpose of processing, and the time limit within which the required data should be submitted to the Office.

(2) The data referred to in the preceding paragraph may be required by the Office from the organisation also for the person in respect of whom there are grounds to believe that he/she has participated or has been engaged in the transactions or business of the person in respect of whom there are grounds to suspect money laundering or terrorist financing.

(3) In the cases referred to in paragraphs 1 and 2 of this Article, the organisation shall additionally be obliged to forward to the Office upon its request all other necessary documentation.

(4) The organisation shall forward the data, information and documentation referred to in the preceding paragraphs to the Office without delay and at the latest within 15 days of receiving the request. Exceptionally, the Office may set a shorter time limit for the request if this is necessary to determine circumstances relevant for issuing an order temporarily suspending a transaction, or to forward the data to foreign authorities and international organisations, and in other urgent cases when it is necessary to prevent the occurrence of property damage.

(5) In cases of extensive documentation or due to other justified reasons, the Office may, by written notification, extend to the organisation, upon its written and reasoned initiative, the time limit determined in paragraph 4 of this Article and it may, in such cases, inspect the documentation in the organisation.

Article 55

(Request to a lawyer, law firm or notary for the submission of data on suspicious transactions or persons)

(1) If the Office considers that there are grounds to suspect money laundering or terrorist financing in connection with a transaction or a certain person, it may require from the lawyer, law firm or notary the data, information and documentation relating to the transactions referred to in Article 47 hereof, which are needed for detecting and proving money laundering and terrorist financing. In the request the Office shall specify the data required, as well as the legal basis for

submission, purpose of processing, and the time limit within which the required data should be submitted to the Office.

(2) The data referred to in the preceding paragraph may be requested by the Office from the lawyer, law firm or notary also for the person in respect of whom there are grounds to believe that he/she has participated or has been engaged in the transactions or business of the person in respect of whom there are grounds to suspect money laundering or terrorist financing.

(3) Regarding the time limit for forwarding the data, information and documentation referred to in paragraphs 1 and 2 of this Article, the provisions of paragraphs 4 and 5 of Article 54 of this Act shall apply mutatis mutandis.

Article 56

(Request to a state authority or holders of public authority for the submission of data on suspicious transactions or persons)

(1) If the Office considers that there are grounds to suspect money laundering or terrorist financing in connection with a transaction or a certain person, it may require from state authorities and holders of public authority the data, information and documentation needed for detecting and proving money laundering and terrorist financing. In the request the Office shall specify the data required, as well as the legal basis for submission, purpose of processing, and the time limit within which the required data should be submitted to the Office.

(2) The data referred to in the preceding paragraph may be requested by the Office from the state authorities and holders of public authority also for the person in respect of whom there are grounds to believe that he/she has participated or has been engaged in the transactions or business of the person in respect of whom there are grounds to suspect money laundering or terrorist financing.

(3) State authorities and holders of public authority shall forward to the Office the data, information and documentation referred to in the preceding paragraphs, without delay and at the latest within 15 days of receipt of the request, or shall allow the Office, without compensation, direct electronic access to certain data and information.

(4) Notwithstanding paragraph 3 of this Article, the Office may exceptionally set a shorter deadline for the request if this is necessary to determine circumstances relevant for issuing an order temporarily suspending a transaction, or to forward the data to foreign authorities and international organisations, and in other urgent cases when it is necessary to prevent the occurrence of property damage.

Article 57

(Order temporarily suspending a transaction)

(1) The Office may issue a written order temporarily suspending a transaction for a maximum of 72 hours if the Office considers that there are reasonable grounds to suspect money laundering or terrorist financing, and it shall inform the competent authorities thereof.

(2) If, due to the nature or manner of executing the transaction or accompanying circumstances, no delay is possible, as well as in other urgent cases, the order may exceptionally be issued orally, but the Office shall be obliged to submit a written order to the organisation as soon as possible and/or on the same day when the order was issued. The responsible person in the organisation shall make a note of the receipt of oral order and keep the note in its records in accordance with the provisions of the present Act regulating protection and retention of data.

(3) In respect of issuing an order and in case of the need to gather additional information during pre-criminal or criminal proceedings, or due to other justified reasons, the Office may give the organisation instructions on procedure regarding the persons concerned in the transaction.

(4) The competent authorities referred to in paragraphs 1 and 2 of this Article shall be obliged to act very promptly after receiving notification and shall, within 72 hours of the temporary suspension of the transaction, take measures in accordance with their competencies.

Article 58

(Temporarily suspending a transaction)

(1) If the Office finds, within 72 hours of the time the order on temporary suspension of a transaction was issued, that there are no longer any reasonable grounds to suspect money laundering or terrorist financing, it shall inform the competent authorities and the organisation thereof, which may then execute the transaction immediately.

(2) If the Office does not act within the time provided in paragraph 1 of this Article, the organisation may proceed with the transaction immediately.

Article 59

(Request for ongoing monitoring of a customer's financial transactions)

(1) The Office may request in writing from the organisation the ongoing monitoring of financial transactions of the person in respect of whom there are reasonable grounds to suspect money laundering or terrorist financing, or of another person in respect of whom there are reasonable grounds to believe that he/she has participated or has been engaged in the transactions or business of said person, and it may request continuous data reporting on the transactions or business undertaken by the persons concerned within the organisation. In its request, the Office shall be obliged to set the time limit within which the organisation must forward the data requested.

(2) The organisation shall forward the data referred to in the preceding paragraph to the Office before the transaction or business has been effected, and shall state the time limit in which the transaction is expected to be executed.

(3) If the organisation cannot, due to the nature of the transaction or business, or due to other justified reasons, act as provided for in paragraph 2 of this Article, it shall be obliged to forward the data to the Office as soon as possible or the following working day at the latest. The organisation shall be obliged to explain in the report the reasons for not acting in accordance with the provisions of paragraph 2 of this Article.

(4) The application of the measure referred to in paragraph 1 of this Article may last no longer than three months; however, for substantiated reasons the duration may be extended each time by one month, yet in total of no more than six months.

Article 60

(Initiators)

(1) Notwithstanding the provisions of paragraphs 3, 4 and 6 of Article 38 and paragraph 1 of Article 49 hereof, if a transaction or a particular person raises suspicion of money laundering or terrorist financing, the Office may start collecting and analysing data, information and documentation also on the basis of a written and reasoned initiative from the court, prosecutor's office, police, Slovenian Intelligence and Security Agency, Intelligence and Security Service of the Ministry of Defence, Court of Auditors, the authority responsible for the prevention of corruption, Office of the Republic of Slovenia for Budgetary Supervision, or Customs

Administration of the Republic of Slovenia. The initiative must contain at least the information referred to in paragraph 1 of Article 83 hereof.

(2) When there are grounds to suspect money laundering or terrorist financing in connection with the operation of a non-profit organisation, its members or persons associated with them, the Office may collect and analyse data, information and documentation on the basis of a reasoned written initiative by the inspectorate responsible for internal affairs, as well as other inspection authorities responsible for supervision over the operation of non-profit organisations.

(3) The Office shall refuse the initiative referred to in paragraphs 1 and 2 of this Article if the initiative fails to state substantiated grounds for suspicion of money laundering or terrorist financing. The Office shall inform the initiator of the refusal in writing, stating the reasons for which the initiative has not been tabled for discussion.

Article 61

(Notification of suspicious transactions)

(1) If the Office considers, on the basis of data, information and documentation acquired under this Act, that there are grounds to suspect money laundering or terrorist financing in connection with a transaction or a certain person, it shall notify the competent authorities in writing and submit the necessary documentation.

(2) In the notification referred to in the preceding paragraph, the Office shall not state information about the employee and his/her respective organisation which first forwarded the information on the basis of paragraphs 3, 4 and 6 of Article 38 hereof, unless there are reasons to suspect that the organisation or its employee committed the criminal offence of money laundering or terrorist financing, or if such data are necessary in order to establish facts during criminal proceedings and if the submission of said data is requested in writing by the competent court.

Article 62

(Information on other criminal offences)

Notwithstanding the provision of paragraph 1 of Article 61 hereof, the Office shall forward written notification to competent authorities also in cases whereby the Office considers, on the basis of data, information and documentation obtained under this Act, that in connection with a transaction or a certain person there are grounds to suspect that the following criminal offences have been committed:

1. violation of the independent decisions of voters as stipulated in Article 162 of the Penal Code (, No. 95/04 – official consolidated text; hereinafter: PC); acceptance of a bribe during elections as stipulated in Article 168 of the PC; fraud in Article 217; breach of trust in Article 220; organising “money chains” and illegal gambling in Article 234b; fraud in obtaining loans or related benefits in Article 235; fraud in trading securities in Article 236; forgery or destruction of business documents in Article 240; evasion of financial obligations in Article 254; acceptance of gifts for illegal intermediation in Article 269; giving of gifts for illegal intermediation in Article 269a; and criminal association in Article 297 of the PC;

2. other criminal offences for which the law prescribes a prison sentence of five or more years.

Article 63

(Feedback)

The Office shall notify in writing the person under obligation referred to in paragraphs 3, 4 and 6 of Article 38 and paragraph 1 of Article 49 of this Act, the initiator referred to in Article 60 of this Act, stock exchanges and the central securities clearing corporation referred to in Article 74 of this Act, and the supervisory body referred to in Article 89 of this Act, of the completion of collecting and analysing data, information and documentation in connection with a certain person or transactions in respect of which there are grounds to suspect money laundering or terrorist financing, or established facts that indicate or may indicate money laundering or terrorist financing, unless the Office judges that such action may jeopardise further proceedings.

5.3 International cooperation

Article 64

(General rule)

(1) The provisions of this Act concerning international cooperation shall apply unless otherwise stipulated by international agreement.

(2) Prior to forwarding personal data to the authority of the Member State or third country responsible for the prevention of money laundering and terrorist financing, the Office shall obtain assurances that the authority of the country to which the data is being forwarded has a regulated system of personal data protection, and that the authority of the Member State or third country shall use the data solely for the purposes stipulated by this Act.

Article 65

(Request to a foreign authority for the submission of data)

The Office may, within the scope of its tasks for detecting and preventing money laundering and terrorist financing, request from the authorities of Member States or third countries responsible for the prevention of money laundering and terrorist financing, to submit the data, information and documentation needed for detecting and preventing money laundering and terrorist financing.

(2) The Office may use the data, information and documentation acquired pursuant to the preceding paragraph solely for the purposes stipulated by this Act. The Office may not, without prior consent of the authority of the Member State or third country responsible for the prevention of money laundering and terrorist financing, forward or allow insight into the acquired data, information and documentation to a third person or use them in contravention of conditions and restrictions stipulated by the authority of whom the request was made.

Article 66

(Submission of data and information upon the request of a foreign authority)

(1) The Office shall submit the data, information and documentation on customers or transactions in respect of which there are grounds for suspicion of money laundering or terrorist financing, which were acquired or retained in accordance with the provisions of this Act, to the authority of the Member State or third country responsible for the prevention of money laundering and terrorist financing, upon its request and under the condition of effective reciprocity.

(2) The Office may refuse to satisfy the request of the authority of the Member State or third country responsible for money laundering and terrorist financing in the following cases: if it considers, on the basis of the facts and circumstances stated in the request, that there are no grounds for suspicion of money laundering or terrorist financing; if the submission of data

jeopardises or may jeopardise the course of criminal proceedings in the Republic of Slovenia, or may in any other way prejudice the interests of these proceedings.

(3) The Office shall notify the authority of the Member State or third country responsible for money laundering and terrorist financing which submitted the request of its refusal, stating the reasons.

(4) The Office may prescribe additional conditions and restrictions that, if taken into account, would allow the authority of the Member State or third country responsible for money laundering and terrorist financing to use the data referred to in paragraph 1 of this Article.

Article 67

(Submission of data to a foreign authority upon its own initiative)

(1) The Office may submit the data and information on customers or transactions in respect of which there are grounds to suspect money laundering or terrorist financing, which were acquired or kept in accordance with the provisions of this Act, to the authority of the Member State or third country responsible for the prevention of money laundering and terrorist financing, also upon its own initiative under the condition of effective reciprocity.

(2) The Office may, when submitting the data on its own initiative, prescribe additional conditions and restrictions under which the authority of the Member State or third country responsible for money laundering and terrorist financing may use the data referred to in paragraph 1 of this Article.

Article 68

(Temporary suspension of a transaction upon the initiative of a foreign authority)

(1) The Office may, under the conditions stipulated by this Act and subject to effective reciprocity, issue a written order temporarily suspending a transaction for a maximum of 72 hours also on the basis of a reasoned and written request by the authority of a Member State or third country responsible for the prevention of money laundering and terrorist financing, and inform the competent authorities thereof.

(2) The Office may refuse the initiative taken by the authority of the Member State or third country responsible for money laundering and terrorist financing if it assesses, on the basis of the facts and circumstances referred to in the initiative of paragraph 1 of this Article, there are no reasonable grounds to suspect money laundering or terrorist financing. The Office shall inform the initiator of the refusal in writing, stating the reasons for which the initiative has been refused.

(3) With respect to the order on temporary suspension of a transaction under this Article, the provisions of Articles 57 and 58 herein shall apply mutatis mutandi.

Article 69

(Initiative to a foreign authority for the temporary suspension of a transaction)

The Office may, within the scope of its tasks for detecting and preventing money laundering and terrorist financing, submit to the authorities of Member States or third countries responsible for the prevention of money laundering and terrorist financing, a written initiative for the temporary suspension of a transaction if it considers that there are reasonable grounds to suspect money laundering or terrorist financing.

5.4 Prevention of money laundering and terrorist financing

Article 70

(Prevention of money laundering and terrorist financing)

The Office shall perform duties related to the prevention of money laundering and terrorist financing in such a manner that it shall:

1. propose to the competent authorities changes and amendments to regulations concerning the prevention and detection of money laundering and terrorist financing;

2. participate in drawing up the list of indicators for the identification of customers and transactions in respect of which there are reasonable grounds to suspect money laundering or terrorist financing;

3. draw up and issue recommendations or guidelines for uniform implementation of the provisions of this Act and provisions issued on the basis hereof, for the persons under obligation referred to in paragraphs 1 and 2 of Article 4 of this Act;

4. participate in professional training of the staff of organisations, state authorities, holders of public authority, lawyers, law firms and notaries;

5. publish, at least once per year, statistical data on money laundering and terrorist financing, in particular the number of suspicious transactions submitted to the Office in accordance with this Act, the number of cases handled annually, the number of persons subject to criminal prosecution, the number of persons convicted of criminal offence concerning money laundering or terrorist financing, and the scope of frozen, forfeited or seized assets;

6. inform the public, in an appropriate manner, of the various forms of money laundering and terrorist financing.

5.5 Other duties

Article 71

(Submission of data to the court, prosecutor's office or customs authorities)

(1) The Office shall submit to the court or prosecutor's office, upon its written and reasoned request, the data from the records of persons and transactions referred to in paragraph 1 of Article 38 and in Article 73 of this Act, which the court or prosecutor's office need for the purposes of investigating circumstances vital for the protection or forfeiture of proceeds, in accordance with the provisions of the law regulating criminal proceedings.

(2) The Office shall submit to the customs authorities, upon their written and reasoned request, the data from the records of persons and transactions referred to in paragraph 1 of Article 38 of this Act, which the customs authorities need for the purposes of implementing tasks under Community regulations governing mutual assistance between administrative authorities of the Member States.

Article 72

(Reporting to the Government)

The Office shall submit to the Government a report on its work at least once annually.

CHAPTER VI

DUTIES OF STATE AUTHORITIES AND HOLDERS OF PUBLIC AUTHORITY

Article 73

(Customs authorities)

(1) Customs authorities shall be obliged to forward to the Office, at the latest within three days, the data referred to in paragraph 5 of Article 83 of this Act on any declared import or export of cash amounting to or exceeding EUR 10,000 when entering or leaving the Community.

(2) Customs authorities shall be obliged to forward to the Office the data referred to in paragraph 5 of Article 83 of this Act, even if the import or export of cash when entering or leaving the Community referred to in paragraph 1 of this Article was not declared to the customs authorities.

(3) Customs authorities shall forward to the Office the data referred to in paragraph 6 of Article 83 of this Act also in the event of import and/or export of cash, or attempted import and/or export of cash, in the amount of less than EUR 10,000 when entering or leaving the Community if, in connection with the person who carries the cash, the manner of carrying or other circumstances thereof, there are grounds to suspect money laundering or terrorist financing.

Article 74

(Stock exchanges and the Central Securities Clearing Corporation)

(1) Stock exchanges and the Central Securities Clearing Corporation shall immediately notify the Office in writing if, during the performance of their activities and/or business operations, they discover facts that indicate or may indicate money laundering or terrorist financing.

(2) On the basis of the reported facts referred to in paragraph 1 of this Article, the Office, if it deems appropriate, may start collecting and analysing data, information and documentation in compliance with its authorisations stipulated by this Act.

Article 75

(Courts, prosecutors' offices and other national authorities)

(1) To enable the centralisation and analysis of all data related to money laundering and terrorist financing, the courts, prosecutors' offices and other state authorities shall forward to the Office data on criminal offences of money laundering and terrorist financing activities, and on offences committed under this Act.

(2) State authorities shall be obliged to forward regularly to the Office the following data:

1. date of filing the criminal charge;

2. personal name, date of birth and address, or the name of the company and registered office of the denounced person;

3. statutory definition of the criminal offence and the place, time and manner of committing the action which has signs of a criminal offence;

4. statutory definition of the predicate offence and the place, time and manner of committing the action which has signs of a predicate offence.

(3) Prosecutors' offices and courts shall be obliged to forward twice annually to the Office the following information: personal name, date of birth and address, or the company, address and registered office of the denounced person or the person who lodged a request for judicial protection within the offence proceedings; stage of proceedings and the final verdict in each individual stage; statutory designation of the criminal offence or other offence; personal name,

date of birth and address, or the company and registered office of the person in respect of whom an order for temporary protection of a request for forfeiture of proceeds or temporary seizure has been issued; date of issue and duration of the order on temporary protection of the request for forfeiture of proceeds or temporary seizure*;* amount of assets or value of the property which is the subject of the order on temporary protection of the request for forfeiture of proceeds or temporary seizure; date of issuing the order on forfeiture of assets or proceeds; amount of assets or value of the proceeds forfeited.

(4) The competent state authorities shall be obliged to report to the Office, once per year and at the latest by the end of January of the current year for the previous year, on its findings made on the basis of the received notifications of suspicious transactions referred to in Article 61 of this Act, or information on other criminal offences referred to in Article 62 of this Act, and other measures taken on the basis hereof.

CHAPTER VII

PROTECTION AND RETENTION OF DATA AND MANAGEMENT OF RECORDS

7.1 Data protection

Article 76

(Prohibition on disclosure)

(1) Persons under obligation and their staff, including members of the management, supervisory or other executive bodies, and/or other persons having any access to data on the below facts, shall not disclose to a customer or third person that:

1. the data, information or documentation about the customer or the transaction referred to in paragraphs 3, 4 and 6 of Article 38, paragraph 1 of Article 49, paragraphs 1, 2 and 3 of Article 54 and paragraphs 1 and 2 of Article 55 of this Act have been or will be forwarded to the Office;

2. the Office, pursuant to Article 57 of this Act, temporarily suspended the transaction and/or in this regard gave instructions to the person under obligation;

3. the Office, pursuant to Article 59 of this Act, required the ongoing monitoring of the customer's business operations;

4. an investigation has been or is likely to be launched against him/her or a third person on grounds of money laundering or terrorist financing.

(2) The facts referred to in the preceding paragraph and notification of suspicious transactions, and/or information on other criminal offences referred to in Articles 61 and 62 of this Act, shall be classified and discussed according to their level of classification, in accordance with the law regulating classified information.

(3) The director of the Office shall decide on the lifting of the classification referred to in the preceding paragraph.

(4) The prohibition on disclosure of facts referred to in paragraph 1 of this Article shall not apply:

1. if the data, information and documentation obtained and retained in accordance with this Act by a person under obligation are necessary to establish facts in criminal proceedings, and if the submission of said data is required or imposed in writing by the competent court;

2. if the data referred to in the preceding point are required by the supervisory body referred to in Article 85 of this Act for the supervision of implementation of the provisions of this Act and the ensuing regulations, conducted within its competencies.

(5) When a lawyer, law firm, notary, audit company, independent auditor, legal entity or natural person performing accountancy services or tax advisory services seeks to dissuade the client from engaging in illegal activity, this does not constitute disclosure within the meaning of paragraph 1 of this Article.

Article 77

(Exemptions from the principle of classification)

(1) When forwarding data, information and documentation to the Office under this Act, the obligation to protect classified data, business and bank secrecy and professional secrecy shall not apply to an organisation, state authority or any other holder of public authority, court, prosecutor's office, lawyer, law firm, notary or their staff.

(2) The organisation, lawyer, law firm, notary and staff shall not be held liable for the damage caused to customers or to third persons if, in compliance with the provisions of this Act or the ensuing regulations, they:

1. submit to the Office data, information and documentation on their customers;

2. obtain and process data, information and documentation on their customers;

3. implement an order on temporary suspension of the transaction or the instruction issued in connection with the said order;

4. implement a request by the Office for the ongoing monitoring of the customer's financial transactions.

(3) The staff of organisations, law firms and notaries shall not be held criminally or disciplinarily liable for the breach of obligation to protect classified data, business and bank secrecy and professional secrecy due to:

1. their submission of data, information and documentation to the Office in accordance with the provisions of this Act or the ensuing regulations;

2. their processing of data, information and documentation obtained in accordance with this Act, for the purpose of verifying customers and transactions in respect of which there are grounds to suspect money laundering or terrorist financing.

Article 78

(Use of acquired data)

(1) The Office, state authorities and other holders of public authority, organisations, lawyers, law firms, notaries, and their staff, may use the data, information and documentation obtained under this Act solely for the purposes stipulated hereof.

(2) Courts, prosecutors' offices and customs authorities may use the data acquired pursuant to Article 71 of the present Act exclusively for the purpose for which they were acquired.

7.2 Retention of Data

Article 79

(Retention period of data with an organisation, lawyer, law firm or notary)

(1) An organisation shall keep the data obtained on the basis of Articles 8, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 27, 30, 31, 32 and 34 of this Act and the corresponding documentation for 10 years after the termination of a business relationship, the completion of a transaction, a customer's entry into the casino or gaming hall, or a customer's access to the safe.

(2) An organisation shall keep the information and corresponding documentation on the authorised person and deputy authorised person, on the professional training of staff, and on the execution of internal control referred to in Articles 40, 44 and 45 of this Act for four years after the appointment of the authorised person and deputy authorised person and after the completion of professional training and the execution of internal control.

(3) A lawyer, law firm or notary shall keep the data obtained on the basis of paragraph 1 of Article 48 and the corresponding documentation for 10 years after the identification of the customer.

(4) A lawyer, law firm or notary shall keep the data and corresponding documentation on the professional training of staff for four years after the completion of professional training.

Article 80

(Retention period of data by customs authorities)

Customs authorities shall keep data from the records referred to in paragraphs 5 and 6 of Article 83 of this Act for a period of 12 years from the date they acquired them. These data and information shall be destroyed after the expiry of this period.

Article 81

(Retention period of data within the Office)

(1) The Office shall keep data and information from the records maintained by it under this Act for the period of 12 years from the date the Office acquired them. These data and information shall be destroyed after the expiry of this period.

(2) The Office shall not inform the person concerned that data and information about him/her have been compiled, nor shall information be disclosed to a third person.

(3) The person to whom the data and information refer shall have the right to inspect his/her personal data and/or to obtain their original, print-out or copy: for the records referred to in points 1, 2, 3, 4, 5, 6 and 9 of paragraph 4 of Article 82 of this Act, eight years after the data have been collected; for the records referred to in points 7 and 8 of paragraph 4 of Article 82 of this Act, after the final verdict or any other decision on criminal offence or other offence, and/or after the limitation of criminal prosecution, and/or immediately after the final decision of the competent authority that no measures shall be taken against the person to whom the data and information refer.

7.3. Management of records

Article 82

(Management of records)

(1) Organisations shall manage the following data records:

1. records of data on all customers, business relationships and transactions referred to in Article 8 of this Act;

2. records of data reported to the Office referred to in Article 38 of this Act.

(2) Lawyers, law firms and notaries shall manage the following data records:

1. records of clients, business relationships and transactions referred to in Article 8 of this Act;

3. records of reported data referred to in paragraph 1 of Article 49 of this Act.

(3) Customs authorities shall manage the following data records:

1. records on declared and undeclared import or export of cash in the amount of EUR 10,000 or more when entering or leaving the Community referred to in paragraphs 1 and 2 of Article 73 of this Act;

2. records on import or export of cash, or attempted import or export of cash, in the amount of less than EUR 10,000 when entering or leaving the Community, if there exist grounds to suspect money laundering or terrorist financing, referred to in paragraph 3 of Article 73 of this Act.

