

Disclosure of information on sanction imposed on legal person and responsible person

Misdemeanour decision against legal person and responsible person

Information on perpetrator	
Business name and registered office of legal person	Deželna banka Slovenije d.d., Kolodvorska ulica 9, 1000 Ljubljana, Slovenia (hereinafter: the bank)
Name of natural person(s)	Marko Rozman and Barbara Cerovšek Zupančič
Information on breach	
Description of circumstances and conduct constituting breach of ZBan-3	Breaches in the area of credit risk management, owing to which Banka Slovenije imposed a fine on the bank and the two responsible persons for a misdemeanour under point 19 of the first paragraph of Article 396 of the ZBan-3 via misdemeanour decision.
Nature of identified breaches	Breaches in the area of credit risk management
Operative part of the decision by which the relevant proceedings are completed	
<p>As the misdemeanours authority pursuant to Article 380 of the Banking Act,¹ pursuant to Article 46 of the Minor Offences Act² and the second paragraph of Article 51 of the ZP-1, via the authorised official Jurij Žitko, acting <i>ex officio</i> in misdemeanours proceedings against the legal person Deželna banka Slovenije d.d., and against the responsible persons Marko Rozman and Barbara Cerovšek Zupančič, for reason of misdemeanours under point 19 of the first paragraph in connection with the second paragraph of Article 396 of the ZBan-3, and point 19 of the first paragraph in connection with the fourth paragraph of Article 396 of the ZBan-3, Banka Slovenije hereby:</p> <p style="text-align: center;">rules that:</p> <p style="text-align: center;">1. Deželna banka Slovenije d.d., Kolodvorska ulica 9, 1000 Ljubljana, Slovenia, registration number: 5349907000 (hereinafter: the bank or the perpetrator):</p> <p style="text-align: center;">bears liability for the following:</p> <p>Marko Rozman as the president of the management board and Barbara Cerovšek Zupančič as a member of the management board, who jointly represented the bank in statutory matters, and were authorised to put in place the bank's internal governance arrangements, on behalf of, for the account of and using the resources of the bank, were complicit in the following in Ljubljana:</p> <p>(a) Marko Rozman between 17 October 2018 and 1 February 2023 and Barbara Cerovšek Zupančič between 1 January 2018 and 30 June 2023 (in complicity with Marko Rozman between 17 October 2018 and 1 February 2023) failed to ensure that between 1 January 2018 and 30 June 2023 the bank had put in place and was applying appropriate policies with regard</p>	

¹ Banking Act (Official Gazette of the Republic of Slovenia, Nos. 92/21 and 123/21 [ZBNIP]; hereinafter: the ZBan-3)

² Minor Offences Act (Official Gazette of the Republic of Slovenia, Nos 29/11 [official consolidated version], 21/13, 111/13, 74/14 [constitutional court decision], 92/14 [constitutional court decision], 32/16, 15/17 [constitutional court decision], 73/19 [constitutional court decision], 175/20 [ZIUOPDVE], 5/21 [constitutional court decision] and 38/24; hereinafter: the ZP-1)

to the creation of impairments and provisions, and was thereby failing to meet the requirements in accordance with Article 151 of the Banking Act previously in force³ (until 22 June 2021) and Article 171 of the ZBan-3 (in force as of 23 June 2021) and in accordance with:

- Section 5.5 of International Financial Reporting Standard 9 (hereinafter: IFRS 9) and paragraphs 102 and 108 in connection with Principle 6 of the Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses (EBA/GL/2017/06 of 20 September 2017; hereinafter: the credit risk management guidelines), by failing, in the legal persons segment in the system for identifying a significant increase in credit risk, to ensure that forward-looking information, including macroeconomic factors, would be taken into account in timely fashion, with sufficient frequency and with sufficient influence on the identification of increased credit risk. The bank was taking the aforementioned information into account once a year via a points system for determining the customer's credit rating on the basis of annual forecasts for the sector and the industries, but its method failed to provide for a sufficient and timely influence on the criteria for the purposes of identifying a significant increase in credit risk;
- paragraphs 65, 66 