(4) The Office shall manage the following data records:

1. records of data on persons and transactions referred to in Article 38 of this Act;

2. records of data on persons and transactions referred to in paragraph 1 of Article 49 of this Act;

3. records of initiatives received, referred to in Article 60 of this Act;

4. records of notifications and the information referred to in Articles 61 and 62 of this Act;

5. records of international requests referred to in Articles 65 and 66 of this Act;

6. records of personal data sent abroad under Article 67 of this Act;

7. records of criminal offences and other offences referred to in Article 75 of this Act;

8. records of violations and supervisory measures referred to in Article 88 of this Act;

9. records of reported facts referred to in Articles 74 and 89 of this Act. **Article 83**

(Content of records)

(1) In the records managed by organisations of customers, business relationships and transactions, the following data shall be processed for the purpose of implementing the provisions of Article 8 of this Act:

1. company name, address, registered office and registration number of the legal entity establishing a business relationship or carrying out a transaction, and/or of the legal entity on whose behalf a business relationship is established or a transaction is carried out;

2. personal name, permanent or temporary address, date and place of birth, and tax number of the statutory representative or authorised person establishing a business relationship or carrying out a transaction for a legal entity or any other civil law entity referred to in point 9 of Article 3 of this Act, and the number, type and name of the authority that issued the official personal document;

3. personal name, permanent or temporary address, date and place of birth, and tax number of the authorised person who for the customer conducts a transaction or requires a transaction to be effected, and the number, type and name of the authority that issued the official personal document;

4. personal name, permanent or temporary address, date and place of birth, and tax number of the natural person or his/her statutory representative, sole proprietor or self-employed person who establishes a business relationship or carries out a transaction, or of

the natural person on whose behalf a business relationship is established or a transaction carried out, and the number, type and name of the authority that issued the official personal document;

5. company name, address and registration number, if applicable, of the sole proprietor or self-employed person;

6. personal name, permanent or temporary address, date and place of birth of the natural person entering the casino or gaming hall or approaching the safe;

7. purpose and intended nature of the business relationship, including information about the activity of the customer;

8. date of entering into the business relationship or the date and time of entering the casino or gaming hall or approaching the safe;

9. date and time of the transaction;

10. amount of the transaction and currency in which the transaction is being carried out;

11. purpose of the transaction and the personal name and permanent address or name and registered office of the person to whom the transaction is directed;

12. manner of executing the transaction;

13. information about the source of assets or property that is or will be the subject of the business relationship or transaction;

14. grounds to suspect money laundering or terrorist financing;

15. personal name, permanent or temporary address, date and place of birth of the beneficial owner of the legal entity or, in case of point b of paragraph 2 of Article 19 of this Act, data on the category of persons interested in the establishment and activity of the legal entity or similar foreign law entity;

16. name of the other civil law entity referred to in point 9 of Article 3 of this Act and the personal name, permanent or temporary address, date and place of birth and tax number of the member.

(2) In the records managed by organisations of the data reported to the Office, the data referred to in paragraph 1 of this Article shall be processed for the purpose of implementing the provisions of Article 38 of this Act.

(3) In the records managed by lawyers, law firm and notaries of customers, business relationships and transactions, the following data shall be processed for the purpose of implementing the provisions of Article 8 of this Act:

1. personal name, permanent address, date and place of birth of the natural person, sole proprietor or self-employed person, or the company, address and registered office and registration number of the legal entity, sole proprietor or self-employed person for whom the lawyer, law company or notary performs services;

2. personal name, permanent address, date and place of birth of the statutory representative who establishes the permanent business relationship or carries out the transaction for the person referred to in point 1 of this paragraph;

3. personal name, permanent address, date and place of birth of the authorised person who carries out the transaction for the person referred to in point 1 of this paragraph;

4. data from point 15 of paragraph 1 of this Article in connection with the legal entity for which a lawyer, law firm or notary performs services;

5. purpose and intended nature of the business relationship, including information about the activity of the customer;

6. date of establishing the business relationship;

7. date of the transaction;

8. amount of the transaction and currency in which the transaction is being carried out;

9. purpose of the transaction and the personal name and address, or the company and registered office of the person to whom the transaction is directed;

10. manner of executing the transaction;

11. information about the source of assets or property that is or will be the subject of the business relationship or transaction;

12. personal name, date and place of birth, permanent address, or name of the company, address and registered office of the person in respect of whom there are grounds to suspect money laundering or terrorist financing;

13. data about the transaction in respect of which there are grounds for suspicion of money laundering or terrorist financing (amount, currency, date or period of execution of transaction);

14. grounds to suspect money laundering or terrorist financing.

(4) In the records managed by lawyers, law firms and notaries of the data reported to the Office, the data referred to in paragraph 3 of this Article shall be processed for the purpose of implementing paragraph 1 of Article 49 of this Act.

(5) In records managed by customs authorities of declared and undeclared import or export of cash in the amount of EUR 10,000 or more when entering or leaving the Community, the following data shall be processed for the purpose of implementing paragraphs 1 and 2 of Article 73 of this Act:

1. personal name, permanent address, date and place of birth, and citizenship of the natural person importing or exporting cash across the Community border;

2. name of the company, address and registered office of the legal entity, or personal name, permanent address and citizenship of the natural person on whose behalf the import or export of cash across the Community border is being carried out;

3. personal name, permanent address and citizenship of the natural person or the name of the company, address and registered office of the legal entity which is the intended recipient of cash;

4. amount, currency and type of cash being imported or exported across the Community border;

5. source and intended use of cash being imported or exported across the Community border;

6. date, place and time of crossing the Community border;

7. information on whether the import or export of cash was reported to the customs authorities.

(6) In the records managed by customs authorities of import or export of cash, or the attempted import or export of cash, in the amount of less than EUR 10,000 when entering or leaving the Community, if there are grounds to suspect money laundering or terrorist financing, the following data shall be processed for the purpose of implementing paragraph 3 of Article 73 of this Act:

1. personal name, permanent address, date and place of birth, and citizenship of the natural person importing or exporting cash, or attempting to import or export cash across the Community border;

2. name of the company, address and registered office of the legal entity, or personal name, permanent address and citizenship of the natural person on whose behalf the import or export of cash across the Community border is being carried out;

3. personal name, permanent address and citizenship of the natural person, or the name of the company, address and registered office of the legal entity which is the intended recipient of cash;

4. amount, currency and type of cash being imported or exported across the Community border;

5. source and intended use of cash being imported or exported across the Community border;

6. place, date and time of crossing or attempting to cross the Community border;

7. grounds to suspect money laundering or terrorist financing.

(7) In the records managed by the Office of the data on persons and transactions acquired pursuant to Article 38 of this Act, the data referred to in paragraph 1 of this Article shall be processed for the purpose of implementing the provisions of Article 53 hereof.

(8) In the records managed by the Office of the data on persons and transactions acquired pursuant to paragraph 1 of Article 49 of this Act, the data referred to in paragraph 3 of this Article shall be processed for the purpose of implementing the provisions of Article 53 of this Act.

(9) In the records managed by the Office of the initiatives received under Article 60 of this Act, the following data shall be processed for the purpose of implementing the provisions of Articles 53 and 70 of this Act:

1. personal name, date and place of birth, and permanent address, or name of the company, address and registered office of the person in respect of whom there are grounds to suspect money laundering or terrorist financing;

2. data on the transaction in respect of which there are grounds to suspect money laundering or terrorist financing (amount, currency, date or period of execution of transaction);

3. grounds to suspect money laundering or terrorist financing.

(10) In the records managed by the Office of the notifications and information referred to in Articles 61 and 62 of this Act, the following data shall be processed for the purpose of implementing the provisions of Articles 53 and 70 of this Act:

1. personal name, date and place of birth, and permanent address, or name of the company and registered office of the person in respect of whom the Office forwarded the notification or information;

2. data on the transaction in respect of which there are grounds to suspect money laundering (amount, currency, date or period of execution of transaction);

3. data on previous criminal offence;

4. data on the authority to which the notification or information was sent.

(11) In the records managed by the Office of international requests under Articles 65 and 66 of this Act, the following data shall be processed for the purpose of implementing the provisions of Articles 53 and 70 of this Act:

1. personal name, date and place of birth, and permanent address, or name of the company, address and registered office of the person to whom the request refers;

2. name of the country, title of the authority to whom the request was sent or of the authority issuing the request.

(12) In the records managed by the Office of personal data sent abroad, referred to in Article 67 of this Act, the following data shall be processed for the purpose of implementing the provisions of Articles 53 and 70 of this Act:

1. personal name, date and place of birth, and permanent address, or name of the company, address and registered office of the person whose data are being sent abroad;

2. name of the country and title of the authority to whom the data are being sent.

(13) In the records managed by the Office of criminal offences and other offences under Article 75 of this Act, the following data on money laundering and terrorist financing shall be processed for the purpose of centralisation:

1. personal name, date and place of birth, and permanent address, or name of the company and registered office of the denounced person, the person in respect of whom an order for temporary protection of the request for forfeiture of proceeds has been filed, or the person against whom offence proceedings are taken before the court;

2. place, time and manner of committing the action which has signs of a criminal offence or other offence;

3. stage of proceedings of the case, statutory definition of the criminal offence of money laundering and the predicate offence, or the statutory definition of the other offence;

4. amount of money seized or the value of unlawfully acquired assets and the date of forfeiture.

(14) In the records managed by the Office of initiated offence proceedings, issued decisions and other measures taken with respect to noted offences by the supervisory bodies referred to in Article 85 of this Act, the following data shall be processed for the purpose of implementing the provisions of Article 88 of this Act:

1. data on the offender – natural person (personal name, unique personal identification number or, if a foreigner, date and place of birth, citizenship and permanent or temporary address of the natural person, and for the responsible person of a legal entity, also employment and tasks and duties performed by him/her);

2. data on the offender – legal entity (name, registered office and registration number);

3. description of the offence;

4. data on the supervisory measures imposed.

(15) In the records managed by the Office of the reported facts referred to in Articles 74 and 89 of this Act, the following data shall be processed for the purpose of implementing the provisions of Articles 53 and 70 hereof:

1. personal name, date and place of birth, and permanent address, or name of the company, address and registered office of the person in respect of whom there are facts that indicate or may indicate money laundering or terrorist financing;

2. data on the transaction in respect of which there are facts that are or may be associated with money laundering or terrorist financing (amount, currency, date or period of executing the transaction);

3. description of facts that indicate or may indicate money laundering or terrorist financing.

(16) Notwithstanding the provisions of the preceding paragraphs, the records referred to in Article 82 of this Act shall not include the birth registration number and/or tax number in the case of non-residents, unless otherwise specified by the present Act.

Article 84

(Records of access to data, information and documentation by supervisory bodies)

(1) The organisation, lawyer, law firm or notary shall keep separate records of access to data, information and documentation referred to in paragraph 1 of Article 76 hereof by the supervisory bodies referred to in Article 85.

(2) The records referred to in paragraph 1 of this Article shall contain the following information:

1. name of the supervisory body;

2. personal name of the official person authorised by the supervisory body, who inspected the data;

3. date and time of inspecting the data.

(3) Any access to the data referred to in paragraph 1 of this Article which was held by the supervisory body referred to in Article 85 hereof, shall be reported to the Office by the organisation, lawyer, law firm or notary, in writing and at the latest within three working days following the inspection of said data.

CHAPTER VIII

SUPERVISION

8.1 Supervisory bodies

Article 85

(Supervisory bodies and their activity)

(1) Supervision of implementing the provisions of this Act and the ensuing regulations shall be exercised within their competencies by:

a) the Office,

b) Bank of Slovenia,

c) Securities Market Agency of the Republic of Slovenia,

d) Insurance Supervision Agency,

e) Office of the Republic of Slovenia for Gaming Supervision,

f) Tax Administration of the Republic of Slovenia,

g) Market Inspectorate of the Republic of Slovenia,

h) Slovenian Audit Institute,

i) Bar Association of Slovenia, and

j) Chamber of Notaries of Slovenia.

(2) If, in exercising supervision, the supervisory body referred to in paragraph 1 of this Article establishes offences referred to in Articles 91, 92, 93, 94, 95, 96, 97, 98 and 99 hereof, it shall have the right and duty to:

1. order measures to remedy the irregularities and deficiencies within the time limit as specified by it;

2. carry out proceedings in accordance with the law regulating offences;

3. propose the adoption of appropriate measures to the competent authority;

4. order other measures and perform acts for which it is authorised by law or any other regulation.

(3) Offence proceedings shall be led and decided on by an official person authorised by the supervisory body referred to in paragraph 1 of this Article who meets the conditions stipulated by the stated Act and the regulations adopted on the basis therein.

(4) A person who has committed the offence laid down by this Act may be imposed a fine in a summary proceeding in an amount which is higher than the statutory minimum level, provided the fine range is determined.

8.2 Competencies of supervisory bodies

Article 86

(The Office)

(1) The Office shall supervise implementation of the provisions of this Act within the organisations referred to in paragraph 1 of Article 4 hereof, and with lawyers, law firms and notaries.

(2) The Office shall supervise implementation of the provisions of this Act by gathering and verifying the data, information and documentation obtained on the basis of the provisions of this Act.

(3) The organisations referred to in paragraph 1 of Article 4 hereof and lawyers, law firms and notaries shall be obliged to submit to the Office in writing the data, information and documentation on the performance of their duties as provided by this Act, as well as other information which the Office requires for conducting supervision, without delay and at the latest within fifteen days of receiving the request.

(4) The Office may also demand from state authorities and from holders of public authority the data, information and documentation required for exercising supervision under this Act and for conducting offence proceedings.

Article 87

(Other supervisory bodies)

(1) The Bank of Slovenia shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over the implementation of the provisions of this Act with the persons under obligation referred to in points 1, 2, 3, 9 and 10 of paragraph 1 of Article 4 hereof and with other persons.

(2) The Securities Market Agency shall, in accordance with its competences stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with the persons under obligation referred to in points 5, 6, and 7 of paragraph 1 of Article 4 hereof and with other persons.

(3) The Insurance Supervision Agency shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with the persons under obligation referred to in points 6, 8, 16(h) and 16(i) of paragraph 1 of Article 4 hereof and with other persons.

(4) The Office of the Republic of Slovenia for Gaming Supervision shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with the persons under obligation referred to in points 12, 13 and 14 of paragraph 1 of Article 4 hereof and with other persons.

(5) The Tax Administration of the Republic of Slovenia shall, in accordance with its competencies, exercise supervision over the implementation of prohibitions against the acceptance of payments for goods in cash in the amount exceeding EUR 15,000 with the legal entities and natural persons referred to in Article 37 of this Act.

(6) The Market Inspectorate of the Republic of Slovenia shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with the persons under obligation referred to in points 15, 16(a), 16(b), 16(g) and 16(p) of paragraph 1 of Article 4 hereof and with other persons.

(7) The Slovenian Audit Institute shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with the persons under obligation referred to in point 11 of paragraph 1 of Article 4 hereof and with other persons.

(8) The Bar Association of Slovenia shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with lawyers, law firms and with other persons.

(9) The Chamber of Notaries of Slovenia shall, in accordance with its competencies stipulated herein and in other laws, exercise supervision over implementation of the provisions of this Act with notaries and other persons.

(10) Supervisory bodies referred to in this Article shall forward to any other supervisory body, upon its request, all necessary information needed by that supervisory body for exercising its supervisory tasks.

8.3 Reporting data on supervision

Article 88

(Notification of offences and measures)

(1) The supervisory body referred to in Article 85 hereof shall notify the Office in writing and without delay of supervisory measures imposed, offences established and other significant findings.

(2) The notification referred to in the preceding paragraph shall include the following in particular:

- data on the offender (personal name, unique personal identification number or, if the natural person is a foreigner, date and place of birth), citizenship and permanent or temporary address of the natural person, and for the responsible person of a legal entity,

also employment and tasks and duties performed by him/her, or name and registered office of the legal entity having committed the offence, and the registration number;

- description of the offence;

- data on supervisory measures imposed and findings.

(3) The supervisory body which detected the offence shall also inform other supervisory bodies of its findings and/or any incompliance, if relevant for their work.

(4) To enable centralisation and analysis of all data related to money laundering and terrorist financing, supervisory bodies shall forward to the Office a copy of the decision issued in offence proceedings.

Article 89

(Notification of facts)

(1) The supervisory bodies referred to in Article 85 hereof shall immediately notify the Office in writing if, during supervision under this Act or during the performance of their activities or business operations in accordance with the competencies stipulated in other laws, they establish or discover facts that indicate or may indicate money laundering or terrorist financing.

(2) On the basis of the notified facts referred to in paragraph 1 of this Article, the Office, if it deems appropriate, may start collecting and analysing data, information and documentation in compliance with its authorisations stipulated by this Act.

8.4 Issuing recommendations and guidelines

Article 90

(Issuing recommendations and guidelines)

With a view to ensuring uniform implementation of the provisions of this Act and the ensuing regulations by organisations, lawyers, law firms and notaries, the supervisory bodies referred to in Article 85 hereof shall independently, or in cooperation with other supervisory bodies, issue recommendations and guidelines relating to implementation of the provisions of this Act for the persons under obligation referred to in paragraphs 1 and 2 of Article 4 hereof.

CHAPTER IX

PENALTY PROVISIONS

Article 91

(Most serious offences)

(1) A fine from EUR 12,000 to 120,000 shall be imposed on a legal entity for the following offences:

1. failure to prepare a risk analysis or establish a risk assessment for individual groups or customers, business relationships, products or transactions (paragraph 2 of Article 6 hereof);

2. failure to carry out customer due diligence (paragraph 1 of Article 8 and paragraph 4 of Article 12 hereof);

3. establishing a business relationship with a customer without prior application of the prescribed measures (paragraph 1 of Article 9 hereof);

4. effecting a transaction without prior application of the prescribed measures (Article 10 hereof);

5. failure to determine and verify the identity of a natural person or his/her statutory representative, sole proprietor or self-employed person, legal entity, statutory representative of a legal entity, authorised person, agent of other civil law entities or beneficial owner of the legal entity or similar foreign law entity, or failure to obtain the prescribed data, or failure to obtain them in the prescribed manner, or failure to obtain the certified written authorisation for representation (Articles 13, 14, 15, 16, 17 and 20 hereof);

6. determining and verifying the identity of a customer by using a qualified digital certificate in a prohibited manner (paragraph 5 of Article 13);

7. failure to determine or verify the identity of a customer upon the customer's entry into a casino or gaming hall, or each time the customer accesses the safe (Article 18 hereof);

8. failure to obtain data on the purpose and intended nature of the business relationship or transaction, as well as other data pursuant to this Act, or failure to obtain all the prescribed data (Article 21 hereof);

9. entering into a business relationship in contravention of the provisions of this Act (paragraph 5 of Article 27 hereof);

10. failure to apply the prescribed measures and, in addition, obtain data, information and documentation in accordance with paragraph 1 of Article 30 when entering a correspondent banking relationship with a bank or other similar credit institution situated in a third country, or failure to obtain the data in the prescribed manner (paragraphs 1 and 3 of Article 30 hereof);

11. entering into or continuing, contrary to law, a correspondent banking relationship with a respondent bank or other similar credit institution situated in a third country (paragraph 4 of Article 30 hereof);

12. failure to obtain data on the source of funds and property that are or will be the subject of a business relationship or transaction when entering into a business relationship or effecting a transaction for a customer who is a foreign politically exposed person, or for failure to obtain the data in the prescribed manner (point 1, paragraph 6 of Article 31 hereof);

13. failure to apply, within enhanced due diligence towards a customer who is not physically present in the organisation when determining and identifying his/her identity, measures referred to in paragraph 1 of Article 7 and one or two additional measures referred to in paragraph 2 of Article 32 (paragraph 1 of Article 32 hereof);

14. applying simplified customer due diligence despite the fact that in respect of a customer or transaction grounds for money laundering exist, or entering into a correspondent banking relationship with a respondent bank or other similar credit institution situated in a third country when such organisation fails to act in accordance with paragraph 1 of Article 30 of this Act (paragraphs 1 and 2 of Article 33 hereof);

15. failure to obtain, within simplified customer due diligence, the prescribed data on a customer, business relationship or transaction, or for failure to obtain the data in the prescribed manner (Article 34 hereof);

16. opening, issuing or keeping for a customer anonymous accounts, passbooks or bearer passbooks, or other products enabling, directly or indirectly, concealment of the customer's identity (Article 35 hereof);

17. entering into or continuing a correspondent banking relationship with a respondent bank that operates or may operate as a shell bank, or other similar credit institution known to allow shell banks to use its accounts (Article 36 hereof);

18. accepting cash payment from a customer or third person when selling goods, which exceeds the amount of EUR 15,000, or accepting payment effected by several linked cash transactions exceeding in total the amount of EUR 15,000 (paragraphs 1 and 2 of Article 37 hereof);

19. failure to furnish the Office with the prescribed data where grounds to suspect money laundering or terrorist financing exist in connection with a customer or transaction or an intended transaction (paragraphs 3, 4 and 6 of Article 38);

20. failure to submit to the Office, within the prescribed time limit, the required data, information and documentation where in respect of a customer or transaction grounds to suspect money laundering or terrorist financing exist (paragraphs 1, 2, 3 and 4 of Article 54 hereof);

21. failure to comply with the Office's order temporarily suspending a transaction or the Office's instructions issued in this regard (Article 57 and paragraphs 1 and 3 of Article 68 hereof);

22. failure to comply with the Office's written request for ongoing monitoring of a customer's financial transactions (paragraphs 1, 2 and 3 of Article 59 hereof);

23. failure to submit to the Office, within the prescribed time limit and in the prescribed manner, data, information and documentation on the performance of duties as provided by this Act, as well as other information which the Office requires for conducting supervision (paragraph 3 of Article 86 hereof);

24. failure to remedy irregularities and deficiencies within the time limit as specified by an official authorised person (point 1, paragraph 2 of Article 85 hereof).

(2) A fine from EUR 800 to EUR 4,000 shall be imposed on the responsible person of a legal entity, sole proprietor or self-employed person, for the offence referred to in paragraph 1 of this Article.

(3) A fine from EUR 4,000 to 40,000 shall be imposed on a sole proprietor or self-employed person for the offence referred to in paragraph 1 of this Article.

Article 92

(Serious offences)

(1) A fine from EUR 6,000 to 60,000 shall be imposed on a legal entity for the following offences:

1. failure to carry out customer due diligence within the prescribed scope (paragraph 1 of Article 7 hereof);

2. failure to define procedures for implementation of the measures referred to in paragraph 1 of Article 7 in its internal regulations (paragraph 2 of Article 7 hereof);

3. failure to demand a written statement from the customer, statutory representative, authorised person or the agent of other civil law entities (paragraph 7 of Article 13, paragraph 5 of Article 14, paragraph 3 of Article 15, paragraph 3 of Article 16 and paragraph 4 of Article 17 hereof);

4. failure to act in accordance with paragraph 3 of Article 32 of this Act (paragraph 8 of Article 13 hereof);

5. failure to monitor business activities undertaken by a customer through the organisation with due diligence (paragraph 1 of Article 22 hereof);

6. failure to carry out regular review of a foreign legal entity or to obtain the prescribed data, or failure to obtain the data in the prescribed manner (paragraphs 1, 2, 3 and 4 of Article 23 hereof);

7. effecting transactions despite the fact that it did not or could not undertake annual review of the customer in accordance with Article 23 of this Act (paragraph 6 of Article 23 hereof);

8. entrusting a third party to carry out customer due diligence without having verified whether that third party meets all the conditions stipulated by this Act (paragraph 2 of Article 24 hereof);

9. accepting customer due diligence as appropriate, in which the third party determined and verified the identity of a customer in his/her absence (paragraph 3 of Article 24 hereof);

10. entrusting customer due diligence to a third party which is a shell bank or other similar credit institution, which does not or may not pursue its activities in the country of registration (paragraph 3 of Article 25 hereof);

11. entrusting customer due diligence to a third party, where the customer is a foreign legal entity which is not or may not be engaged in trade, manufacturing or other activity in the country of registration, or is a fiduciary or other similar foreign law company with unknown or hidden owners or managers (Article 26 hereof);

12. failure to obtain in addition all data, information and documentation in accordance with paragraph 1 of Article 30 when entering into a correspondent banking relationship with a bank or other similar credit institution situated in a third country (Article 30 hereof);

13. failure of an organisation to define the procedure for determining foreign politically exposed persons in its internal act (paragraph 1 of Article 31 hereof);

14. entering into a business relationship with a customer who is a foreign politically exposed person, but not monitoring with due diligence the transactions and other business activities carried out by that person (point 3, paragraph 6 of Article 31 hereof);

15. entering into a business relationship in the absence of the customer under paragraph 2 of Article 13 in contravention of paragraph 3 of Article 32 (paragraph 3 of Article 32 hereof);

16. failure to furnish the Office, within the prescribed time limit, with the prescribed data on any cash transaction exceeding EUR 30,000 (paragraph 1 of Article 38 hereof);

17. failure to ensure that its branches and majority-owned subsidiaries with head offices in third countries apply the measures for detecting and preventing money laundering and terrorist financing stipulated by this Act (paragraph 1 of Article 39 hereof);

18. failure to appoint an authorised person and one or more deputies for particular tasks of detecting and preventing money laundering and terrorist financing stipulated by this Act and the ensuing regulations (Article 40 hereof);

19. failure to provide the authorised person with appropriate authorisations, conditions and support for performance of his/her duties and tasks (paragraphs 1, 2, 3 and 4 of Article 43 hereof);

20. failure to draw up the list of indicators for the identification of customers and transactions in respect of which there are reasonable grounds to suspect money laundering or terrorist financing, or failure to draw up said list in the prescribed manner and time limit (Article 51 and paragraph 2 of Article 100 hereof);

21. failure to keep data and documentation for 10 years after the termination of a business relationship, completion of a transaction, or the customer's entry into the casino or gaming hall or access to the safe (paragraph 1 of Article 79 hereof);

22. failure to carry out due diligence for all existing customers in respect of whom, based on Article 6 of this Act, it establishes that there exist or may exist significant risks of money laundering or terrorist financing (Article 101 hereof);

23. failure to carry out, in respect of anonymous products existing on the day of entry into force of this Act and for which it is impossible to identify the owner, due diligence towards the customer or other user of the product in accordance with Article 5 of this Act upon the first transaction effected by the customer or other user on the basis of such a product (Article 102 hereof);

24. failure to bring its business operations into compliance or to terminate existing correspondent banking relationships within the prescribed time limit (Article 103 thereof).

(2) A fine from EUR 400 to 2,000 shall be imposed on the responsible person of a legal entity, sole proprietor or self-employed person for the offence referred to in paragraph 1 of this Article.

(3) A fine from EUR 2,000 to 20,000 shall be imposed on a sole proprietor or a self-employed person for the offence referred to in paragraph 1 of this Article.

Article 93

(Minor offences)

(1) A fine from EUR 3,000 to 30,000 shall be imposed on a legal entity for the following offences:

1. failure to examine beforehand, when determining and verifying the identity of a customer, the nature of the register from which data on the customer shall be obtained (paragraph 6 of Article 14 hereof);

2. failure to ensure that the scope and frequency of measures referred to in paragraph 1 of Article 22 are appropriate to the risk of money laundering or terrorist financing to which the organisation is exposed in carrying out individual transactions or in business operations with individual customers (paragraph 2 of Article 22 hereof);

3. failure to inform the Office and take appropriate measures to eliminate the risk of money laundering or terrorist financing (paragraph 2 of Article 39 hereof);

4. failure to inform its branches and majority-owned subsidiaries with head offices in third countries of the internal procedures relating to the detection and prevention of money laundering and terrorist financing (paragraph 3 of Article 39 hereof);

5. failure to ensure that the work of an authorised person or his/her deputy is entrusted solely to a person meeting the prescribed requirements (paragraphs 1 and 2 of Article 41 hereof);

6. failure to forward to the Office, within the prescribed time limit, the personal name and title of the position held by the authorised person and his/her deputy and any changes thereof (paragraph 5 of Article 43 hereof);

7. failure to provide regular professional training and education to all employees carrying out tasks for the prevention and detection of money laundering and terrorist financing pursuant to this Act (paragraph 1 of Article 44 hereof);

8. failure to draw up, within the prescribed time limit, the annual professional training and education programme for the prevention and detection of money laundering and terrorist financing (paragraph 3 of Article 44 hereof);

9. failure to ensure regular internal control over the performance of tasks for detecting and preventing money laundering and terrorist financing pursuant to this Act (Article 45 hereof);

10. failure to use the list of indicators referred to in paragraph 1 of Article 51 when determining the grounds to suspect money laundering or terrorist financing or other circumstances relating thereto (paragraph 3 of Article 51 hereof);

11. failure to keep the information and corresponding documentation on the authorised person and deputy authorised person, the professional training of staff and the execution of internal control referred to in Articles 40, 44 and 45 of this Act for four years after the appointment of the authorised person and deputy authorised person and after the completion of professional training and execution of internal control (paragraph 2 of Article 79 hereof);

12. failure to keep separate records of access to data, information and documentation referred to in paragraph 1 of Article 76 hereof, which was held by supervisory bodies referred to in Article 85, or keeping incomplete records (paragraphs 1 and 2 of Article 84 hereof);

13. failure to inform the Office, within the prescribed time limit and in the prescribed manner, of any access held by the supervisory bodies referred to in Article 85 hereof (paragraph 3 of Article 84 hereof);

(2) A fine from EUR 200 to EUR 1,000 shall be imposed on the responsible person of a legal entity, sole proprietor or self-employed person for the offence referred to in paragraph 1 of this Article.

(3) A fine from EUR 1,000 to 10,000 shall be imposed on a sole proprietor or self-employed person for the offence referred to in paragraph 1 of this Article.

Article 94

(Offences of certification authorities issuing qualified digital certificates)

(1) A fine from EUR 12,000 to 120,000 shall be imposed for the offence of a certification authority issuing a qualified digital certificate if the latter fails to submit to the organisation, upon its request, data on the manner of determining and verifying the identity of the customer-bearer (paragraph 4 of Article 13 hereof).

(2) A fine from EUR 800 to 4,000 shall be imposed on the responsible person of a certification authority issuing a qualified digital certificate for the offence referred to in paragraph 1 of this Article.

Article 95

(Offences of third persons)

(1) A fine of EUR 6,000 to 60,000 shall be imposed on a third person who fails to meet the obligations under paragraph 6 of Article 27 of this Act.

(2) A fine from EUR 400 to 2,000 shall be imposed on the responsible person of a third person for the offence referred to in paragraph 1 of this Article.

Article 96

(Offence by employees of an organisation)

(1) A fine from EUR 200 to 1,000 shall be imposed for an offence by the employee of an organisation establishing the correspondent relationship referred to in paragraph 1 of Article 30 and carrying out the enhanced customer due diligence procedure if he/she fails to obtain the written consent of his/her superior and the responsible person in the organisation prior to entering into such a relationship (paragraph 2 of Article 30 hereof).

(2) A fine from EUR 200 to 1,000 shall be imposed for an offence by the employee of an organisation who carries out the procedure for entering into a business relationship with a customer who is a foreign politically exposed person if he/she fails to obtain the written consent of his/her superior and the responsible person prior to entering into such a relationship (point 2 of paragraph 6 of Article 31 hereof).

Article 97

(Specific offences by auditing firms, independent auditors, legal entities and natural persons performing accounting or tax advisory services)

(1) A fine from EUR 12,000 to 120,000 shall be imposed for an offence by an auditing firm or independent auditor for carrying out simplified due diligence procedure despite the fact that in respect of the customer or auditing circumstances, grounds to suspect money laundering or terrorist financing exist (paragraph 3 of Article 33 hereof).

(2) A fine from EUR 12,000 to 120,000 shall be imposed for an offence by auditing firms, independent auditors, legal entities and natural persons performing accounting or tax advisory services if they fail to report to the Office, within the prescribed time limit, all cases in which a customer has sought advice for money laundering or terrorist financing (paragraph 5 of Article 38 hereof).

(3) A fine from EUR 800 to 4,000 shall be imposed on the responsible person of an auditing firm or legal entity performing accounting or tax advisory services, for the offence referred to in paragraph 1 of this Article.

Article 98

(Offences by lawyers, law firms and notaries)

(1) A fine from EUR 12,000 to 120,000 shall be imposed on a lawyer, law firm or notary for the following offences:

1. failure to, within customer due diligence, obtain the prescribed data pursuant to this Act (paragraphs 1, 2 and 3 of Article 48 hereof);

2. failure to obtain data on the purpose and intended nature of the business relationship or transaction, as well as other data pursuant to this Act, or failure to obtain all the prescribed data (Article 21 hereof);

3. failure to determine and verify the identity of the client or his/her statutory representative or authorised person, or failure to obtain the prescribed data in the prescribed manner (paragraphs 4 and 7 of Article 48 hereof);

4. failure to inform the Office, within the prescribed time limit and manner, that in respect of a transaction or an intended transaction or a particular person there are grounds to suspect money laundering or terrorist financing (paragraphs 1, 2 and 3 of Article 49);

5. failure to furnish the Office with the prescribed data where grounds to suspect money laundering or terrorist financing exist in respect of a customer or transaction or an intended transaction (paragraphs 3, 4 and 6 of Article 49);

6. failure to report to the Office the cash transactions referred to in paragraph 1 of Article 38 hereof, where in respect of a transaction or customer there are grounds to suspect money laundering or terrorist financing (paragraph 3 of Article 50 hereof);

7. failure to submit to the Office, within the prescribed time limit, the required data, information and documentation, where in respect of a transaction or person grounds to suspect money laundering or terrorist financing exist (paragraphs 1, 2 and 3 of Article 55 hereof);

8. failure to keep data obtained on the basis of paragraph 1 of Article 48 hereof and corresponding documentation for 10 years after identification of the customer (paragraph 3 of Article 79 hereof).

(2) A fine from EUR 6,000 to 60,000 shall be imposed on a lawyer, law firm or notary for the following offences:

1. failure to appoint an authorised person and one or more deputies for particular tasks of detecting and preventing money laundering and terrorist financing stipulated by this Act and the ensuing regulations (Article 40 with regard to Article 47 hereof);

2. failure to provide the authorised person with appropriate authorisations, conditions and support for the performance of his/her duties and tasks (paragraphs 1, 3 and 4 of Article 43 with regard to Article 47 hereof);

3. failure to determine the beneficial owner of a client who is a legal entity or similar foreign legal entity, or for failure to obtain the prescribed data, or for failure to obtain them in the prescribed manner (paragraphs 5 and 7 of Article 48 hereof);

4. failure to draw up a list of indicators for the identification of customers and transactions in respect of which there are reasonable grounds to suspect money laundering or terrorist financing, or for failure to draw up said list in the prescribed manner and/or time limit (paragraphs 1 and 2 of Article 51 and paragraph 2 of Article 100 hereof);

5. failure to submit to the Office, within the prescribed time limit and in the prescribed manner, data, information and documentation on the performance of duties as provided by this Act, as well as other information which the Office requires for conducting supervision (paragraph 3 of Article 86 hereof).

(3) A fine from EUR 3,000 to 30,000 shall be imposed on a lawyer, law firm or notary for the following offences:

1. failure to ensure that the work of an authorised person or his/her deputy is entrusted solely to a person meeting the prescribed requirements (paragraphs 1 and 2 of Article 41 with regard to Article 47 hereof);

2. failure to forward to the Office, within the prescribed time limit, the personal name and title of the position held by the authorised person and his/her deputy and any changes thereof (paragraph 5 of Article 43 with regard to Article 47 hereof);

3. failure to provide regular professional training and education to employees carrying out tasks for the prevention and detection of money laundering and terrorist financing pursuant to this Act (paragraph 1 of Article 44 with regard to Article 47 hereof);

4. failure to draw up, within the prescribed time limit, the annual professional training and education programme for the prevention and detection of money laundering and terrorist financing (paragraph 3 of Article 44 with regard to Article 47 hereof);

5. failure to ensure regular internal control over the performance of tasks for detecting and preventing money laundering and terrorist financing pursuant to this Act (Article 45 with regard to Article 47 hereof);

6. failure to inform the Office of the reasons for non-compliance with the Office's request, or failure to inform them within the prescribed time limit (paragraph 2 of Article 50 hereof);

7. failure to use the list of indicators referred to in paragraph 1 of Article 51 when determining the grounds to suspect money laundering or terrorist financing or other circumstances relating thereto (paragraph 3 of Article 51 hereof);

8. failure to keep data and corresponding documentation for four years after the completion of professional training (paragraph 4 of Article 79 hereof);

9. failure to keep separate records of access to data, information and documentation referred to in paragraph 1 of Article 76 hereof, which was held by supervisory bodies referred to in Article 85, or for keeping incomplete records (paragraphs 1 and 2 of Article 84 hereof);

10. failure to inform the Office, within the prescribed time limit and in the prescribed manner, of any access held by the supervisory bodies referred to in Article 85 hereof (paragraph 3 of Article 84 hereof).

Article 99

(Persons pursuing the activity of selling goods)

(1) A fine from EUR 6,000 to 60,000 shall be imposed on a legal entity or natural person pursuing the activity of selling goods, for failure to bring its business into compliance with the provision of Article 37 hereof within the prescribed time limit (Article 104 hereof).

(2) A fine from EUR 400 to 2,000 shall be imposed on the responsible person of a legal entity or a self-employed person for the offence referred to in paragraph 1 of this Article.

CHAPTER X

TRANSITIONAL AND FINAL PROVISIONS

Article 100

(Implementing regulations and list of indicators)

(1) The minister responsible for finance shall adopt the rules referred to in paragraph 4 of Article 6, paragraph 2 of Article 13, point 8 of paragraph 1 and paragraph 5 of Article 25, paragraphs 7 and 8 of Article 38, Article 46, and paragraph 5 of Article 49 of this Act, at the latest within six months following its entry into force.

(2) Organisations, lawyers, law firms and notaries shall draw up the list of indicators for the identification of customers and transactions in respect of which reasonable grounds to suspect money laundering or terrorist financing exist, at the latest within six months following the entry into force of this Act.

(3) The list of indicators for the identification of customers and transactions in respect of which there are grounds to suspect money laundering or terrorist financing which were adopted by organisations, lawyers, law firms and notaries pursuant to the Prevention of Money Laundering Act (Official Gazette, Nos. 79/01 and 59/02) shall remain in force.

Article 101

(Due diligence towards existing customers)

Organisations shall, within one year following the entry into force of this Act, perform due diligence towards all existing customers in respect of whom, based on Article 6 of this Act, they establish that there exist or may exist significant risks of money laundering or terrorist financing.

Article 102

(Compliance for anonymous products)

Notwithstanding the provision of Article 35 of this Act, the organisation shall carry out, in respect of anonymous products existing on the day of entry into force of this Act and for which it is impossible to identify the owner, due diligence towards the customer or other user of the product in accordance with Article 7 of this Act, upon the first transaction effected by the customer or other user on the basis of such a product.

Article 103

(Compliance for organisations)

Organisations shall bring their business into compliance with the provision of Article 36 of this Act within one year following the entry into force of this Act.

Article 104

(Compliance for legal entities and natural persons pursuing the activity of selling goods)

Legal entities and natural persons pursuing the activity of selling goods shall bring their business into compliance with the provision of Article 37 of this Act at the latest within 90 days following the entry into force of this Act.

Article 105

(Repealed regulations)

(1) Upon the entry into force of this Act, the Prevention of Money Laundering Act (Official Gazette, Nos. 79/01 and 59/02) shall cease to apply, with the exception of Articles 4, 5, 6, 7, 8, 9, 10, 11, 28, 28a and 28b, which shall be used pending the application of Chapters II and III, with the exception of Articles 38, 40, 41, 42, 43, 44 and 49 of this Act.

(2) On the day of entry into force of this Act, the following implementing regulations shall cease to apply:

Rules on organisations that do not need to be identified during the execution of certain transactions (Official Gazette, No. 1/04);

Rules on the method of communicating information to the Office for Money Laundering Prevention of the Republic of Slovenia (including the forms, annex and instructions on the manner of filling out the forms as an integral part of these Rules) (Official Gazette, Nos. 84/01, 83/02 and 1/04);

Rules laying down the terms and conditions under which organisations from Article 2 of the Money Laundering Prevention Act are not under the obligation to report cash transaction data for certain customers (Official Gazette, No. 1/04);

Rules on the method of communicating data to the Office of the Republic of Slovenia for Money Laundering Prevention by lawyers, law firms, notaries, auditing firms, independent auditors, legal entities and natural persons performing accounting or tax advisory services (Official Gazette, No. 83/02);

Rules on the authorised person, method of performing internal control, retention and protection of data, keeping of records and professional training provided for employees of organisations, lawyers, law firms, notaries, auditing firms, independent auditors, legal entities and natural persons performing accounting or tax advisory services (Official Gazette, No. 88/02);

Rules on the credit and financial institutions with the registered office in the European Union or in those countries which, according to the information provided by international organisations and other relevant international operators, observe international standards in the field of preventing and detecting money laundering, and need not be identified in carrying out certain transactions (Official Gazette, Nos. 94/02 and 48/04);

Rules on customer identification when opening an account or entering into a business relationship in the absence of the customer (Official Gazette, Nos. 94/02, 1/04 and 48/04);

Rules determining the list of countries which do not comply with the standards in the field of prevention and detection of money laundering (Official Gazette, No. 72/05).

(3) The implementing regulations referred to in paragraph 2 of this Article shall apply pending the issuing of new regulations, provided they do not contravene this Act.

Article 106

(Entry into force and application)

(1) This Act shall enter into force on the 15th day following that of its publication in the Official Gazette of the Republic of Slovenia *(Uradni list)*. (2) The provisions referred to in Chapter II, with respect to duties and obligations of organisations, and in Chapter III, with respect to duties of lawyers, law firms and notaries, except for Articles 38, 40, 41, 42, 43, 44 and 49, shall start to apply six months following the entry into force of the Act.

No. 480-01/00-1/6

Ljubljana, 22 June 2007

EPA 1407-IV

President

of the National Assembly

of the Republic of Slovenia

France Cukjati, MD, m.p.

ANNEX IV

IV. EXTRACTS FROM THE CRIMINAL CODE

Article 38

Criminal Support

(1) Any person who intentionally supports another person in the committing of a criminal offence shall be punished as if he himself had committed it, or his sentence shall be reduced, as the case may be.

(2) Support in the committing of a criminal offence shall be deemed to be constituted, in the main, by the following: counselling or instructing the perpetrator, on how to carry out the criminal offence; providing the perpetrator with instruments of criminal offence or removing the obstacles for the committing of criminal offence; a priori promises to conceal the perpetrator's criminal offence or any traces thereof; instruments of the criminal offence or objects gained through the committing of criminal offence.

Article 108

Offence of Terrorism

(1) Whoever with the intention to destroy or severely jeopardise the constitutional, social, or political foundations of the Republic of Slovenia or another country or international organisation, to arouse fright among the population or to force the Government of the Republic of Slovenia or another country or international organisation to perform or stop performing something, to perform or threaten to perform one or more of the following actions:

- assault on life or body or human rights and freedoms,
- taking hostages,
- considerable destruction of state or public buildings or representations of foreign states, transport system, infrastructure, information system, secured platforms in the continental shelf, public place or private property,
- hijacking of an aircraft, ship or public transport,
- production, possession, purchase, transport, supply or use of weapons, explosives, nuclear, biological or chemical weapons,
- research and development of nuclear, biological or chemical weapons,
- endangering security by releasing hazardous substances or causing fires, floods or explosions,
- disturbance or termination of supply with water, electrical energy or other basic natural resources, which could endanger human life,

shall be sentenced to imprisonment between three and fifteen years.

(2) Whoever wants to achieve the purpose referred to in the previous paragraph by using or threatening to use nuclear or other radioactive substance or device, by damaging a nuclear facility by releasing radioactive substance or enabling its release, or who by threatening or using force demands nuclear or other radioactive substance, device or facility shall be sentenced to imprisonment of up to fifteen years.

(3) Whoever prepares or helps to prepare criminal offences referred to in the previous paragraphs by illegally obtaining the required means to commit these criminal offences or by blackmailing prepares someone else to participate in these criminal offences, or whoever falsifies official or public documents required to commit these criminal offences shall be sentenced to imprisonment between one and eight years.

(4) If the act under paragraphs 1 or 2 results in death of one or more persons, the perpetrator shall be sentenced to imprisonment between eight and fifteen years.

(5) If the perpetrator in committing offences under paragraphs 1 or 2 of this Article intentionally takes the life of one or more persons, he shall be sentenced to imprisonment of at least fifteen years.

(6) If the act under paragraphs 1 or 2 of this Article was committed by a criminal organisation or group, which has the intention to commit criminal offences (hereinafter, terrorist organisation or group) specified in these paragraphs, it shall be sentenced to imprisonment between eight and fifteen years.

(7) Whoever participates in a terrorist organisation or group, which has the intention to commit criminal offences under paragraphs 1, 2, 4 or 5 of this Article, shall be sentenced to imprisonment of no more than eight years.

(8) Any person who establishes or leads the organisation referred to in the previous paragraph shall be sentenced with imprisonment of at least fifteen years.

Article 109

Financing of Terrorism

(1) Whoever provides or collects money or property in order to partly or wholly finance the committing of offences under Article 108 of this Criminal Code shall be sentenced to imprisonment between one and ten years.

(2) Whoever commits an offence from the preceding paragraph shall be subject to the same penalty even if the money or property provided or collected was not used for committing the criminal offences specified in the preceding paragraph.

(3) If an offence from the preceding paragraphs was committed within a terrorist criminal organisation or group to commit terrorist acts, the perpetrator shall be sentenced to imprisonment between three and fifteen years.

(4) Money and property from the preceding paragraphs shall be confiscated.

Article 294

Criminal Association

(1) Whoever participates in a criminal association which has the purpose of committing criminal offences for which a punishment by imprisonment of more than three years, or a life sentence may be imposed, shall be punished by imprisonment of three months up to five years.

(2) Whoever establishes or leads an association as referred to in the preceding paragraph, shall be punished by imprisonment of six months up to eight years.

(3) A perpetrator of a criminal offence from the preceding paragraphs who prevents further commission of these offences or discloses information which has a bearing on the investigation and proving of criminal offences that have already been committed, may have his punishment for these offences mitigated, in accordance with Article 51 of this Penal Code.

ANNEX V

V. EXTRACTS FROM THE CRIMINAL PROCEDURE CODE

Article 149.a

(1) If there are reasonable grounds for suspecting that a certain person has committed, is committing, is preparing to commit or is organising the commission of any of the criminal offences specified in the fourth paragraph of this Article and if it is reasonable to conclude that police officers would be unable to uncover, prevent or prove this offence using other measures, or if these other measures would give rise to disproportionate difficulties, secret surveillance of this person may be ordered.

(2) Secret surveillance may also exceptionally be ordered against a person who is not a suspect if it is reasonable to conclude that surveillance of this person will lead to the identification of a suspect from the preceding paragraph whose personal data is unknown, to the residence or whereabouts of a suspect from the preceding paragraph, or to the residence or whereabouts of a person who was ordered into custody, ordered to undergo house arrest or had an arrest warrant or an order to appear issued against him but who escaped or is in hiding and police officers are unable to obtain this information by other measures, or if these other measures would give rise to disproportionate difficulties.

(3) Secret surveillance shall be carried out as continual or repeat sessions of surveillance or pursuit using technical devices for establishing position or movement and technical devices for transmitting and recording sound, photography and video recording, and shall focus on monitoring the position, movement and activities of a person referred to in the preceding paragraphs. Secret surveillance may be carried out in public and publicly accessible open and closed premises, as well places and premises that are visible from publicly accessible places or premises. Under conditions referred to in this Article, secret surveillance may also be carried out in private premises if the owner of these premises so allows.

(4) The criminal offences for which secret surveillance may be ordered are the following:

1) criminal offences for which the law prescribes a prison sentence of five or more years;

2) criminal offences from point 2 of the second paragraph of Article 150 of this Act and the criminal offences of false imprisonment (Article 143 of the Penal Code), threatening the safety of another person (Article 145), fraud (Article 217), concealment (Article 221), disclosure of and unauthorised access to trade secrets (Article 241), abuse of inside information (Article 243), fabrication and use of counterfeit stamps of value or securities (Article 250), forgery (Article 256), special cases of forgery (Article 257), abuse of office or official rights (Article 261), disclosure of an official secret (Article 266), being an accessory after the fact (Article 287), endangering the public (Article 317), pollution and destruction of the environment (Article 333), bringing of hazardous substances into the country (Article 335), pollution of drinking water (Article 337), and tainting of foodstuffs or fodder (Article 338).

(5) Secret surveillance shall be permitted by the public prosecutor through a written order and at the written request of the police, except in cases from the sixth paragraph of this Article, when an order must be obtained from the investigating judge.

(6) Secret surveillance shall be ordered in writing by the investigating judge, at the written request of the public prosecutor, in the following cases:

1) if he envisages the use of technical devices for the transmission and recording of sound in the application of the measure, where this measure may be ordered only for criminal offences referred to in the second paragraph of Article 150 of this Act;

2) if application of the measure requires the installation of technical devices in a vehicle or in other protected or closed premises or objects in order to establish the position and movements of a suspect;

3) for application of a measure in private premises, if the owner of these premises so allows;

4) for the application of a measure against a person who is not a suspect (second paragraph of this Article).

(7) Requests and orders shall be constituent parts of criminal case files and must contain:

1) information that allows the person against whom the measure is being requested or ordered to be identified accurately;

2) reasonable grounds or the establishment of reasonable grounds for suspicion;

3) in the case referred to in the second paragraph of this Article, information that allows a suspect from the first paragraph of this Article to be identified accurately, and the establishment of probability that application of the measure will lead to the identification of the suspect, his whereabouts or his place of residence;

4) the written consent of the owner of the private premises in which the measure will be applied;

5) the method of application, the scope and the duration of the measure, and other important circumstances that dictate use of the measure;

6) the grounds for or establishment of need to use the measure in question as opposed to another method of gathering information.

(8) In exceptional cases, if written orders cannot be obtained in time and if a delay would present a risk, the public prosecutor may, in the case from the fifth paragraph of this Article and at the verbal request of the police, allow the measure to commence on the basis of a verbal order; in the case from the sixth paragraph of this Article, the investigating judge may, at the verbal request of the public prosecutor, allow the measure to commence on the basis of a verbal order. The body that issued the verbal order shall make an official note of the verbal request. A written order, which must contain the reason why the measure has been commenced before time, must be issued within 12 hours of the issuing of the verbal order at the latest. Reasonable grounds must exist for application of the measure before time; if this is not the case, the court shall always act in accordance with the fourth paragraph of Article 154 of this Act regardless of whether the use of measures is otherwise justified.

(9) If a person against whom a measure is being applied comes into contact with an unidentified person in relation to whom there are reasonable grounds for suspecting that he is involved in criminal activity connected with the criminal offences for which the measure is being applied, the police may also place this person under secret surveillance without the need to obtain the order from the fifth or sixth paragraphs of this Article if this is urgently required in order to establish the identity of this person or obtain other information important for criminal proceedings. The police must obtain prior verbal permission from the public prosecutor for such surveillance, unless it is impossible to obtain permission on time and any delay would present a risk. In this case the police shall, as soon as possible and within six hours of commencement of application of the measure at the latest, inform the public prosecutor, who may prohibit further application of the measure if he believes that there are no reasonable grounds for it. This measure may last for a maximum of 12 hours after the contact with the person against whom the measure is being applied. When applying the measure from this paragraph, the police may not use technical equipment and devices referred to in points 1 and 2 of the sixth paragraph of this Article, nor may they apply the measure in private premises. The police shall make an official note immediately after the cessation of such surveillance and send it without delay to the public prosecutor that granted the permission from this paragraph and to the body that issued the original secret surveillance order. The official note shall become part of the criminal case file.

(10) Application of a measure may last a maximum of two months; however, if due cause is adduced, it may be extended every two months by means of a written order. The measure may last a total of:

1) six months in the case referred to in the sixth paragraph of this Article;

2) 24 months in cases referred to in the fifth paragraph of this Article if they relate to criminal offences referred to in the fourth paragraph of this Article, and 36 months if they relate to criminal offences referred to in the second paragraph of Article 151 of this Act.

(11) The police shall cease application of the measure as soon as the reasons for which the measure was ordered are no longer in place. The police shall notify the body that ordered the measure of the cessation without delay and in writing. The police shall send the body that ordered the measure a monthly report on the progress of the measure and the information obtained. The body that ordered the measure may, at any time and on the basis of this report or *ex officio*, order in writing that application of the measure be halted if it assesses that the reasons for the measure are no longer in place or if the measure is being applied in contravention of its order.

(12) If a measure is applied against the same person for more than six months, the panel (sixth paragraph of Article 25) shall review the legality of and grounds for application of the measure upon the first extension over six months and every further six months thereafter. The body that issued the extension order shall send the panel all the relevant material; the panel shall decide within three days. If the panel assesses that there are no grounds for application of the measure or that all the legal conditions have not been fulfilled, it shall issue a decision ordering that the measure come to an end. There shall be no appeal against this decision.

(13) The police must carry out secret surveillance in a way that encroaches on the rights of persons that are not suspects to the smallest possible extent.

Article 149b

(1) If there are reasonable grounds for suspecting that a criminal offence for which a perpetrator is prosecuted *ex officio* has been committed, is being committed or is being prepared or organised, and information on communications using electronic communications networks needs to be obtained in order to uncover this criminal offence or the perpetrator thereof, the investigating judge may, at the request of the public prosecutor adducing reasonable grounds, order the operator of the electronic communications network to furnish him with information on the participants in and the circumstances and facts of electronic communications, such as: number or other form of identification of users of electronic communications services; the type, date, time and duration of the call or other form of electronic communications service; the quantity of data transmitted; and the place where the electronic communications service was performed.

(2) The request and order must be in written form and must contain information that allows the means of electronic communication to be identified, indication of reasonable grounds, the time period for which the information is required and other important circumstances that dictate use of the measure.

(3) If there are reasonable grounds for suspecting that a criminal offence for which a perpetrator is prosecuted *ex officio* has been committed or is being prepared, and information on the owner or user of a certain means of electronic communication whose details are not available in the relevant directory, as well as information on the time the means of communication was or is in use, needs to be obtained in order to uncover this criminal offence or the perpetrator thereof, the police may demand that the operator of the electronic communications network furnish it with this information, at its written request and even without the consent of the individual to whom the information refers.

(4) The operator of electronic communications networks may not disclose to its clients or a third party the fact that it has given certain information to an investigating judge (first paragraph of this Article) or the police (preceding paragraph), or that it intends to do so.

Article 150

(1) If there are reasonable grounds for suspecting that a particular person has committed, is committing or is preparing or organising the commission of any of the criminal offences referred to in the second paragraph of this Article, and if there exists a reasonable suspicion that such person is using for communications in connection with this criminal offence a particular means of communication or computer system or that such means or system will be used, wherein it is possible to reasonably conclude that other measures will not enable the gathering of data or that the gathering of data could endanger the lives or health of people, the following may be ordered against such person:

1) the monitoring of electronic communications using listening and recording devices and the control and protection of evidence on all forms of communication transmitted over the electronic communications network;

2) control of letters and other parcels;

3) control of the computer systems of banks or other legal entities which perform financial or other commercial activities;

4) listening to and recording of conversations with the permission of at least one person participating in the conversation.

(2) The criminal offences in connection with which the measures referred to in the preceding paragraph may be ordered are the following:

1) criminal offences against the security of the Republic of Slovenia and its constitutional order, and crimes against humanity and international law for which the law prescribes a prison sentence of five or more years;

2) criminal offences of abduction (Article 144 of the Penal Code), the showing, possession, manufacture and distribution of pornographic material (Article 187), illicit narcotics production and trafficking (Article 196), facilitating of drug-taking (Article 197), blackmail (Article 218), abuse of inside information (Article 243), unauthorised acceptance of gifts (Article 247), unauthorised giving of gifts (Article 248), money laundering (Article 252), smuggling (Article 255), accepting of a bribe (Article 267), giving of a bribe (Article 268), acceptance of gifts to secure unlawful intervention (Article 269), giving of gifts to secure unlawful intervention (Article 269.a), criminal association (Article 297), unauthorised production of and trade in arms or explosives (Article 310), and causing of danger with nuclear substances (third paragraph of Article 319);

3) other criminal offences for which the law prescribes a prison sentence of eight or more years.

Article 151

(1) If there exist reasonable grounds to suspect that a particular person has committed, is committing, or is preparing or organising the commission of any of the criminal offences referred to in the second paragraph of this Article, wherein it is possible to reasonably conclude that it will be possible, in a precisely defined place, to obtain evidence which it would not be possible to obtain through more lenient measures, including the measures referred to in Articles 149.a, 149.b and 150 of this Act, or the gathering of which could endanger the lives of people, listening and surveillance in another person's home or in other areas with the use of technical means for

documentation and where necessary secret entrance into the aforementioned home or area may exceptionally be ordered against such person.

(2) Measures from the preceding paragraph may be ordered in connection with all criminal offences referred to in the first point of the second paragraph of the preceding Article, criminal offences from the second point of the same paragraph, except for the criminal offence of abduction under Article 144, facilitating of drug-taking under Article 197, blackmail under Article 218, money laundering under the first, second, third and fifth paragraphs of Article 252 and smuggling under article 255 of the Penal Code; this measures may only be ordered in connection with other criminal offences from the third point of the same paragraph for which the law prescribes a prison sentence of eight or more years if there exists a real threat to the lives of people.

Article 152

(1) The measures referred to in Articles 150 and 151 of this Act shall be ordered by means of a written order of the investigating judge at the written request of the public prosecutor. The request and the order shall contain:

1) information that allows the person against whom the measure is being requested or ordered to be identified accurately;

2) reasonable grounds or establishment of the grounds for suspicion of the commission, preparation or organisation of the criminal offences referred to in Articles 150 and 151 of this Act;

3) the measure being requested or ordered, the method of applying the measure, the scope and duration of the measure, precise specification of the area or place in which the measure will be applied, the electronic communication means and other important circumstances which require the use of an individual measure;

4) reasonable grounds for or establishment of an inevitable need to use the measure in question as opposed to another method of gathering evidence and the use of less severe measures;

5) reasonable grounds for the early implementation of the order in instances referred to in the second paragraph of this Article.

(2) By way of exception, if a written order cannot be obtained in due time and when there is a danger of deferment, the investigating judge may, following a verbal request of the public prosecutor, order the application of the measures referred to in Article 150 of this Act by means of a verbal order. The investigating judge makes an official note of the public prosecutor's verbal request. A written order must be issued no later than twelve hours after the issuing of the verbal order. There must be reasonable grounds for early implementation; otherwise, the court shall, even if the application of the measure is otherwise reasonably grounded, always act according to the fourth paragraph of Article 154 of this Act.

(3) If in the implementation of a measure referred to in point 2 of the first paragraph of Article 150 of this Act the police assesses that the contents of a letter or other parcel are such that they could be used as evidence in criminal proceedings, it shall inform the investigating judge thereof, and the latter shall decide how to deal with the parcel. The investigating judge shall compile a special record on this.

(4) The implementation of the measures referred to in Articles 150 and 151 of this Act may last no longer than one month, but the duration may be extended by one month at a time for reasonable grounds; however, measures referred to in Article 150 of this Act may in total last for a maximum of six months, and measures from Article 151 of this Act may in total last for a maximum of three moths.

(5) The order referred to in the first paragraph of this Article shall be implemented by the police. Operators of electronic communications networks shall enable the police to implement the order.

(6) The police shall cease application of measures referred to in Articles 150 and 151 of this Act as soon as the reasons for which they were ordered are no longer in place. The police shall notify the investigating judge of the cessation without delay and in writing. The investigating judge may at any time, *ex officio*, order in writing that application of the measure be halted if he assesses that the reasons for the measure are no longer in place or if the measure is being applied in contravention of his order.

(7) The police must apply the measures referred to in Articles 150 and 151 of this Act in a way that encroaches on the rights of persons that are not suspects to the smallest possible extent.

Article 153

(1) After the termination of the application of the measures referred to in Articles 149.a, 150, 151, 155 and 155.a of this Act, the police shall deliver all recordings, messages and items obtained through the use of such measures, together with a report comprising a summary of the evidence gathered, to the public prosecutor.

(2) The public prosecutor shall deliver all the material collected through using the measures ordered by the investigating judge to the investigating judge; the judge shall examine whether the measures were implemented in the manner approved.

(3) The body that ordered the measure may order that the recordings of telephone conversations and other forms of communication be copied in whole or in part. The provisions of the fifth paragraph of Article 84 of this Act shall apply to the copying of these recordings.

(4) If the public prosecutor declares that he will not commence criminal prosecution against a suspect, or if the public prosecutor does not issue such a declaration within two years of the end of application of measures ordered by him, he shall submit all the material gathered on the basis of these measures to the investigating judge. The investigating judge shall then act according to the second paragraph of Article 154 of this Act.

Article 154

(1) Information, messages, recordings or evidence obtained by means of the measures referred to in Article 149.a, the first paragraph of Article 149.b and Articles 150, 151, 155, 155.a and 156 of this Act shall be kept by the court for as long as the criminal case files are kept, or until their destruction according to the second paragraph of this Article.

(2) If the public prosecutor declares that he will not commence criminal prosecution against a suspect, or if he does not issue such a declaration within two years of the end of application of the measures from Article 149.a, the first paragraph of Article 149.b and Articles 150, 151, 155, 155.a and 156 of this Act, the material from the preceding paragraph shall be destroyed under the supervision of the investigating judge. The investigating judge shall make an official note of the destruction. Before destruction the investigating judge shall inform the suspect of the use of these measures or, in cases from the second or ninth paragraphs of Article 149.a of this Act, the person against whom the measure was applied, who shall have the right to be informed of the material obtained and, in cases where this material was of greater scope, of the report from the first paragraph of Article 153 of this Act. In cases where the measures from the second or ninth paragraphs of Article 149.a of this Act were used and the public prosecutor commenced criminal prosecution, the investigating judge shall inform the person against whom the measures were applied, who shall have the right to be informed of the material obtained, of the use of the measures by submission of the charge sheet at the latest or immediately after the person on whose

account the measure was applied is arrested. If it is reasonable to conclude that informing the person of the material could threaten human life and health or if due cause of a different nature is adduced, the investigating judge may decide, at the request of the public prosecutor or *ex officio*, not to inform the suspect, or in cases from the second or ninth paragraphs of Article 149.a of this Act the person against whom the measure was applied, of part or all of the material obtained.

(3) Information, messages, recordings or other evidence may not be used as evidence if they were obtained by means of any of the measures from Articles 149.a, 150, 151, 155, 155.a and 156 of this Act and they do not relate to any of the criminal offences for which an individual measure may be ordered.

(4) If measures from Articles 149.a, 149b, 150, 151, 155, 155.a and 156 of this Act were carried out without an order from the public prosecutor (fifth and ninth paragraphs of Article 149.a, first paragraph of Article 155, third paragraph of Article 155.a) or an order from an investigating judge (sixth paragraph of Article 149.a, first paragraph of Article 149.b, Article 153, fourth paragraph of Article 155.a, first and third paragraphs of Article 156), or in contravention of such an order, or if extension of application of the measures was not reviewed by the panel (twelfth paragraph of Article 149.a), the court may not base its decision on information, messages, recordings or evidence obtained in this manner.

(5) The provisions of Article 237 of this Act shall also apply *mutatis mutandis* to information, recordings, messages and evidence obtained through the use of measures referred to in Articles 150, 151 and 155.a of this Act.

(6) If measures from Articles 149.a, 150, 151, 155 and 155.a of this Act were applied in a case that forms the subject of investigation, criminal prosecution or court proceedings in one or more countries, they must be carried out in accordance with existing bilateral or multilateral agreements or treaties and/or the agreement referred to in Article 160.b of this Act; if these do not exist, agreement shall be reached for each individual case, where the sovereignty and domestic legislation of the contracting party on whose territory such investigation will take place must be observed in full.

Article 155

(1) If it is possible to reasonably conclude that a particular person is involved in criminal activities relating to criminal offences referred to in the second paragraph of Article 150 of this Act, the public prosecutor may, at a reasoned request of the police, by written order permit measures of feigned purchase, feigned acceptance or giving of gifts or feigned acceptance or giving of bribes. The request and the order shall become constituent parts of the criminal case file.

(2) The order of the public prosecutor may only refer to one-off measures. Requests for each further measure against the same person must contain the reasons justifying their use.

(3) In the application of the measures referred to the first paragraph of this Article, the police and their staff may not incite criminal activities. In determining whether the criminal activity was incited, primary consideration must be given to whether the measure as implemented led to the commission of a criminal offence by a person who would otherwise not have been prepared to commit this type of criminal offence.

(4) If the criminal activity was incited, this shall be a circumstance which excludes the initiation of criminal proceedings for criminal offences committed in connection with the measures referred to in the first paragraph of this Article.

(5) The provisions of Articles 110, 131, 498 and 498.a of this Act shall apply to items obtained through measures referred to in the first paragraph of this Article.

Article 155.a

(1) If there are reasonable grounds for suspecting that a certain person has committed any of the criminal offences from the fourth paragraph of Article 149.a of this Act, or if it is reasonable to conclude that a certain person is involved in criminal activity connected with the criminal offences from the fourth paragraph of Article 149.a of this Act and that other measures will not yield evidence or will give rise to disproportionate difficulties, undercover operations may be used against this person.

(2) Undercover operations shall be carried out by undercover operatives and involve a continuous gathering of information or repeat sessions of information gathering on a person and his criminal activities. Undercover operations shall be carried out by one or more undercover operatives under the direction and supervision of the police, using false information about an operative, false information in databases and false documents in order to prevent the information gathering process or the status of the operative from being disclosed. An undercover operative may be a police officer, a police employee of a foreign country or exceptionally, if undercover operations cannot be carried out in any other way, by another person. An undercover operative may, under conditions from this Article, participate in legal transaction using false documents; and when information is being gathered under the conditions from this Article, technical devices for transmitting and recording sound, photography and video recording may also be used.

(3) An undercover operation measure shall be permitted by the public prosecutor on the basis of a written order and at the written request of the police, except in cases from the fourth paragraph of this Article, where the order must be issued by the investigating judge. The order may also encompass permission to manufacture, obtain and use false information and documents.

(4) An undercover operation measure where the undercover police employee will use technical devices for transmitting and recording sound, photography and video recording may only be ordered in connection with criminal offences referred to in the second paragraph of Article 150 of this Act. The measure shall be ordered by the investigating judge in writing, at the written request of the public prosecutor.

(5) Requests and orders shall be constituent parts of criminal case files and must contain:

1) information that allows the person against whom the measure is being requested or ordered to be identified accurately;

2) reasonable grounds or the establishment of reasonable grounds for suspicion;

3) the method of application, the scope and the duration of the measure, and other important circumstances that dictate use of the measure;

4) the type, purpose and scope of use of false information and documents;

5) if the undercover operative will take part in legal transactions, the permitted scope of this participation;

6) if the undercover operative is not a police officer or police employee from another country but another person, the indication of reasonable grounds for deploying this person;

7) in the case from the preceding paragraph, determination of the type and method of use of technical devices for transmitting and recording sound, photography and video recording;

8) reasonable grounds for or establishment of an inevitable need to use the measure in question as opposed to another method of gathering evidence.

(6) Application of the measure may last a maximum of two months; if due cause is adduced, it may be extended every two months by means of a written order, but to a maximum of 24 months in total; in the case of the use of a measure for criminal offences from the second paragraph of Article 151 of this Act, the maximum total duration shall be 36 months.

(7) The provisions of the eleventh and twelfth paragraphs of Article 149.a of this Act shall be applied *mutatis mutandis* to the cessation of application of undercover operations, the

compilation of monthly reports by the police and the review of extension by the panel (sixth paragraph of Article 25).

(8) Measures from this Article must be carried out in a way that encroaches on the rights of persons that are not suspects to the smallest possible extent.

(9) When carrying out a measure, an undercover police officer may not encourage criminal activity to take place. The provisions of the third and fourth paragraphs of Article 155 of this Act shall be applied *mutatis mutandis* to encouraging criminal activity to take place.

Article 156

(1) The investigating judge may upon a properly reasoned request of the public prosecutor order a bank, savings bank or savings-credit service to disclose to him information and send documentation on the deposits, statement of account and account transactions or other transactions by the suspect, the accused and other persons who may reasonably be presumed to have been implicated in the financial transactions or deals of the suspect or the accused, if such data might represent evidence in criminal proceedings or are necessary for the confiscation of objects or the securing of a request for the confiscation of proceeds or property in the value of proceeds.

(2) The bank, savings bank or savings-credit service shall immediately send to the investigating judge the information and documentation referred to in the preceding paragraph.

(3) Subject to conditions from the first paragraph of this Article, the investigating judge may upon a properly reasoned request by the public prosecutor order a bank, savings bank or savings-credit service to keep track of financial transactions of the suspect, the accused and other persons reasonably presumed to have been implicated in financial transactions or deals of the suspect or the accused, and to disclose to him the confidential information about the transactions or deals the aforesaid persons are carrying out or intend to carry out at these institutions or services. In the order, the investigating judge shall set the time period within which the bank, savings bank or savings-credit service shall provide him with the information.

(4) The measure referred to in the preceding paragraph may be applied for three months at most, but the term may for weighty reasons, upon request of the public prosecutor, be extended to six months at most.

(5) The bank, savings bank or savings-credit service may not disclose to their clients or third persons that they have sent, or will send, the information and documents to the investigating judge.

Article 156.a

The body responsible for the issuing of a written order that orders or permits the application of measures referred to in Articles 149.a, 149b, 150, 151, 155, 155.a and 156 of this Act must decide within 48 hours of receipt of the written request and must send its decision to the body that submitted the request without delay.

Article 160

Any person may apprehend a person found in the act of committing a criminal offence subject to prosecution *ex officio*. He shall be bound to deliver the perpetrator to the investigating judge or the police forthwith or, where that proves impossible, to immediately notify one of them thereof. The police shall act according to the provisions of Article 157 of this Act.

Article 160.a

(1) The public prosecutor may in exercising his authority under this Act set guidelines for police work by giving directions, expert opinions and proposals for the information gathering and execution of other measures coming within the competence of the police, with a view to detecting a criminal offence and its perpetrator or gathering information necessary for his decision.

(2) The procedure, instances, terms and manner of the directing and informing referred to in the preceding paragraph shall be prescribed by the Government of the Republic of Slovenia.

Article 160.b

(1) In the case which is the subject to the pre-trial procedure, investigation or court proceedings in one or more countries, the police may cooperate with the police staff of the other country in the territory or outside the territory of the Republic of Slovenia in carrying out tasks and measures in the pre-trial procedure and investigation procedure for which it is responsible according to the provisions of this Act.

(2) In carrying out the tasks and measures referred to in the preceding paragraph, the police shall be directed by the public prosecutor pursuant to Article 160.a of this Act and may cooperate with the public prosecutors of the other country in the territory and outside the territory of the Republic of Slovenia in carrying out the stated activity and in exercising other powers in compliance with the provisions of this Act (joint investigation team).

(3) The tasks, measures, guidance and other powers referred to in the previous paragraphs of this Article must be carried out in accordance with the agreement on the establishment and operation of joint investigation team in the territory of the Republic of Slovenia or other countries that shall be concluded on a case by case basis by the Public Prosecutor General or under his authorisation by his deputy with the Public Prosecution Office, court, police or other competent authorities of other states as set out in the Council Framework Decision of 13 June 2002 on joint investigation teams (Official Journal of the European Union, No. L 162/1, 20.6.2002) or in the existing international treaty concluded with a country not being a member of the European Union after obtaining the opinion of the Director General of the Police. The agreement shall be concluded on the initiative of the Public Prosecutor General, the Head of the District Public Prosecution Office or the Head of the Group of Public Prosecutors for Special Affairs or on the initiative of the competent authority of another state.

(4) The agreement referred to in the previous paragraph shall lay down which authorities are to conclude the agreement, in which case the joint investigation team will act, the purpose of the operation of the team, the Public prosecutor of the Republic of Slovenia who is its Head in the territory of the Republic of Slovenia, other team members and the duration of its operation. The Public Prosecutor General must notify the ministry responsible for justice in writing of any agreement concluded.

(5) The police staff, public prosecutors or other competent authorities of other states shall only carry out tasks, measures, guidance and/or other powers referred to in the first and second paragraphs of this Article in the territory of the Republic of Slovenia within the framework of the joint investigation team in compliance with the provisions of the agreement on the establishment and operation of the joint investigation team referred to in the third paragraph of this Article.

(6) If so provided for in the agreement on the establishment and operation of the joint investigation team referred to in the third paragraph of this Article, the representatives of competent authorities of the European Union, such as EUROPOL, EUROJUST and OLAF, may participate in the joint investigation team. The representatives of competent authorities of the European Union shall only exercise their powers in the territory of the Republic of Slovenia within the framework of the joint investigation team in compliance with the provisions of the agreement referred to in the third paragraph of this Article.

(7) The police organisation units and Public Prosecution Offices of the Republic of Slovenia are obliged to offer all the necessary assistance to the joint investigation team.

(8) Upon the completion of the work done by the joint investigation team, the head of the joint investigation team shall make a report in writing to all its members and the Public Prosecutor General.

ANNEX VI

VI. EXTRACTS FROM THE ACT ON INTERNATIONAL CO-OPERATION IN CRIMINAL MATTERS BETWEEN THE MEMBER STATES OF THE EUROPEAN UNION (OFFICIAL GAZETTE OF THE REPUBLIC OF SLOVENIA, NO. 102/2007)

Article 55

Setting up of a joint investigation team

(1) In a matter which is the subject of preliminary proceedings, investigation or judicial proceedings in one or more Member States the police, implementing tasks and measures in the preliminary and investigation procedure which fall within its competencies under the provisions of the act governing criminal proceedings, may cooperate with the police forces of another Member State within or outside the territory of the Republic of Slovenia.

(2) When implementing tasks and measures referred to in the preceding paragraph, the police are coordinated by the state prosecutor pursuant to the provisions of the act governing criminal proceedings, and, in doing so and in implementing other authorities in accordance with provisions of this act, may cooperate with the state prosecutors of another Member State within or outside the territory of the Republic of Slovenia (joint investigation team).

(3) The tasks, measures, coordination and other authorisations referred to in the preceding paragraphs shall be implemented in accordance with the agreement on the setting up and operation of a joint investigation team in the territory of the Republic of Slovenia or another Member State which shall be concluded on the basis of the Council Framework Decision of 13 June 2006 on joint investigation teams after obtaining the opinion of the Director General of the Police, for each individual case by the State Prosecutor General or upon his/her authorisation, by his/her deputy, with the State Prosecutor's Office, court, police or other competent authority of another State. The agreement shall be concluded on the initiative of the State Prosecutor General, the Head of the Office of the District State Prosecutor's Office or the Head of the group of state prosecutors for the prosecution of organised crime, or on the initiative of a competent authority of another Member State.

(4) The agreement referred to in the preceding paragraph shall provide for which authorities are concluding the agreement, the matter to be dealt with by the joint investigation team, the purpose of the team's operation, the state prosecutor from the Republic of Slovenia being the head of the team in the territory of the Republic of Slovenia, other members of the team and the duration of the team's operation. The State Prosecutor General shall provide the ministry with a written notice on the concluded agreement.

Article 56

Method of work of the joint investigation team

(1) Police officers, state prosecutors or other competent authorities of another Member State shall implement tasks, measures, coordination or other powers referred to in the first and the second paragraphs of the preceding Article, in the territory of the Republic of Slovenia only within the framework of the joint investigation team in

accordance with provisions of the agreement on the setting up and operation thereof, referred to in the third paragraph of the preceding Article.

(2) If so provided for with the agreement on the setting up and operation of the joint investigation team referred to in the third paragraph of the preceding Article, representatives of the competent authorities of the European Union shall also be allowed to cooperate in the joint investigation team, such as EUROPOL, Eurojust and OLAF. Representatives of competent authorities of the European Union shall implement their authorities in the territory of the Republic of Slovenia only within the framework of the joint investigation team in accordance with the provisions of the agreement referred to in the third paragraph of the preceding Article.

(3) Organisational units of the police and State Prosecutor's Offices in the Republic of Slovenia shall provide the joint investigation team with all necessary assistance.

(4) On completion of the work of the joint investigation team, the head of the team shall provide all its members and the State Prosecutor General with written reports.

Article 57

(Controlled delivery)

(1) Controlled delivery shall mean the agreed surveillance of the transportation or transfer of persons, objects or goods of whom or which importation is limited or prohibited from, to or through the territory of the Republic of Slovenia, where the competent authorities, with the aim of revealing large-scale criminal activities, postpone the detention order and implementation of other measures provided for with the act governing criminal proceedings.

(2) A decision on the controlled delivery shall fall within the competencies of the District State Prosecutor in the area of which the controlled delivery is to cross the State border, or from the territory of which it shall be dispatched, or a group of state prosecutors for the prosecution of organised crime.

(3) The controlled delivery shall be permitted at the request of the competent authority of the Member State or in agreement with another Member State, if criminal offences are involved that satisfy the conditions for the issue of an European Arrest Warrant.

(4) Controlled delivery in the territory of the Republic of Slovenia shall be implemented by the competent Slovene authorities in such a manner as to provide permanent surveillance and appropriate action.

5) Controlled delivery shall not be allowed or its further implementation shall be suspended if:

1. until it causes risk to people's life or health; or

2. it is likely that further control or action in another Member State is not ensured or will not be effective.

(6) After the implementation of the controlled delivery, the competent state prosecutor shall establish whether conditions exist for the dismissal of criminal prosecution in the Member State where the suspect(s) has/have been deprived of liberty.

Article 58

(Undercover operation)

(1) A undercover operator of a Member State shall be permitted to operate in the Republic of Slovenia upon a written order by the state prosecutor or investigating judge competent for the area in which the implementation of the undercover operation is supposed to be started, or state prosecutor of the group of state prosecutors for the prosecution of organised crime, under conditions and for as long as is provided for by the act governing criminal proceedings. The written order shall be issued on the basis of a request from a competent judicial authority of the Member State which has approved the undercover operation in preliminary or criminal proceedings in such State.

(2) If implementation of the preliminary or criminal proceedings in the Republic of Slovenia requires the operation of a undercover operator from the Republic of Slovenia in another Member State, the competent authority of such Member State shall require an undercover operation from the authority competent for ordering the measure in accordance with the act governing criminal proceedings. The request shall be attached by a written order.

ANNEX VII

VII. EXTRACTS FROM THE POLICE ACT

Article 57

The Minister shall determine the organisational, logistical and technical procedures and measures to be taken in order to protect personal and classified police information, as well as the criteria and procedures for defining the level of secrecy of data administered by the police.

Article 67

An employment relationship to perform tasks within the police service may be entered by a person who, in addition to the criteria set forth in the regulations on the employment of civil servants, fulfils the following requirements:

1. he/she has appropriate psychological and physical abilities;
2. he/she has not been finally convicted of a premeditated criminal offence that is prosecuted ex officio and has never been sentenced to imprisonment for more than three months;
3. he/she is not undergoing proceedings for a criminal offence from the preceding point;
4. he/she is a citizen of the Republic of Slovenia with permanent residence in the Republic of Slovenia;
5. he/she has undergone a security vetting procedure and there are no security reservations regarding his/her appointment;
6. he/she has not exercised the right to conscientious objection to military service or is not doing so;
7. he/she does not have dual nationality.

The criteria under items 1, 6 and 7 of the preceding paragraph shall apply only when a police officer is being employed.

The psychological and physical abilities from item 1 of the first paragraph of this Article shall be set forth by the job classification act.

Article 67a Police Act
Upon written permission of the person who is to be employed by the police, the police may collect additional information, needed for establishing any security reservations regarding the discharge of police duties.

Security vetting from the preceding paragraph shall include checks of data as set forth in the regulations governing the qualifications for a security clearance, whereas for candidate police officers the regulations on the criteria for the acquisition of weapons documents shall apply as well. The police shall also check other information the candidate has submitted during the procedure of entering an employment relationship.

If a security reservation is established in the course of security vetting, that person may not undertake employment to perform police tasks. It is deemed that a person who does

not consent to security vetting shall not fulfil the security criteria for the performance of police work and tasks.

Article 68

If a police employee is convicted of a criminal offence defined in point 2 of the first paragraph of the preceding Article, the court must send its final judgement to the General Police Directorate.

A police employee's employment shall terminate when the General Police Directorate has issued a decision to terminate the employment based on a final court judgement.

ANNEX VIII

VIII. EXTRACT FROM THE MINOR OFFENCES ACT.

Article 13

Liability of legal persons, statutory representatives of legal persons, sole traders and self-employed persons

(1) The Republic of Slovenia and self-governing local communities shall not be liable for offences, however, the law may lay down that liability for offences shall be borne by the responsible person of a state authority or of a self-governing local community.
(2) A legal person, a sole trader or a self-employed person may be liable for an offence committed by another person if so provided by the regulation on offences.
(3) A legal person or a sole trader under receivership shall be liable for an offence regardless of whether the offence was committed before the initiation of receivership proceedings or during them; however, the sanction imposed shall not be a fine but seizure of items or forfeiture of proceeds.

Article 14

Liability of legal persons, sole traders and self-employed persons that employ other persons

Liability of legal persons, sole traders and self-employed persons that employ other persons are subject, mutatatis mutandis, to the provisions of the act governing corporate liability for criminal offences defining the conditions under which legal persons shall be liable for a criminal offence.

Article 15

Liability of statutory representatives of legal persons

(1) A statutory representative of a legal person shall be liable for an offence committed during the performance of transactions for which he/she has been authorised by a legal person, a sole trader, a self-employed person, state authority or a self-governing local community.
(2) A statutory representative shall be liable for any offence resulting from an act of commission or an act of omission of due supervision.
(3) A statutory representative's liability shall not cease upon termination of his/her labour relationship with a legal person, sole trader or self-employed person, state authority or self-governing local community or in when the legal person, sole trader or self-employed person ceases to exist.

ANNEX IX

IX. EXTRACT FROM THE CODE OF OBLIGATIONS

Extent of authorisation

Article 76

(1) An authorised person shall only be allowed to conduct those legal transactions for which the authorisation was given.
(2) An authorised person that holds a general authorisation shall only be allowed to conduct those legal transactions classed among ordinary business.
(3) Without a special authorisation for each individual case authorised persons may not assume an obligation under a bill of exchange, conclude a contract of surety, a contract on settlement, or a contract on the alienation or encumbrance of real estate, become involved in a dispute, conclude an arbitration agreement, or waive any right without recompense.

ANNEX X

X. EXTRACT FROM THE BANK OF SLOVENIA'S GUIDELINES FOR THE IMPLEMENTATION OF MEASURES REGARDING THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING FOR THE BANKING SECTOR

4.3 Control of inflows – verifying information regarding a payer

In the CEBS document, which presents the common view of European supervisors regarding the implementation of the requirements laid down in Regulation (EC) No. 1781/2006, the second chapter deals with the problems related to the common understanding of Article 8 of the same regulation. Pursuant to Article 8, it is recommended that the payment service provider of a payee (hereinafter: the recipient bank) implement appropriate controls to detect missing information regarding a payer and to determine the meaningfulness of the information provided.

(a) Detection of missing information regarding a payer

Detecting missing information regarding a payer involves verifying whether, in the payment messaging used to make a transfer of funds, the fields relating to the information regarding a payer have been completed with the correct information. This primarily means verifying, at the application support level, whether the fields relating to information regarding a payer have been completed in accordance with the standards of the messaging, payment or settlement system.

Accordingly, a recipient bank should provide for the detection of missing data in the field relating to information regarding a payer. Inflows from the EU require the completion of the first line of this field, where an account and four-place identification code (e.g. CCPT – passport number or TXID – tax number) is typically entered, followed by the identification code of the payer and additional lines for the payer's title. Inflows from outside the EU require the completion of the first row, where an account or identification code of a payer is typically entered and three additional lines which should contain complete information regarding a payer.

Accordingly, it is recommended that a recipient bank implements appropriate controls to detect missing information regarding a payer. These controls should be carried out during the processing of orders and include all inflows, regardless of the amount.

(b) Determining the meaningfulness of information regarding a payer

It is clear from the CEBS document that a recipient bank is encouraged to implement additional controls to determine the meaningfulness of information regarding a payer. There should be a clear distinction between the concept of meaningfulness of information regarding a payer and the concept of accuracy of information regarding a payer. By implementing such controls, a recipient bank should be able to assess whether or not the information provided reflects information regarding a payer (e.g. verifying that a field has not been completed with a single symbol or "xxxxx"). This does not imply verifying the accuracy of information regarding a payer, since paragraph 16 of the introductory provisions of Regulation (EC) No. 1781/2006 states that the payment service provider of the payer is responsible for the accuracy and completeness of information regarding a payer.

Control in terms of determining the meaningfulness of information can be carried out directly during the processing of orders or by performing post-event random sampling.

- *Determining the meaningfulness of information on a payer during the processing of orders*

With regard to controls carried out during the processing of orders to determine the meaningfulness of information regarding a payer, it is recommended that a recipient bank implement an additional control of orders, whereby substantive verification of information regarding a payer (e.g. controlling the minimum length of information provided or controlling whether information includes a combination of various symbols) would be carried out in the scope of automated processing.

Order that satisfy criteria in the scope of automated verification would be processed automatically, while those that did not meet the criteria would be redirected for manual verification.

With regard to the manual verification of orders, it is recommended that a recipient bank visually examine every order, in particular in terms of determining or assessing the meaningfulness of information regarding a payer.

The decision regarding how a recipient bank will implement the automated verification of orders and the visual verification of information may not affect STP (Straight Through Processing). It is recommended that a bank introduce automated verification of orders to decrease the volume of orders that require visual examination.

It would be meaningful to introduce automated verification for all inflows, regardless of the amount. However, such verification should not have a significant impact on order processing itself. It is therefore at the discretion of the bank whether to include all orders in automated verification, or only those that exceed EUR 1,000.

It is likewise at the discretion of the bank whether to visually verify only those orders that exceed EUR 1,000, in accordance with its available resources, or to include orders of an amount less than the established threshold. The visual verification of information should be organised so that it will not affect STP payments.

It is recommended that a recipient bank consistently apply appropriate (automated and/or manual) controls to determine the meaningfulness of information regarding a payer, at a minimum for inflows that exceed EUR 1,000. In all cases involving this amount, a payer's bank is obliged to verify the information regarding a payer (e.g. by examining a personal document). Any obviously meaningless information regarding a payer indicates a violation of the provisions of Regulation (EC) No. 1781/2006.

- *Determining the meaningfulness of data based on post-event random sampling*

By implementing certain controls that are carried out during the processing of orders, it is assumed that a recipient bank has already verified to some extent the existence and meaningfulness of information regarding a payer. To further mitigate the risk of incomplete or meaningless information regarding a payer, it is recommended that a recipient bank introduce a procedure for the post-event random sampling of orders.

In this regard, special attention should be given to those orders submitted by payment service providers that represent increased risk. It is recommended that a bank include in its random sample the orders of payment service providers outside the EU, particularly the orders of those payment services providers who, based on the bank's past experience, do not provide information

regarding a payer, or who have been identified in the bank's internal records as payment service providers who regularly fail to provide information regarding a payer.

4.4 Action taken by a bank in the event of missing information regarding a payer

The third chapter of the CEBS document, regarding the common understanding of the Articles 9.1 and 10 of Regulation (EC) No. 1781/2006, defines the steps a bank may take when it becomes aware of incomplete information regarding a payer. The three possibilities are:

- reject the order,

- execute the order and request the missing information,

- hold the order and request the missing information.

According to banks, a common decision was taken at the level of the Slovenian banking system that banks will not automatically reject orders with incomplete information regarding a payer, but will attempt to obtain the missing information.

The CEBS document highlights the need to verify whether a legal basis exists in an individual country to hold funds. In this regard, the Bank of Slovenia finds that no legal basis exists to hold funds on the CONFIDENTIAL 51 grounds of incomplete information regarding a payer. Pursuant to the second paragraph of Article 17 of the ZPlaP, an order accepted by the payment service provider of a payment recipient, in respect of which the payment service provider also received funds, is considered executed, resulting in a claim of the payment recipient against its payment service provider. Furthermore, pursuant to Article 21 of ZPlaP, the funds must be available to the recipient on the same day (for payments within the Republic of Slovenia), the following day or by an agreed deadline (for cross-border payments and payments from abroad).

Here it should be highlighted that cases in which grounds to suspect money laundering or terrorist financing exist are handled differently, notwithstanding whether the information regarding a payer is complete or incomplete. Pursuant to the ZPPDFT, in such cases a bank must inform the Office, which may issue an order temporarily blocking the funds.

In accordance with the aforementioned findings, two possible courses of action to be taken by a bank when it becomes aware of incomplete information regarding a payer are presented in detail below. Incomplete information regarding a payer may be identified during the processing of orders or during post-event random sampling.

a) <u>Action taken by a bank when it becomes aware of incomplete information regarding a payer during the processing of orders</u>

There is no legal basis to hold funds in the event of incomplete information regarding a payer. Therefore, it is recommended that a bank executes an order and takes the appropriate steps to obtain the missing information regarding a payer within seven days, if it becomes aware of this missing information during the processing of an order. It is of course at the bank's discretion to set a shorter internal deadline to carry out the activities related to obtaining missing information regarding a payer.

Pursuant to the second paragraph of Article 6 of Regulation (EC) No. 1781/2006, if so requested by the payment service provider of the recipient, the payment service provider of the payer must

provide the payment service provider of the recipient complete information regarding the payer within three working days of receiving that request.

If a bank receives the requested information regarding a payer, it must assess that information in terms of possible suspicion of money laundering or terrorist financing. If the bank assesses that a suspicious transaction is involved, it must inform the Office in accordance with Article 10 of Regulation (EC) No. 1781/2006.

If a bank does not receive the requested information regarding a payer, it is recommended that the bank once again request for the submission of the missing information within seven working days following the expiration of the deadline given to the payment service provider of the payer to submit that information.

The payment service provider of the payer is given an additional three working days from the receipt of the request to submit the missing information regarding a payer.

If despite its additional request for the submission of missing information regarding a payer the bank still does not receive that information, and given the fact the transfer of funds has already been executed, the bank is considered to have complied with the requirements of Regulation (EC) No. 1781/2006.

Regardless of whether a bank received the missing information based on its request, it is recommended that it establish appropriate records in the scope of its internal procedures in which it will record inflows for which it identified missing information regarding a payer. It should be evident from these records what steps the bank took in such cases and how the payment service provider of the payer responded.

Records of this information are one of the prerequisites for determining whether a specific payment service provider regularly fails to provide information regarding a payer, which requires a bank to take appropriate steps and inform the Office.

b) Action taken by a bank when it becomes aware of incomplete information regarding a payer during post-event random sampling

In terms of content, the recommended action to be taken by a bank when it subsequently learns of incomplete information regarding a payer is entirely the same as in the previously described procedure, except that the bank is not immediately aware of the incomplete information (e.g. during the processing of orders), but become aware during post-event random sampling.

4.5 Control of outflows – providing information regarding a payer

The CEBS document does not discuss a bank's obligation as the payment service provider of a payer, although Article 5 of Regulation (EC) No. 1781/2006 states that the payment service provider of a payer must ensure that transfers of funds are accompanied by information regarding a payer. For the transfer of funds within the EU, a simple collection of information regarding a payer (e.g. account number or personal identification code) is permitted, in contrast to the transfer of funds outside the EU, which requires complete information regarding a payer (account number, title and address of the payer).

The Bank of Slovenia supports the decision of banks with regard to the provision of complete information regarding a payer, regardless of whether the transfer of funds is within or outside the EU. This simplifies procedures for banks, and also eliminates the need for subsequently requests

for complete information (in accordance with the second paragraph of Article 6 of Regulation (EC) No. 1781/2006), which require additional manual work.

Pursuant to the requirements of Regulation (EC) No. 1781/2006, a bank must verify the information regarding a payer for every transfer of funds that exceeds EUR 1,000, regardless of whether the transfer of funds was within the EU or outside the EU.

In terms of obtaining and verifying information regarding a payer, banks have introduced different procedures with regard to whether a transfer is from an existing account or carried out by an occasional customer.

For a transfer of funds from an existing account, a bank must ensure that information regarding a payer from existing records accompanies a payment order. Pursuant to the third paragraph of Article 5 of Regulation (EC) No. 1781/2006, a bank is not obliged in such cases to verify the information regarding a payer if the information was obtained and verified during the establishment of a business relationship when, according to the provisions of the ZPPDFT, the bank was obliged to conduct customer due diligence.

When funds are transferred by an occasional customer, a bank must obtain and verify information regarding a payer, whenever the amount of a transfer exceeds EUR 1,000. Information on a payer is verified based on official and valid personal documents.

ANNEX XI

XI. TRAINING RECEIVED BY THE OFFICE OF MONEY LAUNDERING PREVENTION 2005-2009

Domestic

- Seminar "Prevention, detection and investigation of financial frauds"
- several conferences of the Bank Association of Slovenia with the topic of the detection and prevention of money laundering
- workshop "Detection and prosecution of the criminal offences of money laundering, financial abuse and frauds"
- seminar "Insurance Supervision – Financial Crime – Utilizing the Insurance Industry and Insurance Products"
- Regional Anti-Money Laundering Seminar organised by EBRD, Talinn
- Seminar "Insurance Frauds"
- Seminar "Tax circus"
- Seminar "Globalization of the money laundering"
- seminar on tax legislation
- participation at the "Educational days of Slovenian prosecutors"
- seminar "Computer forensic"
- conference "Association of the management companies of investment funds"
- participation at "Tax days" organised by Tax Office
- training for the use of ORACLE software
- seminar "Days of administrative offences law"

Overseas

- OLAF Training in investigation techniques and procedures – Budapest
- »Strategic Analysis Workshop« - Vienna
- OSCE Workshop on Money Laundering and Financing of Terrorism for financial regulators in Central and Eastern Europe – Vienna
- seminar »The roles of FIU's, prosecutors and law enforcement – Podgorica
- seminar »Exchange of information between FIUs« - Zagreb
- seminar »Restrained asset managements«, »Establishing an ARA« and »SAR analysis« - Tirana
- OSCE Conference on Combating Terrorist Financing – Vienna
- Anti Money Laundering and Countering Financing of Terrorism Workshop on Information technology for FIU's – Vienna
- seminar OSCE: »International cooperation between FIUs« - Belgrade

- Workshop »Financial sanctions to combat terrorism« - Vienna
- Conference of the working group SECI (Southeast European Cooperative Initiative) with the topic of money laundering – Chisinau
- FATF Assessor Training Session – Washington
- Moneyval Typologies Meeting – Podgorica
- workshop EU – GCC on money laundering and terrorist financing – Brussels
- seminar »Access to the publically available information as a right and duty«
- workshop »A stocktaking of how we are implementing SR III: How we've improved and where we are headed« - Brussels
- workshop »Money laundering and judicial cooperation« - Vienna
- Training seminar for Evaluators involved in the 3rd and 4th Evaluation Round – Strassbourg
- Presentation of the study »Recent public and self-regulatory initiatives improving transparency and accountability of non-profit sector« - Brussels
- Presentation of the study »Feedback Practices« - Brussels
- Workshop on combating terrorism – Prague
- Exchange of experiences and good practices in the IT field with the FIU Macedonia - Skopje
- workshops »Money laundering through sport clubs« and »Money laundering through money mediators«
- I and II. Regional conference on money laundering and terrorist financing – Warszaw
- EU – USA Workshop on financial sanctions to combat terrorism – Prague
- Symposium on the topic of money laundering
- Workshops on the use of FIU –NET
- Seminar TAIEX (Technical Assistance and Information Exchange) – »Money laundering and confiscation of the illegaly derived assets«
- Seminar on Anti-Money Laundering Measures for Non-Financial Businesses (organised by IMF and World Bank) – Vienna
- Workshops European Union – USA: Financial sanctions in fight against terrorism – Vienna
- Seminar »Fight against terrorism« - Giessbach, Switzerland
- Regional conferences on prevention of money laundering and terrorist financing – Debe, Warszaw (both in Poland)
- Workshop on the prevention of money laundering – Zagreb
- Regional conference on the improvement of the exchange of information between FIUs (organised by German Agency for Technical Cooperation and FIU Macedonia) – Skopje

- Conference organised by UNODC (United Nations Office for Drugs and Crime) with the experts from the field of the prevention of money laundering and judicial cooperation - Vienna
- Regional meeting on the fight against trafficking with human beings and money laundering – Larnaca
- Seminar »Fight against terrorism«, organised by Financial Integrity Network and Basel Institut on Governance – Davos
- Workshop on Transnational Crime, organised by UNODC – Belgrade
- Typology meeting, organised by MONEYVAL and FATF – Monte Carlo
- Regional conference in Skopje on »How to improve the international Cooperation«, organised within TWINNING Project Spain – Macedonia.

ANNEX XII

XII. DETAILS OF TRAINING ON MONEY LAUNDERING AND TERRORIST FINANCING RECEIVED BY POLICE

2007					
Type of training	Organiser	Venue	Country	Date	Number of participants
Workshop "Criminal prosecution of specific economic crimes"	Office of the State Prosecutor General	Ljubljana	Slovenia	27.3.2007	2
Workshop "Criminal prosecution of specific economic crimes"	Office of the State Prosecutor General	Ljubljana	Slovenia	28.3.2007	10
Evidence in complex criminal matters	Police Academy, Faculty of Criminal Justice and Security	Maribor	Slovenia	18.4.2007	3
Conference " Money laundering, seizure and confiscation of proceeds related to narcotic drugs smuggling"	Ministry of the Interior of the Republic of Srpska	Belgrade	Republic of Srpska	24-25.5.2007	1
Globalisation of money laundering	GV Založba (GV Publishing House)	Ljubljana	Slovenia	11.6.2007	1
CEPOL – Economic and financial crime – I	CEPOL	Rome	Italy	9.-12.10.2007	2
Economic and financial crime – II	CEPOL	Prague	Czech Republic	20.-24.5. 2007	1
Corruption and financial crime	CEPOL	Bratislava	Slovakia	3.7.-7.7.2007	1
Organised crime groups in South-East Europe – money laundering	CEPOL	Loures	Portugal	6.5.-10.5.2007	1
Seminar on countering terrorism	GPU UKP (General Police Directorate, Criminal Police Directorate)	Gotenica Training Centre	Slovenia	November	25
Economic crime investigators days – seizure of crime proceeds (Securities Market Agency, Court of Audit of the Republic of Slovenia, Office of	GPU UKP (General Police Directorate, Criminal Police Directorate)	Gotenica Training Centre	Slovenia	30.5.-1.6.2007	40

Assets Supervision)					
2008					
Conference concerning establishment of offices on confiscation of proceeds of crime	CARIN - Europol	Brussels	Belgium	6.-7.3.2008	1
Assets Recovery	Europol	Budapest	Hungary	7. - 8.4.2008	2
Training designed for trainers in the field of money laundering	CEPOL	Loures	Portugal	6. - 9.5.2008	1
Novelties and practice concerning prevention of money laundering and financing terrorism	Association of Stock exchanges	Ljubljana	Slovenia	28.11.2008	1
Seminar EU – US: Financing of terrorist organisation LTTE	Europol	The Hague	The Netherlands	9.-10.12.2009	1
Seminar on countering terrorism	GPU UKP	Gotenica Training Centre	Slovenia	November	25
2009					
International conference »Combating Terrorism, including Terrorist Financing«	Europol, OLAF, EU Commission and ISEC programme	Hahn	Germany	12. 3. 2009	2
Conference North America –EU: Combating terrorism	CEPOL	Paris	France	2.6. – 5.6.2009	1
Economic crime investigators days – Initiative based on Art. 60 of ZPPDFT Act (FIU)	GPU UKP	Gotenica Training Centre	Slovenia	25.5. - 27.5.2009	40
Money Laundering Common Curriculum	CEPOL	Loures	Portugal	27. 10. – 30.10.2009	1

Annex XIII

XIII. BRANCHES AND SUBSIDIARIES OF FINANCIAL SERVICES COMPANIES WITH HEADQUARTERS IN SLOVENIA

Data for insurance companies with the head office in Slovenia		
Branches in EU Member States		
Insurance Company	**EU Member States**	
Zavarovalnica Triglav	Slovakia	
KD Življenje	Slovakia	
Subsidiaries		
Insurance Company	**Share**	
	majority-owned subsidiaries (50% or over)	**minority-owned firms (under 50%)**
Adriatic	AS Osiguranje, Beograd, Serbia	
KD Group	KD Life, Prague, Czech Republic	
	KD Life, Sofia, Bulgaria	
	KD Životno osiguranje, Zagreb, Croatia	
	KD Life Asigurari, Bucharest, Romania	
	KD Life, Kijev, Ukraine	
Zavarovalnica Triglav	Triglav Krajina Kopaonik, Banja Luka, BiH	Lovčen Osiguranje, Podgorica, Montenegro
	Triglav BH Osiguranje, Sarajevo, BiH	
	Triglav Kopaonik, Beograd, Serbia	
	Triglav Osiguranje, Zagreb, Croatia	
	Triglav Pojišťovna, Brno, Czech Republic	
	Vardar Osiguranje, Skopje, FYR Macedonia	
Data for brokerage companies with the head office in Slovenia		
Brokerage Company	**Share**	
	majority-owned subsidiaries (50% or over)	**minority-owned firms (under 50%)**
Medvesek Pusnik	MP Financial Kft, Sopron, Hungary	

Ilirika	IIirika Investments, Skopje, FYR Macedonia	
	Ilirika Investments, Beograd, Serbia	
	Ilirika vrijednostni papiri, Zagreb, Croatia	
	Ilirika vrijednostni papiri, Sarajevo, BiH	
KD Group	KD Securities, Sofia, Bulgaria	
	KD Upravljanje imovinom, Zagreb, Croatia	
	KD Capital Management, Bucharest, Romania	
Data for management and investment companies with the head office in Slovenia		
Management Company	**Share**	
	majority-owned subsidiaries (50% or over)	**minority-owned firms (under 50%)**
Medvesek Pusnik	MP Invest, Zagreb, Croatia	
	MP Invest, Skopje, FYR Macedonia	
	MF Invest, Sarajevo, BiH	
Ilirika	Ilirika Investments, Sarajevo, BiH	
	Ilirika Investment, Zagreb, Croatia	
	Ilirika DZU, Beograd, Serbia	
KD Group	KD Investments, Sofia, Bulgaria	
	KD Investments, Bucharest, Romania	
	KD Investment, Bratislava, Slovakia	
	KD Fondovi, Skopje, FYR Macedonia	
	KD Investments, Zagreb, Croatia	
	KD Investment, Beograd, Serbia	

ANNEX XIV

XIV. THE FOUNDATIONS ACT

THE FOUNDATIONS ACT

O F F I C I A L C O N S O L I D A T E D T E X T

(Z U - U P B 1)

I. GENERAL PROVISIONS

Article 1 (Term)

A foundation (in Slovenian "ustanova") is property tied up for a certain purpose. Pursuant to the present Act, a foundation is a legal entity of the private law.

Article 2
(Purpose)

The purpose of a foundation shall be generally beneficial or charitable and, as a rule, permanent.

The purpose of a foundation is generally beneficial if the foundation has been established for the purposes in the fields of science, culture, sport, education and training, health care, child and disabled care, social welfare, environmental protection, conservation of natural treasures and cultural heritage, for religious purposes and similar.

The purpose of a foundation is charitable if it has been established for the purpose of helping persons who are in need of such help.

The conditions contained in the second and third paragraphs of this Article shall be fulfilled if the circle of persons who are to be considered as beneficiaries is limited, but not specified by names or limited to family members only.

A foundation may engage in an activity necessary for attainment of the purpose it was founded for, or intended for promotion of the same, unless otherwise specified by law.

Article 3

(Body Competent for Foundations)

In the course of the procedure of establishment, operation and termination of foundations, the ministry whose operating range covers the purpose the foundation was established for (hereinafter referred to as: The Body Competent for Foundations) shall have the competencies specified by the present Act.

In the event that a foundation was established for several purposes, the ministry within whose competence lays the predominant purpose of the institution shall be competent.

In the event that it is not possible to appoint the competent ministry, the ministry responsible for home affairs shall be competent.

II. ESTABLISHMENT

Article 4
(Founders)

A foundation may be established by a domestic or foreign natural person or legal entity (hereinafter referred to as: the Founder).

Article 5

(Prerequisites of Establishment)

The founder may establish a foundation with a legal act between the living or in the event of death (hereinafter referred to as: the Deed of Establishment).

A foundation shall acquire the status of a legal entity when the Body Competent for Foundations gives its consent to the Deed of Establishment.

Article 6

(Deed of Establishment)

The Deed of Establishment shall comprise:

1. the name and the seat or residence of the Founder,

2. the name or the seat of the foundation,

3. the statement of the founding capital and its value,

4. the purpose of the foundation,

5. the manner and procedure of appointment of members of the Board of Trustees,

6. the members of the first Board of Trustees by names.

The Deed of Establishment may contain other provisions important for the operation of the foundation.

If the foundation was established with a legal act in the event of death and no name, seat or members of the first Board of Trustees are specified in this act, they shall be determined by the Body Competent for Foundations.

If the Deed of Establishment contains no provisions on the manner and

procedure of the appointment of the members of the Board of Trustees, they shall be stipulated by the regulations of the foundation.

Article 7

(Legal Act between the Living)

The Deed of Establishment as a legal act between the living shall be made up in the form of a notarial record.

The notary shall immediately or within 15 days at the latest submit the notarial record to the Body Competent for Foundations.

The evidence on actual existence of the capital intended for the establishment of

the foundation and the consent of the members of the first Board of Trustees to their appointment shall be enclosed with the notarial record.

As of the day of making up of the notarial record, the founder may no longer revoke the Deed of Establishment or avail of the founding capital or benefits.

Article 8

(Legal act in the event of death)

The Deed of Establishment as a legal act in the event of death shall fulfil the conditions of legal form for one of the testaments according to the inheritance law.

The court with which the probate proceedings have been instituted shall without delay submit the Deed of Establishment as per the preceding paragraph to the Body Competent for Foundations.

Article 9

(Founding capital)

The founding capital may consist of cash, movable property, immovable property and other property rights.

In the event that the founding capital consists of cash, it shall be remitted to the appropriate bank account.

In the event that the founding capital consists of movable property, immovable property and other property rights, it is necessary to submit an official appraisal of a sworn court appraiser.

The Founder shall endow the founding capital in such a way that the Body Competent for Foundations, the government trustee or the foundation may freely avail of such property in accordance with the law and other regulations.

The value of the founding capital shall be adequate for the attainment of the purpose of the foundation.

Within the framework of general records, separate records shall be kept on the founding capital.

The founding capital may be increased in accordance with the Deed of Establishment and the Regulations of the foundation.

Article 10

(Trust for the Property)

In the event that after service of the Deed of Establishment it is necessary to act in trust for property, the Body Competent for Foundations shall appoint a government trustee.

Article 11

(Admission of Establishment of the Foundation)

The Body Competent for Foundations shall issue its approval, provided that:

1. The Deed of Establishment fulfils the conditions specified by the present and other Acts,

2. The purpose of the foundation, is generally beneficial or charitable,

3. The founding capital has been provided,

4. The establishment is not contrary to the public order.

Article 12

(Approval of the Deed of Establishment)

The approval of the Deed of Establishment shall be issued by the Body Competent for Foundations within 30 days of receipt of the Deed of Establishment.

The approval of the Deed of Establishment shall be published in the Official Gazette of the Republic of Slovenia by the Body Competent for Foundations.

The costs of publication shall be borne by the foundation.

With the day of issue of the approval of the Deed of Establishment the property shall be transferred to the foundation, and the foundation can thereby begin to implement the purpose it has been established for. The approval contained in the first paragraph of the present Article shall be immediately delivered to the ministry competent for home affairs by the Body Competent for Foundations.

A complaint may be filed against the decision of the Body Competent for Foundations. The complaint shall be decided upon by the Government of the Republic of Slovenia.

Article 13

(Entry in the Register)

Upon receipt of the approval of the Deed of Establishment, the ministry competent for home affairs shall file the foundation, ex-officio, in the Register of foundations.

The Register of foundations is public, including the founding acts, which serve as a basis for entry into the Register of foundations.

Article 14

(Data to be Entered)

Data to be entered in the Register of Foundations are the establishment, changes in status and termination of the foundation, as well as other data significant for the legal relations of the foundation, among them particularly:

- the name and the seat or residence of the founder;

- the name and the seat (elected location for operations) of the foundation;

- the address of the foundation;

- the purpose of the foundation;

- the founding capital;

- the date and the number of the Deed of Establishment:

- the names, identification numbers or dates of birth and sex, nationality and permanent addresses of the persons authorized for representation, or their temporary addresses, if they have no permanent residence in the Republic of Slovenia;

- the changes in status and termination.

More detailed provisions concerning the keeping and contents of the Register of foundations shall be prescribed by the minister competent for home affairs.

Article 15

(Name of the Foundation)

The name of the foundation shall contain the word foundation. Designation of the purpose, the founder or some other additional designation allowing for clear and unambiguous distinction from foundations already filed in the Register of foundations must be added.

Concerning the possibility of the use of the name of a republic, a municipality or a town, a historical or other personality as well as concerning protection of the name, the provisions effective for establishments shall apply.

Article 16

(Seat of the Foundation)

The seat of the foundation shall be in the Republic of Slovenia and shall be specified by the founder.

III. CHANGE OF NAME, SEAT OR PURPOSE OF THE FOUNDATION

Article 17

(Change of Name, Seat or Purpose)

The name, seat or purpose of the foundation may be changed by the Board of Trustees, in accordance with the Deed of Establishment.

Unless the Deed of Establishment contains the provisions on the change of the name, seat or purpose, the Board of Trustees shall, in case of such change, consider the will and purpose of the founder, as well as the duty to manage the property with due diligence of a prudent administrator.

The changes contained in the first and second paragraphs shall come into force after the issuing of an approval by the Body Competent for Foundations.

Article 17 a

(Obligation of communication of changes)

The foundation is liable to inform the Body Competent for Foundations of the change of name, seat or purpose of the foundation, regulations, decrease in founding capital or adoption of the decision to terminate the foundation within 30 days of the adoption of the decision.

The Body Competent for Foundations shall without delay inform the ministry responsible for home affairs of the consent given for the change of name, seat or purpose of the foundation, decrease of founding capital or decision on termination of the foundation, on the appointment of the Board of Trustees of the foundation specified in the third paragraph of Article 22 of this Act, and on the dismissal of the Board of Trustees.

The foundation shall inform the ministry responsible for home affairs on the change of address of the foundation's seat, and on the change of persons authorized for representation within 30 days of the adoption of the change.

IV. DOCUMENTS OF THE FOUNDATION

Article 18

(Regulations of the Foundation)

The foundation shall have its rules and regulations (hereinafter referred to as: the Regulations), which shall be adopted by the founder within 30 days of the issuing of the approval of the Deed of Establishment.

Unless the founder has adopted the Regulations within the term specified in the preceding paragraph, the adoption shall be effected by the Board of Trustees.

The Regulations govern particularly:

- the organization of the foundation;

- the bodies of the foundation;

- the rules of appointment of (new) Members of the Board of Trustees;

- the rules of decision-making;

- the provisions on management and representation of the foundation;

- the mode of disposition of income.

The Regulations shall be submitted to the Body Competent for Foundations within three months of the issuing of the approval of the Deed of Establishment.

Unless the Board of Trustees submits the Regulations within the term specified in the preceding paragraph, the Body Competent for Foundations may dismiss the Board of Trustees and appoint a new Board in accordance with the Deed of Establishment.

Article 19

(Alteration of Regulations)

The Regulations may be altered in accordance with the Deed of Establishment.

The Board of Trustees is obliged to submit the alteration of the Regulations to the Body Competent for Foundations,

In the event that the Body Competent for Foundations establishes that the alteration of the Regulations contradicts the Deed of Establishment or the Act, it shall request the Board of Trustees to modify the alteration of the Regulations within 30 days.

If the Board of Trustees fails to modify the Regulations as per the preceding paragraph, the Body Competent for Foundations may remove it from office.

Article 20

(Other Documents of the Foundation)

The foundation may also be provided with other Documents serving to regulate in more detail, in accordance with the Regulations, the questions of importance for operation of the foundation.

V. BODIES OF THE FOUNDATION

Article 21

(Types of Bodies)

The foundation is governed by the Board of Trustees.

In accordance with the Deed of Establishment and the Regulations, the foundation may have other bodies as well.

Provided there are several founders of the foundation, they may create a common body of founders, which, however, shall not be able to assume the obligations of the Board of Trustees.

Article 22

(Board of Trustees)

The Board of Trustees shall consist of at least three members.

The members of the Board of Trustees shall be appointed in accordance with the Deed of Establishment and the Regulations. Unless otherwise specified by the Deed of Establishment and the Regulations, the members of the Board of Trustees shall be appointed for a specified period of time.

In the event that on the basis of the Deed of Establishment or the Regulations it is not possible to appoint the Board of Trustees, the Board of Trustees shall be appointed by the Body Competent for Foundations.

Members of the Board of Trustees cannot be:

- persons who are not of age or have no legal capacity

- persons employed in the foundation,

- persons exercising supervision of the foundation.

The candidates for the Board of Trustees shall give their prior consent to their membership in the Board of Trustees.

Article 23

(Removal from Office of the Board of Trustees or of Members of the Board of Trustees)

If the Board of Trustees fails to fulfill its obligations as specified by this Act, the Deed of Establishment or the Regulations, the Founders or the Donors may propose their premature removal from office.

The Body Competent for Foundations shall make the decision concerning the premature removal from office.

The Body Competent for Foundations may remove the Board of Trustees from office in the event of non-fulfillment of obligations stated in the first paragraph of this Article.

In accordance with the first, second and third paragraphs of this Article, a member of the Board of Trustees may also be removed from office if his activities fail to comply with the interests of the foundation.

A complaint may be filed against the decision of the body as per the second and third paragraphs of this Article. The complaint shall be decided upon by the Government of the Republic of Slovenia.

Article 24

(Obligations of the Board of Trustees)

The Board of Trustees shall take care of the implementation of the purpose of the foundation, represent the foundation and perform other tasks in accordance with the present Act, the Deed of Establishment, and the Regulations.

The Board of Trustees shall include a Chairman of the Board elected by the members of the Board.

The Chairman of the Board of Trustees shall represent and act on behalf of the foundation to the extent specified by the Deed of Establishment and the Regulations.

The Board of Trustees shall manage the property of the foundation with due diligence of a prudent businessman.

Article 25

(Decision-making of the Board of Trustees)

The Board of Trustees shall make decisions by a vote of the majority of its members, unless otherwise specified by the Regulations. If the vote results in a tie, the Chairman's vote shall prevail.

A member of the Board of Trustees may not decide upon matters concerning matters in which there are parties, or he himself, his spouse or his relatives, including those three times removed participate in any other manner.

Article 26

(Remuneration for Members of the Board of Trustees and Operative Costs of the Foundation)

The members of the Board of Trustees are entitled to reimbursement of traveling expenses, daily allowances and remunerations, determined by the Board of Trustees in consideration of rates specified in the Deed of Establishment or the Regulations.

The Body Competent for Foundations may specify the uppermost limit of the amounts from the preceding paragraph.

Other costs which may be apportioned for the operation of the foundation (salaries, travel expenses and daily allowances of employees, other operating costs and similar) shall not exceed the amount specified by the stipulations in the area of public administration, unless otherwise specified in the Deed of Establishment and the Regulations.

VI. PROPERTY OF THE FOUNDATION

Article 27

(Income of the Foundation)

The income of the foundation shall be created by management of the founding capital, gifts, other endowments, income from performance of activities as well as by other means.

The income of the foundation shall be spent exclusively for the implementation of the purpose of the foundation and for the operation of the foundation.

Property may be endowed to the foundation both by domestic and foreign natural persons or legal entities (donors).

Article 28

(Decrease of Founding capital)

The founding capital may be decreased if such a decrease was provided for in the Deed of Establishment or if the Board of Trustees decides upon such a decrease due to exceptional circumstances. The decision of the Board of Trustees shall come into force upon receipt of approval of the Body Competent for Foundations.

Article 29

(Limitation Concerning Disposition of Immovable Property)

The foundation may dispose of immovable property provided the Body Competent for Foundations approves such disposition.

VII. SUPERVISION

Article 30

(Supervision of Property and Management)

The foundation shall keep books of account and produce annual reports in compliance with regulations specifying keeping of books of account and elaboration of financial reports for establishments.

By the end of March each year, the Board of Trustees shall submit a report on its work and financial management within the preceding calendar year to the Body Competent for Foundations.

The report on the financial management shall be submitted to other competent bodies as well. Supervision of financial management shall be carried out by competent public

bodies or authorized organizations. It is necessary to exercise special supervision of founding capital which may be decreased only under conditions stated in Article 28 of the present Act.

The Body Competent for Foundations may request an audit of financial management by a certified auditor.

Article 30 a

(Supervision over compliance with the provisions of the Act)

The Body Competent for Foundations exercises supervision over compliance with the provisions of this Act, the violations of which are defined as offences by this Act.

VIII. TERMINATION OF THE FOUNDATION

Article 31

(Reasons for Termination of the Foundation)

The foundation shall be terminated in the event that:

- the property fails to be sufficient for further implementation of the purpose of the foundation,

- the purpose of the foundation becomes impossible,

- in other cases, when the Body Competent for Foundations has established that there are no conditions for further existence of the foundation,

- the purpose for which the foundation had been established has been fulfilled.

Article 32

(Consequences of Termination)

The Board of Trustees or the Body Competent for Foundations shall decide upon the termination of the foundation, and the will and the purpose of the founder shall be considered.

The decision of the Board of Trustees shall come into force upon the issuing of the relevant approval by the Body Competent for Foundations.

A complaint may be lodged against the decision of the Body Competent for Foundations concerning termination of the foundation. The complaint shall be decided upon by the government of the Republic of Slovenia.

The Body Competent for Foundations shall inform the court of the termination of the foundation.

The court shall institute the liquidation and bankruptcy proceedings in accordance with the Act on sequestration, bankruptcy and liquidation.

In accordance with the will and the purpose of the founder, the remainder of the property of the liquidation or bankrupt's estate shall be allocated to another foundation with the same purpose. If there is no such foundation, the property shall be allocated to a foundation with a similar purpose. The termination of the foundation shall be published in the Official Gazette of the Republic of Slovenia and the foundation shall be deleted from the Register of foundations.

IX. SPECIAL BODY OF THE FOUNDATION

Article 33
(Government Trustee)

With the purpose of implementation of concrete assignments in respect of operation or termination of foundations, the Body Competent for Foundations shall appoint a government trustee for foundations, or, when necessary, a trustee for a particular foundation.

The government trustee shall be an expert in the relevant field and may be chosen from outside the Body Competent for Foundations.

The government trustee shall look after the property of the foundation from the day of submittal of the Deed of Establishment to the Body Competent for Foundations to the day of issue of the relevant approval, as well as in cases when the Board of Trustees has not been appointed as yet, and executes other assignments on instruction of the competent minister.

X. USE OF TERM "FOUNDATION"

Article 34

(Use of Term "Foundation")

The term "foundation" (in Slovenian "fundcija", in a narrower sense than "ustanova") may be used in the name or trade name by legal entities which were established for generally beneficial or charitable purposes and do not pursue such purposes as a profit-oriented activity.

The legal entities from the preceding paragraph shall be entered in the register or records of legal entities in compliance with the Act under which they were established.

XI. PENAL PROVISIONS

Article 35

A fine of 200,000 to 4,000,000 SIT shall be imposed on the foundation which:

1. engages in an activity in contravention to the fifth paragraph of Article 2 of this Act;

2. does not act in accordance with the Deed of Establishment and the Regulations of the foundation (Article 6, the first and third paragraphs of Article 18);

3. does not keep books of account in accordance with the first paragraph of Article 30 of this Act;

A fine of 50,000 to 250,000 SIT shall also be imposed on the responsible person of the foundation, for the offence of the preceding paragraph.

Article 35 a

A fine of 150,000 SIT shall be imposed for offence on a foundation whicih:

1. does not use its name in accordance with Article 15 of this Act;

2. fails to notify the Body Competent for Foundations of the change of name, seat, foundation purpose, regulations, decrease of founding capital or adoption of decision to terminate the foundation, or fails to notify the ministry competent for home affairs of the change of foundation seat address or persons authorised for representation within the deadline set in Article 17 a of this Act;

3. fails to submit its regulations to the Body Competent for Foundations within the deadline set in Article 18 of this Act;

4. fails to submit its activity and financial management report to the Body Competent for Foundations within the deadline set in Article 30 of this Act.

A fine of 50,000 SIT shall also be imposed on the responsible person of the foundation for offence of the preceding paragraph.

Article 36

A fine of 150.000 SIT shall be imposed on a legal entity or an individual private entrepreneur who:

- operates as a foundation without acquisition of the approval of the Deed of Establishment (the fourth paragraph of Article 12);

- uses the term foundation (in Slovenian ustanova) in the name or brand name in contravention of Article 15, or the term foundation (in Slovenian fundacija) in contravention of Article 34.

For an offence from the preceding paragraph, a fine of 50.000 SIT shall also be imposed on the responsible person of the legal entity.

The Foundations Act – ZU (Official Gazette of the Republic of Slovenia, no. 60/95) contains the following transitional and final provisions:

XII. TRANSITIONAL AND FINAL PROVISIONS

Article 37

(Alignment of the existing foundations)

Existing foundations and funds (in Slovenian fondacije, fundacije, fondi, skladi in ustanove), established prior to entry into force of this Act, shall align their operation with the provisions of this Act within a year of the day of coming into force of this Act.

Other legal entities, organizational units or natural persons using the term foundations or funds (fondacije, fundacije, fondi, skladi in ustanove) shall align their documents and operation with the provisions of this Act or cease to use their name within a year of the entry into force of this Act.

The provisions of the preceding paragraphs shall not apply to funds established by a separate act, or which are not legal entities.

Upon expiration of the term specified in the first and second paragraphs of this Article, the competent body shall, ex officio, after the conclusion of the liquidation proceedings, delete legal entities which have failed to align their documents with the provisions of this Act from the Registers they are filed in.

Article 38

(Implementing Regulations)

The provisions on keeping and contents of the records specified in the third paragraph of Article 14 of the present Act shall be issued by the minister competent for administration within 60 days of the day of entry into force of the present Act.

Article 39

(Entry into Force of the Act)

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

The Act Amending the Foundations Act – ZU-A (Official Gazette of the Republic of Slovenia, no. 53/05) contains the following transitional and final provision:

TRANSITIONAL AND FINAL PROVISION

Article 11

The minister responsible for home affairs shall align the provision of the second paragraph of Article 14 of the Act with the provisions of this Act within 60 days of its coming into force.

Article 12

This Act shall come into force on the fifteenth day of its publication in the Official Gazette of the Republic of Slovenia.

ANNEX XV

XV. ASSOCIATIONS ACT

ASSOCIATIONS ACT (Zdru-1)

I. GENERAL PROVISIONS

Article 1

(Concept and principles of operation of associations)

(1) An association shall be an autonomous and not-for-profit union initiated by creators (hereinafter referred to as founders) in accordance with this Act, for the purpose of exercising jointly determined interests.

(2) An association shall independently determine its purpose, objectives, activities and tasks and the manner of its operation while the decisions regarding its management shall be made directly or indirectly by the members (hereinafter referred to as the association members)

(3) An association shall not be founded and operated for purpose of gaining a profit. The association shall consistently use the surplus income obtained from all activities and other sources for the realisation of its purpose and objectives and shall not distribute the surplus income among the members.

(4) Associations shall operate publicly.

Article 2

(Right to unite into an association)

(1) Uniting into an association shall be voluntary.

(2) Any individual may become a member of an association under the conditions defined in the association's charter.

(3) Action within the association shall be based on equality of the members.

Article 3

(Limitations)

(1) It shall not be permitted to found an association whose purpose, objective and activity are intended to bring about a forceful change of the constitutional order; the commitment of criminal offences or incitement of nationalistic, racial, religious or other forms of inequality; the propagation of nationalistic, racial, religious or other forms of hatred and intolerance and incitement to violence and war.

(2) It shall, likewise, not be permitted to found an association for the purpose of creating a profit or for the exclusive performance of lucrative activity and the operation of such an association shall be prohibited.

Article 4

(Charter)

An association shall have a charter in accordance with this Act and the legal order of the Republic of Slovenia.

Article 5

(Legal personality and representation)

(1) An association shall be a legal entity in private law. The association shall acquire the status of a legal entity upon entry into the register of associations (hereinafter referred to as the registration of an association).

(2) An association shall be represented by the person specified by the charter (hereinafter referred to as the representative of the association). Only a natural person of contractual capacity may act as the representative of an association.

Article 6

(Liability)

(1) Unless otherwise stipulated by the charter, the association and the representative of the association shall be liable for the lawful operation of the association.

(2) An association shall guarantee liability for its obligations with all its assets.

(3) Irrespective of the provision of the preceding paragraph, the responsible persons of the association shall, with all their assets, also carry solidarity liability for the obligations of the association if, for their own benefit or for the benefit of another person they reduce the assets of the association or if they redirect operations and financial flows to another existing or newly created legal person or natural person, thus preventing an increase of assets while aware that the association will not be able to meet its obligations towards third persons. The responsible persons shall be liable for the amount of damage caused to the association through their actions.

(4) In the case of the obligations of the association referred to in the preceding paragraph, the natural or legal person that gained financial profit through the actions of the responsible persons shall be liable for the amount equivalent to the acquired profit.

Article 7

(Implementation of the law)

(1) The provisions of this Act shall apply mutatis mutandis also to federations of associations and associations operating in the Republic of Slovenia with the status of a legal person under foreign law (hereinafter referred to as foreign associations), unless otherwise provided by this Act.

(2) A foreign association may perform lucrative activity in the Republic of Slovenia in accordance with the provisions of this Act and under the conditions stipulated by the regulations concerning foreign companies.

II. FOUNDING AND MANAGEMENT OF AN ASSOCIATION

Article 8

(Founding of an association)

(1) An association may be founded by at least three natural persons of contractual capacity or by legal persons.

(2) Irrespective of the provision of the preceding paragraph, commercial enterprises shall not found an association which defines, in its charter, the activity performed by the commercial enterprise.

(3) The founders shall draw up a resolution on the establishment of the association and adopt the charter of the association and elect the representative of the association.

Article 9

(Charter)

(1) The charter shall determine the following:

- the name and head office of the association (selected location of operation of the association);
- the purpose and objectives of operation of the association;
- the activities and tasks of the association;
- the conditions and manner of gaining and terminating membership;
- the rights and obligations of members;
- the method of managing the association;
- the representation of the association;
- the funding of the association and the manner of supervising the disposal of the assets of the association and the financial and material business operations of the association;
- the manner of ensuring that the activities of the association are open to the public;
- the method of adopting amendments to the charter;
- the dissolution of the association and the disposal of its assets in such a case.

(2) The charter may also regulate other matters, which are important for the management and functioning of the association.

Article 10

(Name of association)

(1) The name of an association shall be in the Slovene language. If the association has its head office in an area inhabited by ethnic communities, the name may also include a translated version in the Italian or Hungarian languages. The name shall differ from the names of other associations and shall not be misleading or offensive.

(2) Unless otherwise provided by statute, the name of an association shall include the word "association", "union" or "club". The name of the association shall indicate the activities of the association. The name of the association may also have an addition describing the association in more detail.

(3) The name of an association shall not include the phrase "Republika Slovenija" (Republic of Slovenia).

(4) If an association wants to use, in whole or in part, the name of a state body, local community, commercial enterprise or other legal person or the name of a historical or prominent personality, it shall be required to secure the prior consent of the persons or entities concerned. In the event that such a person is dead, the use of their name shall be subject to the consent of their spouse and children and if these do not exist, the consent of parents and descendants of the historical or prominent personality to the third lineage of genealogy.

(5) An association shall use only its registered name in legal relations.

(6) As association believing that another association's name does not differ from its own already registered name and that this fact causes, or may cause, ambiguity in legal relations, shall be entitled to file a complaint against the decision that allowed the subsequent entry of the other association in the register of associations. The deadline for filing the complaint shall be six months from the registration of the other association.

Article 11

(Membership in the association)

(1) Membership in the association shall be on individual basis. The legal person in the association shall be represented by an authorised person.

(2) If a minor becomes a member of an association before reaching seven years of age or in the event of a person that has no contractual capacity, their legal representative shall sign their entrance statement. In the case of a person aged between seven and fifteen years, their legal representative shall submit written consent prior to the minor becoming a member of an association.

Article 12

(Management of an association)

(1) The members of an association and the authorised persons of the member legal persons shall participate in the management of the association directly or indirectly through representatives, elected bodies or the representative of the association in a manner specified by the charter.

(2) The charter of the association shall determine the manner of participation of the members of the association referred to in the second paragraph of the preceding Article, in the management of the association as well as their special rights and obligations.

Article 13

(Bodies of the association)

(1) The charter and amendments to the charter concerning the provisions of the first paragraph of Article 9 of this Act and other very important decisions of the association shall be adopted by the general assembly constituted of all the members of the association.

(2) If the charter does not provide otherwise, the general assembly shall be called by the representative of the association once a year but it may also be called at any time by one-fifth of all the members of the association.

(3) If the charter of an association also stipulates other bodies, it must also define their composition, competences, responsibilities, manner of making decisions, mutual relationships, term of office and the method of election or appointment and dismissal of the members.

(4) Unless otherwise provided by the charter, a body of the association shall be deemed to have a quorum if more than one-half of all members are present and decisions shall be considered to be valid if voted for by a majority of the members present.

(5) Unless otherwise provided by the charter, the complaints filed against the decisions made by the bodies of the association or by the representative of the association shall be decided on by the general assembly.

Article 14

(Disputes)

(1) Every member of an association shall have the right to file before a court, within one year of the adoption of the final decision, a complaint against a decision of a body of the association taken in conflict with the law or the charter or other general act of the association. The same right shall apply to a person whose application to join the association was rejected.

(2) Complaints against the bodies of the association shall be entertained by the court only after the legal means referred to in the fifth paragraph of the preceding Article have been exhausted.

(3) The revocation of the decisions of the body of an association shall not mean the cessation of the rights acquired bona fide by third persons.

Article 15

(Transformation of the status of an association)

(1) An association may merge with other associations or join another association.

(2) The resolution to merge with or join another association shall be adopted by the general assemblies of all the associations.

(3) An association resulting from a merger, or an association which has been joined by another association, shall be the legal successor of the merged or joined associations.

Article 16

(Federation of associations)

(1) Two or more associations may found a federation of associations.

(2) The resolution to found a federation of associations shall be adopted by the general assemblies of all the associations.

III. REGISTRATION OF AN ASSOCIATION

Article 17

(Competences for decision-making)

(1) The registration of associations and their affiliates, offices or other territorial units (hereinafter referred to as affiliates) of foreign associations shall fall within the competences of the local administrative unit (hereinafter referred to as the competent authority) in whose area of jurisdiction an association has its head office or where an affiliation of a foreign association has its head office in the Republic of Slovenia.

(2) The ministry responsible for the interior shall decide upon the complaints filed against the decisions of the competent authority.

Article 18

(Application for registration)

(1) The following documents shall be enclosed with the application for the registration of an association:

- the minutes of the founding assembly;
- two copies of the charter;
- personal data on the founders (name, personal identification number or date of birth and sex, nationality and address of permanent residence or the name of the legal person, identification number, head office and address of the head office and the name of the representative of the legal person) with their certified signatures;
- proof of legal personality for foreign legal persons founding an association;
- the resolution on the founding of an association drawn by the competent body of the legal person founding an association;
- the address of the head office of the association;
- the name, personal identification number or date of birth and sex, nationality and address of permanent residence or temporary residence of the representative of the

association in the event that the representative does not have permanent residence in the Republic of Slovenia.

(2) The application for the registration of a federation of associations shall also be accompanied by the resolution on the founding of a federation of associations adopted by the general assemblies of all the associations.

(3) The competent authority shall obtain ex officio the data on the legal personality of a home legal person founding an association.

Article 19

(Deciding on an application)

(1) The competent authority shall be obliged to decide on the application for the registration of an association within 30 days of its receipt.

(2) In the event of the competent authority establishing that the application is incomplete or that the charter of the association does not conform to the provisions of this Act, the applicant shall be notified of this and a deadline shall be set by which the application must be completed or the charter corrected accordingly. This deadline shall not be less than 15 days and shall not exceed three months.

(3) Should the association fail to complete the application by the deadline referred to in the preceding paragraph, the application for registration shall be deemed to have been withdrawn.

(4) If the competent authority's decision on registration depends on the prior resolution of an issue which is disputable between the parties in the registration procedure, the competent authority shall suspend the registration procedure and direct the party which objects to the registration or the party whose right the authority deems to be less probable to initiate, within 30 days, civil or other appropriate procedures for taking a decision on the disputed issue.

(5) A complaint against a decision on the registration of an association shall not withhold an entry in the register of associations.

Article 20

(Registration of changes)

(1) If an association changes its name, head office or any provision of its charter or changes its designated representative or address of its head office, it must lodge an application for a revision of registration within 30 days of making the alterations.

(2) The application referred to in the preceding paragraph shall be accompanied by the minutes of the session at which the changes were adopted. If the charter was amended, two copies of the new charter or two copies of the consolidating text shall be enclosed.

Article 21

(Registration of the transformation of the status of an association)

(1) The application for the registration of an association resulting from a merger, or the registration of an association which was joined by another association, should be lodged by the association or its legal successor within 30 days of the adopted change in status.

(2) The application for the registration of an association resulting from a merger of associations shall be accompanied by the resolutions of all the general assemblies involved, including the decision on the merger; the minutes of the founding assembly of an association resulting from a merger, indicating that the association adopted a new charter and elected the association's representative. The decisions on joining taken by the general assemblies of all associations involved shall be enclosed with the application for the registration of joining associations.

Article 22

(Application of provisions)

(1) For the registration of the alterations referred to in Articles 20 and 21 of this Act, the provisions of Articles 18 and 19 of this Act shall also be applied mutatis mutandis.

Article 23

(Registration of an affiliate of a foreign association)

(1) A foreign association may operate on the territory of the Republic of Slovenia through an affiliate provided the affiliate is registered in the register of affiliates of foreign associations. A registered affiliate of a foreign association shall participate in legal relations in the Republic of Slovenia on behalf and on the account of the foreign association.

(2) A foreign association shall enclose the following documents with the application for registration:

- proof of registration in the country of founding indicating the name, head office and the representative of the foreign association or, in the event that entry into a register is not prescribed under the regulations of the particular country, a resolution on founding certified by a notary public, including all the required data and providing proof that the association has the status of a legal person under foreign law;

- the charter or other act showing the purpose, objectives, activities, method of management, representation, funding of the foreign association and manner of functioning as well as the activity of the association in the Republic of Slovenia;

- the decision of the competent authority on the establishment of an affiliate in the Republic of Slovenia and on the appointment of a person, authorised to represent the foreign association in the Republic of Slovenia (hereinafter referred to as the representative of a foreign association in the Republic of Slovenia);

- the name, head office and address of the head office of the affiliate of a foreign association in the Republic of Slovenia;

- the name, personal identification number or date of birth and sex, nationality and address of permanent residence or temporary residence of the representative of the foreign association if the representative does not have permanent residence in the Republic of Slovenia.

(3) The documents prepared in a foreign language shall be submitted in a certified translation into the official language.

(4) For entry in the register of affiliates of foreign associations, the provisions of Articles 19 and 20 of this Act shall be applied mutatis mutandis.

IV. ASSOCIATION ASSETS AND FINANCIAL TRANSACTIONS

Article 24

(Association assets)

(1) The assets of an association shall be composed of monetary and other resources obtained by an association through the membership subscription, gifts and legacies, donor contributions, from public funding, by performing the activities of the association and from other sources, its real estate and movable property as well as substantive rights.

(2) An association shall not distribute its assets between its members. Any distribution of the assets of an association between its members shall be deemed void.

(3) If an association generates a surplus income during the performance of its activities, such an income shall be used to fulfil the purpose and objectives of the association and for the performance of the non lucrative activities stipulated in its charter.

Article 25

(Lucrative activity)

(1) An association may perform a lucrative activity under the conditions prescribed by law for the performance of such an activity. The lucrative activity shall be specified in the charter and connected with the purpose and objectives of the association as a supplementary activity to its non lucrative activity and may be performed solely to the extent necessary in order to fulfil the association's purpose and objectives, or for the performance of non lucrative activity.

(2) A lucrative activity shall be deemed to be connected with the purpose and objectives of the association if it may directly contribute to the fulfilment of its purpose and objectives, whereby such a contribution shall not exclusively aim at securing income for the association. A supplementary activity to a non-lucrative activity of an association shall be deemed to be a lucrative activity which, together with the non-lucrative activity constitutes a particular service or achievement or which ensures a better usage of the capital assets of the association.

(3) For achieving its purpose and objectives, an association may create a business enterprise or entrust the performance of lucrative activity to other persons, on the basis of a lease or a similar contract.

Article 26

(Accounting)

(1) An association shall provide data relating to its financial and material transactions in the manner and form determined by the charter or a special act in accordance with this Act and pursuant to the accounting standards applicable to associations. An association performing lucrative activity shall keep records and prepare statements on financial and material transactions in this activity separately.

(2) An association shall keep its accounts according to the double account system, adapted to its own needs.

(3) Irrespective of the provision of the preceding paragraph, an association may decide, by charter or special act, to keep its accounts according to the simple account system, on condition that at least two of the following criteria are fulfilled:

- the average number of permanent employees in the preceding fiscal year does not exceed two person;

- the annual income for the preceding fiscal year does not exceed 5 million tolars;

- the average value of assets at the beginning of the fiscal year does not exceed 10 million tolars.

(4) An association which does not perform lucrative activity or which performs such activity only occasionally and whose income from the past fiscal year amounts to less than 2 million tolars may keep only a cash book and shall provide other data for the annual report through the annual inventory and assessment.

(5) In the case of a fiscal year that is the same as a calendar year, an association shall prepare an annual report including the balance sheet and financial statement, together with a commentary to the statement and a report on the association's business transactions. The report shall include the actual statement of assets and the association's operations. In the event of changes being made on its status or in case of dissolution, an association shall prepare an annual report also during the year with a balance as per day of making status changes or dissolution.

(6) Accounts shall be kept and annual reports prepared pursuant to the rules of the accounting standards applicable to associations. The accounts and annual reports must enable the assessment of whether the surplus income was used for the purposes stipulated in the third paragraph of Article 24 of this Act.

(7) The annual report shall be adopted by the general assembly of the association. The report shall be deemed to be validly adopted subject to a prior internal audit conducted to establish, especially, whether the requirements stipulated in the fifth and sixth paragraphs of this Article have been fulfilled.

Article 27

(Auditing of statement of accounts)

(1) Prior to the adoption of an annual report, the statement of accounts of an association whose income or expenditure exceeded 200 million tolars in the past fiscal year, shall be audited by an auditing company or an independent auditor (hereinafter referred to as the auditor) in a manner and under the conditions stipulated by the law governing auditing.

(2) The auditor shall also establish whether the report on the business transactions of the association is in harmony with the audited statement of accounts and the requirements stipulated in this Act. The auditor's report shall also include a commentary providing the assessment referred to in the sixth paragraph of the preceding Article.

(3) The audit shall be performed within six months after the end of the fiscal year.

Article 28

(Accounting standards for associations)

(1) The accounting standards for associations shall be prepared by the Slovenian Auditing Institute.

(2) The minister responsible for finance shall approve the accounting standards.

(3) After obtaining the approval referred to in the preceding paragraph, the Slovenian Auditing Institute shall publish the accounting standards in the Official Gazette of the Republic of Slovenia.

Article 29

(Submission of the annual report)

(1) An association shall submit to the Agency of the Republic of Slovenia for Public Records and Services (hereinafter referred to as the ARSPRS) the annual report for the past fiscal year by the 31st. of March of the current year or, in case of changes being made to the status of an association or its dissolution, within two months of making the changes or dissolution.

(2) Irrespective of the provision of the preceding paragraph, an association whose statement of accounts require external auditing shall submit the annual report to the ARSPRS by the 31st. of August of the current year. The auditor's findings shall be enclosed in the annual report.

(3) The ARSPRS shall treat data pursuant to the regulations concerning accounting.

V. AN ASSOCIATION OPERATING IN THE PUBLIC INTEREST

Article 30

(Conditions)

(1) An association may confer upon itself the status of an association that functions in public interest if it operates in the field of culture, upbringing and education, health care, social care, the

implementation of family policy, the protection of human rights, the protection of the environment, the protection of animals, sport, defence and protection against natural and other disasters, the economy, agriculture, forestry, veterinary activity or nutrition, foreign affairs, the promotion of democracy or in other fields, provided its operations extend beyond the interests of its members and they are of general benefit (hereinafter referred to as an association operating in the public interest).

(2) An association shall be granted the status referred to in the preceding paragraph if it fulfils the following conditions:

- if its founders and members are not legal persons in public law;

- if it has the activity of public interest defined in its charter;

- if it is registered and has been in operation for at least two years prior to submitting an application for such status;

- if it spent a considerable amount of funds during the last two years on the performance of this activity and if it regularly conducted programmes, projects or other activities aimed at realising purposes and objectives that are of public interest;

- if it has laid out programmes of future operations;

- if it can provide evidence of major achievements from its operations.

(3) The field of operation or the activities of public interest may be defined in detail by a special law which may also stipulate special conditions for acquiring such status.

Article 31

(Granting of status)

(1) The granting of the status of an association operating in the public interest shall be decided upon by the ministry responsible for the field in which the an association operates (hereinafter referred to as the competent ministry).

(2) In the event of an association applying for the status referred to in the preceding paragraph in several fields which fall within the competences of various ministries, the granting of the status referred to in the previous paragraph shall be decided upon by the ministry competent for the majority of the activities of the association, with the prior consent of the other competent ministries.

(3) In the event if an association applying for status in a field for which no ministry is competent, the granting of the status referred to in the first paragraph of this Article shall be decided upon, in the capacity of the competent ministry, by the ministry of the interior.

(4) The competent ministry shall, within eight days, notify the competent authority about the granting of the status of an association operating in the public interest.

(5) Complaints against the decisions of the competent ministry shall be decided upon by the Government of the Republic of Slovenia.

Article 32

(Application)

(1) An association shall submit the application for the status of an association operating in the public interest to the competent ministry.

(2) The application shall have the following enclosures:

- a copy of a valid of the association which is recorded in the register of associations;

- the name, personal identification number or date of birth and sex, nationality and address of permanent residence or temporary residence of the representative of the association that is entered in the register of associations in the event that the representative does not have permanent residence in the Republic of Slovenia;

- report on operations providing evidence of the execution of programmes, projects and other activities that were performed by the association in the public interest in the last two years and on the use of funds for these purposes;

- annual report of the association for the last two years and, in the case of the association referred to in Article 27 of this Act, also the auditor's report;

- the adopted programme of action in the future in these fields;

- evidence of the results of the association's operations;

- any other proof of fulfilment of the conditions stipulated by the special law.

(3) During the procedure for granting the status of an association operating in the public interest, the competent ministry shall obtain from public records the data on the registration of the association, its founders and representative.

Article 33

(Notification)

(1) An association operating in the public interest shall, by the 31st. of March of the current year, submit to the competent ministry the reports for the past year referred to in the third and fourth indents of the first paragraph of the preceding Article, as well as the new programme of future operations after the expiry of the old programme.

(2) The competent authority shall notify the competent ministry of all amendments to the data entered in the records referred to in Article 48 of this Act, within eight days of registering the amendments.

Article 34

(Withdrawal of status)

(1) The competent ministry shall withdraw the status of an association operating in the public interest if:

- the association no longer fulfils the conditions stipulated in Article 30 of this Act and in special regulations or if it no longer performs activities in the public interest;

- the association fails to fulfil, also within the subsequent 30 days-deadline, the obligations stipulated in Article 33 of this Act, notwithstanding the warning issued by the competent ministry;

- the association waives in writing the granted status.

(2) For the withdrawal of status, the provisions of Article 31 of this Act shall be applied mutates mutandis.

Article 35

(Acquisition of status by a special law)

(1) If an association is granted a special status by a special law or on the basis of a special law for the performance of generally beneficial activities or if its activities are defined as of a humanitarian nature or if the law directly regulates in a different manner its management and the funding of an activity of public interest, such an association shall be deemed to be an association operating in the public interest under this Act.

Article 36

(Advantages)

(1) During public invitations for applications for national budget funding earmarked for associations, the status of an association operating in the public interest shall also be included as one of the criteria used to help in selecting beneficiaries, whereby the level of consideration of such status shall not exceed 20% of the value of other criteria.

(2) Other advantages enjoyed by an association that has acquired such status, may also be provided by special statute.

VI. DISSOLUTION OF AN ASSOCIATION

Article 37

(Dissolution)

An association shall be dissolved by the will of its members, by merging with other associations, by joining another association, by becoming bankrupt, on the basis of a court order banning its operation or in accordance with the law.

Article 38

(Dissolution by the will of association members)

(1) An association shall be dissolved if the general assembly adopts a resolution on its dissolution.

(2) The resolution shall include the name of an association, institute, foundation or other not-for-profit legal person with related objectives to which the property of the dissolved association shall be allocated after the settlement of all obligations. If the resolution does not name the successor of the association's property and if the successor cannot be determined on the basis of the provisions of the charter, the association's property shall be allocated to the local community in whose area the association had its head office. Unexpended budget funds shall be returned to the budget while the remaining assets shall be transferred to the successor, from the day of cancellation of the association from the register of associations.

(3) Irrespective of the provision of the preceding paragraph, the property of an association shall not be allocated to a political party.

(4) The representative of the association shall inform the competent authority of the resolution referred to in the first paragraph of this Article within 30 days and shall request for the cancellation of the association from the register of associations. A report on the disposal of the property of the association, showing the extent of the association's funds and other assets, the method of settlement of the association's obligations, the amount of unexpended public funds, the method of their return to the budget and the method of allocation of the association's remaining property to the successor shall be enclosed with the request and resolution.

Article 39

(Announcement of dissolution)

(1) The competent authority shall announce the resolution on the dissolution of an association on its notice board and in the information system for receiving applications, servicing and informing state authorities or by another normal method. The announcement must state that creditors may communicate to the competent authority their claims on the association within 30 days of the day of announcement; otherwise an order on the removal of the association from the register of associations shall be issued.

(2) In the event that a creditor communicates their claim to the competent authority, the latter shall suspend the procedure and impose on the creditor, by means of a resolution, the obligation to propose to the authorised court of law the institution, within 30 days, of the procedure for the liquidation of the association, and submit evidence thereof to the competent authority. Should a creditor fails to act accordingly within the provided deadline, the competent authority shall issue a decision on the cancellation of the association from the register of associations.

Article 40

(Forced settlement and bankruptcy)

(1) Bankruptcy procedures may be instituted on an association that has been insolvent or heavily encumbered with debts for a long period, in accordance with the regulations that govern forced settlement, bankruptcy and liquidation.

(2) Before the commencement of and during the bankruptcy procedure, an association may propose to the creditors the conclusion of a forced settlement.

(3) Bankruptcy procedures shall be instituted on an association operating in the public interest solely with the prior consent of the competent ministry.

(4) The competent ministry shall give the consent referred to in the preceding paragraph if it establishes that the bankruptcy of the association does not seriously jeopardise the performance of an activity of public interest.

Article 41

(Banning an association)

(1) An association performing the activities stipulated in Article 3 of this Act shall be banned by a court decision.

(2) Administrative authorities and persons with public authorisations who, while performing their duties, find out about the reasons referred to in the preceding paragraph shall be obliged to report such operation of an association to the state prosecutor.

(3) If, on the basis of a report made by administrative authorities or the persons with public authorisations referred to in the preceding paragraph, by natural or legal persons or ex officio decides that such reasons actually exist, the state prosecutor shall bring an action with the Administrative Court of the Republic of Slovenia for the banning of the association.

(4) The procedure for banning an association shall be urgent.

(5) The provisions of the preceding paragraphs of this Article shall not apply to cases whereby the liability of an association for a criminal offence is stipulated by the provisions of the regulations governing the liability of legal persons for criminal offences.

Article 42

(Dissolution by law)

(1) An association shall be dissolved under law if it actually ceases to operate or if it was served, within a period of five years, with two final sentences for the misdemeanour stipulated in Point 3 of the first paragraph of Article 52 of this Act.

(2) The dissolution of an association under the preceding paragraph shall be established by the competent authority by written order.

(3) The provision stipulated in the first paragraph of Article 39 of this Act shall apply mutatis mutandis to the final order referred to in the preceding paragraph.

(4) In the event of a creditor communicating their claims to the competent authority and the authority does not possess information on the association having any property, the creditor shall be required to submit to the competent authority, within 30 days, evidence that the commencement of the procedure referred to in Article 43 of this Act has been proposed; otherwise the competent authority shall issue an order on the removal of the association from the register of associations.

Article 43

(Liquidation by a court of law)

(1) In the event of the failure of an association referred to in the second paragraph of Article 39 of this Act and in cases of the dissolution of the association under Articles 41 and 42 of this Act, the competent court of law shall institute the liquidation procedure pursuant to the regulations on forced settlement, bankruptcy and liquidation. The resolution referred to in the second paragraph of Article 38 of this Act shall be replaced by this decision.

(2) Should the competent authority possess information on the property of the association but the creditors fail to propose the commencement of proceedings, the competent authority shall propose the commencement of proceedings to the court of law.

Article 44

(Removal from the register)

(1) An association that was dissolved by merging or joining another association shall be removed from the register of associations on the basis of a resolution on the registration of a new association or a resolution on the registration of joined associations.

(2) In the cases stipulated in Articles 38, 40, 41 and 42 of this Act, the competent authority shall remove an association from the register of associations on the basis of a final decision.

(3) An affiliate of a foreign association shall also be removed from the register of affiliates of foreign associations if the foreign association loses the status of a legal person under foreign law.

Article 45

(Creditors' right)

Creditors, whose claims against an association were not settled prior to the removal of the association from the register of associations may, within a period of one year from the date of removal of the association from the register of associations, file a request to the legal person to whom the property was allocated, for the settlement of the claims.

VII. RECORDS

Article 46

(Register of associations)

(1) As association shall be registered in the register of associations. The register shall be composed of a registration book and a collection of documents. The registration book shall be kept also as a central computerised database for the entire Republic of Slovenia (hereinafter referred to as the central register of associations).

(2) The authority stipulated in the first paragraph of Article 17 of this Act shall be responsible for keeping the register while the ministry competent for internal affairs shall also be responsible for keeping the central register of associations.

(3) The register shall include the following personal data:

- the name, personal identification number or date of birth and sex, nationality and address of permanent residence or temporary residence of the representative of the association (registration book);

- the name, personal identification number or date of birth and sex, nationality and address of permanent residence of the founders of the association or the name of the representative of the legal person if the founder is a legal person (collection of documents).

Article 47

(Register of affiliates of foreign associations)

(1) Affiliates of foreign associations shall be registered in the register of affiliates of foreign associations. The register shall be composed of a registration book and a collection of documents. The registration book shall be kept also as a central computerised database for the entire Republic of Slovenia (hereinafter referred to as the central register of affiliates of foreign associations).

(2) The authority stipulated in the first paragraph of Article 17 of this Act shall be responsible for keeping the register of affiliates of foreign associations while the ministry competent for internal affairs shall also be responsible for keeping the central register of affiliates of foreign associations.

(3) The register of affiliates of foreign associations shall include the following personal data:

- the name, personal identification number or date of birth and sex, nationality and address of permanent residence or temporary residence of the representative of the foreign association in the Republic of Slovenia (registration book);

- the name of the representative of the foreign association (collection of documents).

Article 48

(Records of associations of public interest)

(1) The records of associations that have been granted the status of an association operating in the public interest under this Act, shall be kept by the competent ministry. The records shall be composed of a records book and a collection of documents. The records book shall be kept also as a central computerised database.

(2) The records shall include the following personal data: the name, personal identification number or date of birth and sex, nationality and address of permanent residence or temporary residence of the representative of the association.

Article 49

(Exclusiveness of the keeping of computerised databases)

(1) The minister competent for internal affairs may determine that the registration books referred to in Articles 46 and 47 of this Act are kept exclusively as computerised databases.

(2) In the case of the records book referred to in Article 48 of this Act, such a decision shall be taken by the competent minister.

Article 50

(Purpose of gathering and public accessibility of data)

(1) The register of associations, the register of affiliates of foreign associations and the records of associations of public interest shall be intended for registering and providing information to the public on legally important facts about associations.

(2) All data entered in the register of associations and affiliates of foreign associations and records on associations of public interest shall be open to the public and may be reviewed, copied or a request may be submitted for an excerpt.

(3) Irrespective of the provision of the preceding paragraph, the provisions of the regulations governing personal data protection shall apply to data kept in the collection of documents.

(4) An individual who conscientiously conducts legal relations thereby relying on data entered in the register referred to in the first paragraph of this Article shall not suffer from detrimental legal consequences. No person shall claim that they did not have knowledge of the registered data unless otherwise provided by law.

VIII. SUPERVISION

Article 51

(Monitoring)

(1) The implementation of individual provisions of this Act shall be monitored by:

- the Inspectorate of the Republic of Slovenia for Internal Affairs, regarding the provisions of the third indent of the first paragraph of Article 9, the fifth paragraph of Article 10, the first paragraph of Article 20, the first paragraph of Article 21, the first paragraph of Article 23 and the second and third paragraphs of Article 24 of this Act;

- the Tax Administration of the Republic of Slovenia, regarding the provisions of the first to the sixth paragraphs of Article 26 of this Act;

- the ARSPRS, regarding the provisions of the first and second paragraphs of Article 29 of this Act.

(2) The Inspectorate of the Republic of Slovenia for Internal Affairs and the ARSPRS shall perform the competences stipulated in the preceding paragraph as misdemeanour authorities.

(3) Inspectorate and other state bodies and persons with public authorisations who, while performing their duties, establish a violation of the provisions of the first indent of the first paragraph of this Article, shall be obliged to file charges to the misdemeanours authority for the initiation of misdemeanour procedures.

IX. PENAL PROVISIONS

Article 52

(1) A fine of SIT 100,000 to SIT 4,000,000 shall be imposed for a misdemeanour on an association that:

1. performs an activity that is not defined by its charter (first paragraph of Article 9);

2. operates as a foreign association in the Republic of Slovenia through an affiliate which is not registered in the register of affiliates of foreign associations (first paragraph of Article 23);

3. distributes among the members the property of the association or fails to spend the surplus of income over expenditure for the realisation of the association's purpose and objectives or for the performance of the non-lucrative activities defined in the association's charter (second and third paragraph of Article 24);

4. fails to keep accounts in accordance with the provisions of the second, third, fourth or sixth paragraph of Article 26 or presents false data relating to financial and material transactions (fifth paragraph of Article 26);

(2) A fine of SIT 100,000 shall be imposed for a misdemeanour on an association that:

1. uses, in legal relations, a name other than its registered name (fifth paragraph of Article 10);

2. amends its name, head office or any other provision of its charter or changes its representative or the address of the association's head office and fails to lodge, within 30 days of introducing changes, an application for the revision of registration (first paragraph of Article 20);

3. fails to lodge an application with the registration body, within 30 days of the adoption of statutory amendments, for the registration of an association resulting from a merger, or the registration of an association which has been joined by another association (first paragraph of Article 21);

4. fails to regulate by a special act, the manner of presenting data on its financial and material transactions if this is provided in its charter (first paragraph of Article 26);

5. fails to submit to the ARSPRS, within the deadline, the annual report or fails to enclose in the report the auditor's report where that is required (first and second paragraphs of Article 29).

(2) A fine of SIT 30,000 shall be imposed for a misdemeanour from the preceding paragraph of this Article on the responsible person of the association.

Article 53

(1) A fine of 100.000 SIT shall be imposed for an association, which:

- in legal relations does not use only its registered name (Para 5, Article 10)

- changes its name, head office or any provision of its charter or changes its designated representative or address of its head office, and does not lodge an application for a revision of registration within 30 days of making the alterations (Para 1, Article 20)
- which does not lodge the application for the registration of an association resulting from a merger, or the registration of an association which was joined by another association, within 30 days of the adopted change in status (Para 1, Article 21)
- determines in its basic act, that it shall assure providing data relating to its financial and material transactions in the special act, but it does not do so (Para 1, Article 26).
- does not submit its annual report to the Agency of the Republic of Slovenia for Public Records and Services or does not enclose the auditor's report to the annual report, when that is necessary (Para 1 and 2, Article 29)

(2) A fine of 30.000 SIT shall be imposed to the responsible person of an association for the violation from the previous paragraph.

X. TRANSITIONAL AND FINAL PROVISIONS

Article 54

(Executive regulation)

Within six months of the entry into force of this Act, the minister responsible for internal affairs shall issue a regulation prescribing the contents, form and method of keeping of the register of associations, the register of affiliates of foreign associations and the records on associations operating in the public interest.

Article 55

(Approval of accounting standards)

(1) Within six months of the entry into force of this Act, the Slovenian Auditing Institute shall submit for approval to the minister responsible for finance, the accounting standards proposal referred to in Article 28 of this Act.

(2) The minister responsible for finance shall decide on the approval within one month.

(3) Until the publication of the accounting standards in the Official Gazette of the Republic of Slovenia, the provisions of the Slovenian Accounting Standards 33 shall apply to associations, provided they are not in conflict with the provisions of this Act.

Article 56

(Registered and recorded associations after the entry into force of the Act)

(1) Associations registered pursuant to the regulations in force prior to the entry into force of this Act, shall continue to function in accordance with the provisions of this Act.

(2) International associations and federations of international associations registered in the records referred to in Articles 13 and 14 of the Associations Act (Official Gazette of the Republic

of Slovenia, Nos. 60/95, 49/98 – Decision of the Constitutional Court and 89/99), shall be entered in the register of affiliates of foreign associations ex officio.

Article 57

(Registration of data on representative)

(1) Within six months of the entry into force of this Act, associations shall submit to the competent authority the missing data on the representatives of associations referred to in the seventh indent of the first paragraph of Article 18 and the fifth indent of the second paragraph of Article 23 of this Act.

(2) The competent authority shall enter the data referred to in the preceding paragraph, in the register of associations. No decision shall be issued on the registration.

Article 58

(Invalidation of the provisions of other laws)

On the of the entry into force of this Act, the following shall cease to be valid:

- the fifth paragraph of Article 1 of Ruling of the Constitutional Court , 2/97 – Decision of the Constitutional Court, 19/97, 21/97 – correction, 75/97 and 19/00 – Ruling of the Constitutional Court);

- points 3 and 4 of the second paragraph of Article 34, the third paragraph of Article 35 and the first paragraph of Article 36 of the Animal Protection Act (Official Gazette of the Republic of Slovenia, Nos. 98/99 and 126/03);

- the last sentence of the eleventh paragraph of Article 2 of the Victims of War Violence Act (Official Gazette of the Republic of Slovenia, Nos. 63/95, 8/96, 44/96, 68/96, 70/97, 39/98 – Decision of the Constitutional Court, 43/99, 51/99 – Decision of the Constitutional Court 19/00 – Decision of the Constitutional Court, 28/00, 64/01, 32/02 – Decision of the Constitutional Court, 110/02, 3/03 and 62/04);

- the wording “for a period of five years” in the second paragraph of Article 1 and the third paragraph of Article 1 of the War Veterans Act (Official Gazette of the Republic of Slovenia, Nos. 63/95, 108/99, 47/02 – Decision of the Constitutional Court and 76/03);

- the second paragraph of Article 137, the third paragraph of Article 138, with the exception of the provisions of point 5 and Article 139 of the Nature Preservation Act (Official Gazette of the Republic of Slovenia, Nos. 56/99, 31/00 – Correction, 119/02 and 41/04);

- the first, third and fourth paragraphs of Article 44 of the Underground Caves Protection Act (Official Gazette of the Republic of Slovenia, No. 2/04);

- indents 2, 4 and 5 of the second paragraph of Article 69, the first and third paragraphs of Article 70 and Article 71 of the Plant Health Act (Official Gazette of the Republic of Slovenia, No. 23/05 – official consolidating text);

- the second and third paragraphs of Article 22, the first and second paragraphs of Article 23, and Article 24 of the Research and Development Act (Official Gazette of the Republic of Slovenia, No. 96/02);

- the wording "shall submit an annual report to the organisation authorised to process and publish the data, by the last day of February of the current year", the word "and" and the words "disabled persons organisation" in the second paragraph of Article 30 of the Disabled Persons Organisations Act (Official Gazette of the Republic of Slovenia, No. 108/02).;

- the wording "shall be obliged to adopt, by the end of February every year, an annual report for the previous year and submit it to the organisation authorised to process and publish the data", and the word "also", in Article 37 of the Humanitarian Organisations Act (Official Gazette of the Republic of Slovenia, No. 98/03).

Article 59

(Abrogation of law)

(1) On the day this Act enters into force, the Associations Act (Official Gazette of the Republic of Slovenia, No. 60/95, 49/98 – Decision of the Constitutional Court and 89/99) shall cease to be valid. Until the adoption of the regulation stipulated in Article 54 of this Act, the provisions of the Regulation on the Register of Associations (Official Gazette of the Republic of Slovenia, No. 22/96 and 4/00) shall apply.

(2) In the case of applications for the registration of an association that were submitted pursuant to the provisions of the Associations Act (Official Gazette of the Republic of Slovenia, No. 60/95, 49/98 – Decision of the Constitutional Court and 89/99), the provisions of the Associations Act (Official Gazette of the Republic of Slovenia, No. 60/95, 49/98 – Decision of the Constitutional Court and 89/99) shall apply until the entry into force of this Act.

Article 60

(Abrogation of the provisions of executive regulations)

(1) On the day this Act enters into force, the following shall cease to be valid:

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of health care (Official Gazette of the Republic of Slovenia, No. 30/96), with the exception of Articles 2 and 3;

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of victims of war violence (Official Gazette of the Republic of Slovenia, No. 89/98), with the exception of Article 3;

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of the economy (Official Gazette of the Republic of Slovenia, No. 71/97);

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of sports (Official Gazette of the Republic of Slovenia, No. 80/01), with the exception of points 5 and 6 of Article 6;

- the Regulation on the criteria for granting the status of an association operating in the public interest (Official Gazette of the Republic of Slovenia, No. 30/97);

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of family policy (Official Gazette of the Republic of Slovenia, No. 27/01), with the exception of the first paragraph of Article 2 and points 1, 3, 4, 5, 6 and 7 of Article 3, whereby the word "also" shall be added to follow the word "fulfils" in the predicative sentence of Article 3;

- the Instructions on acquiring the status of an association operating in the public interest in the field of defence and protection against natural and other disasters (Official Gazette of the Republic of Slovenia, No. 11/97), with the exception of the second indent of Article 2, whereby the wording "and the Fire Service Act (Official Gazette of the Republic of Slovenia, No. 71/93)" shall be crossed out;

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of social care (Official Gazette of the Republic of Slovenia, No. 37/97);

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of war veterans and the regulation of war cemeteries (Official Gazette of the Republic of Slovenia, No. 68/96), with the exception of Article 3;

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of upbringing and education (Official Gazette of the Republic of Slovenia, No. 95/99), with the exception of the seventh up to the seventeenth indents inclusive of Article 6;

- the Regulation on the granting the status of an association operating in the public interest in the field of research (Official Gazette of the Republic of Slovenia, No. 24/05 and 42/05), with the exception of the second paragraph of Article 5;

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of foreign affairs (Official Gazette of the Republic of Slovenia, No. 11/03), with the exception of the sixth, seventh and ninth indents of Article 4;

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of agriculture, forestry, hunting, fisheries, veterinary services or nutrition (Official Gazette of the Republic of Slovenia, No. 52/98, 60/98, 98/99 – ZZZiv and 45/01 – ZZVR-1);

- the Regulation on the criteria for granting the status of an association operating in the public interest in the field of war invalids (Official Gazette of the Republic of Slovenia, No. 89/98), with the exception of the provisions of Article 3.

(2) The provisions of the executive regulations which have not been abrogated under the provisions of the preceding paragraph, shall continue to apply for a period not exceeding two years after the entry onto force of this Act. Until the adoption of the regulation stipulated in Article 54 of this Act, the records created pursuant to these regulations shall also apply.

Article 61

(Entry into force of the Act)

This Act shall enter into force on the fifteenth day after its publication in the Official Gazette of the Republic of Slovenia.

ANNEX XVI

XVI: POLICE AND CUSTOMS COOPERATION AGREEMENTS AND ARRANGEMENTS OF REPUBLIC OF SLOVENIA WITH FOREIGN STATES

1. Arrangement between the Government of the Italian Republic and the Federal Government of the Republic of Austria and the Government of the Republic of Slovenia on Cooperation in the police centre Vrata – Megvarje
2. Arrangement between the Government of the Republic of Slovenia and the Government of the Slovak Republic on cooperation in the fight against terrorism, illicit trafficking in drugs, psychotropic substances and precursors, and organised crime
3. Memorandum on the cooperation between the Police of the Republic of Slovenia and the Police of the Italian Republic
4. Memorandum of understanding between the Minister of the Interior of the Republic of Slovenia and Federal Minister of the Interior of the Republic of Austria on stepping up bilateral cooperation before and after the lifting of border controls at the common state border
5. Convention between the Kingdom of Belgium, the Federal Republic of Germany, the Kingdom of Spain, the French Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands and the Republic of Austria on the stepping up of cross border cooperation, particularly in combating terrorism, cross border crime and illegal migration and Joint declaration concerning cooperation between the Kingdom of Belgium, the Federal Republic of Germany, the Kingdom of Spain, the French Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands and the Republic of Austria under the Convention of 27 May 2005 on the stepping up of cross-border cooperation, particularly in the prevention of terrorism, cross-border crime and illegal migration
6. Agreement between the Republic of Slovenia and the Republic of Austria on Police Cooperation
7. Protocol between the Ministry of the Interior of the Republic of Slovenia and the Minister of the Interior and the Administration of the Republic of Poland on the Implementation of the Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Poland on the Readmission of Persons without a Residence Permit
8. Protocol on the Implementation of the Agreement between the Government of the Republic of Slovenia and the Federal Council of the Swiss Federation on readmission of persons with unauthorized stays
9. Protocol on cooperation in the fight against organised crime between the National Police of the Republic of Hungary and General Police Directorate of the Ministry of the Interior of Republic of Slovenia
10. Joint declaration of the Minister of the Interior of the Republic of Slovenia and Federal Minister of the Interior of the Republic of Austria on cooperation in security matters during the European football championship 2008
11. Agreement between the Republic of Slovenia and the Republic of Hungary on cross-border co-operation of law enforcement authorities

12. Agreement between the Republic of Slovenia and the Swiss Confederation on Cooperation in the Fight against Crime and the Protocol between the Government of the Republic of Slovenia and the Federal Council of the Swiss Confederation on Secondment of Liaison Officers
13. Agreement between the Government of the Republic of Slovenia and the Federal Council of the Swiss Federation on readmission of persons with unauthorized stays
14. Agreement between the Government of the Republic of Slovenia and Government of the Czech Republic on cooperation in preventing illicit trafficking in drugs and psychotropic substances and the fight against organised crime and terrorism
15. Agreement between the Government of the Republic of Slovenia and the Government of the Hellenic Republic on cooperation in fighting crime, especially terrorism, illicit drug trafficking and organized crime
16. Agreement between the Republic of Slovenia and the Republic of Italy on cross-border police cooperation
17. Agreement between the Government of the Republic of Slovenia and Government of the Italian Republic on cooperation between police forces
18. Agreement between the Government of the Republic of Slovenia and Government of the Kingdom of Belgium on police cooperation
19. Agreement between the Government of the Republic of Slovenia and the Government of the Kingdom of Sweden on Cooperation in the Fight against Organised Crime, Illicit Drug Trafficking in Drugs and Precursors, Terrorism and other Serious Crimes
20. Agreement between the Government of the Republic of Slovenia and the Government of Malta on co-operation in the fight against organised crime, trafficking in illicit drugs, psychotropic substances and precursors, terrorism and other serious crimes
21. Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Bulgaria on Co-operation in the fight against organised crime, illicit drugs, psychotropic substances and precursors trafficking, terrorism and other serious crimes
22. Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Cyprus concerning the co-operation in the fight against terrorism, illicit drug trafficking and organized crime
23. Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Estonia on co-operation in the fight against organised crime, illicit drugs, psychotropic substances and precursors trafficking and terrorism
24. Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Latvia on co-operation in combating terrorism, organized crime, illicit trafficking in narcotic drugs, psychotropic substances and precursors and other serious crimes
25. Agreement between the Government of the Republic of Slovenia and Government of the Republic of Poland on cooperation in the fight against terrorism, organised crime and illicit trafficking in drugs, psychotropic substances and precursors
26. Agreement between the Government of the Republic of Slovenia and Government of Romania on cooperation in the fight against organised crime, illicit trafficking in drugs, psychotropic substances and precursors, terrorism and other serious crimes

27. Agreement between the Government of the Republic of Slovenia and Government of the Federal Republic of Germany on cooperation in preventing serious crimes

28. Agreement between the Government of the Republic of Slovenia on the one side and the Governments of the Kingdom of Belgium, Grand Duchy of Luxembourg and Kingdom of the Netherlands and on the other on the readmission of persons whose entry and residence are contrary to existing regulations

29. Agreement between the Government of the Republic of Slovenia, the Government of the Republic of Austria and the Government of the Republic of Hungary on the operation of the Centre for law enforcement cooperation in Dolga vas

30. Agreement on cooperation between the Ministry of the Interior of the Republic of Slovenia and the Ministry of the Interior of the Italian Republic in the fight against illicit trafficking in narcotic and psychotropic substances and organised crime, and Protocol on the meeting between the Ministry of the Interior of the Republic of Slovenia and the Ministry of the Interior of the Italian Republic on the exchange of computerised data on illicit trafficking in narcotic and psychotropic substances on the Balkan route and in the Mediterranean

31. Agreement on Cooperation in the Field of Internal Security between the Government of the Republic of Slovenia and the Government of the French Republic

32. Agreement between the Republic of Austria and the SFR of Yugoslavia on administrative cooperation in customs matters and mutual assistance in preventing violations of customs regulations; in effect pursuant to the Agreement on continued effect of certain Yugoslav-Austrian agreements in relations between the Republic of Slovenia and Republic of Austria, concluded by exchanging notes on 16.10.1992

33. Agreement between the Government of the Republic of Slovenia and the Government of the Republic of Bulgaria Regarding Mutual Assistance in Customs Matters

34. Agreement between the Government of the Republic of Slovenia and the Government of the Czech Republic Regarding mutual assistance in Customs matters

35. Agreement between the Government of the SFR of Yugoslavia and Government of the Republic of France on mutual administrative assistance in detecting, preventing and eliminating customs violations; in effect pursuant to the agreement concluded by exchanging notes as of 25.05.1994

36. Agreement between the Federal Executive Council of the Assembly of the SFRY and the Government of the Republic of Greece on cooperation and mutual assistance regarding customs issues; in effect pursuant to the agreement concluded by exchanging notes as of 14.12.1994

37. Agreement on mutual administrative assistance for preventing, detecting and suppressing customs violations between the Government of the Republic of Slovenia and Government of the Italian Republic

38. Agreement between the Government of the SFR of Yugoslavia and the Government of the Republic of Hungary on cooperation and mutual assistance in customs matters; in effect pursuant to the Protocol on succession of the Republic of Slovenia regarding bilateral agreements concluded between the former SFRY and Hungary, which are to remain in force between the Republic of Slovenia and the Republic of Hungary

39. Agreement between the SFR of Yugoslavia and FR of Germany on mutual administrative assistance in preventing, detecting and suppressing violations of customs regulations; in effect pursuant to the agreement concluded by exchanging notes as of 19.04.1993

40. Agreement between the Government of the Republic of Slovenia and the Government of Kingdom of Norway regarding mutual assistance in customs matters

41. Agreement between the Government of the SFR of Yugoslavia and Government of the PR of Poland on cooperation and mutual assistance in customs matters; in effect pursuant to the agreement concluded by exchanging notes as of 01.03.1995

42. Agreement between the Government of the Republic of Slovenia and the Government of Romania Regarding Mutual Assistance in Customs Matters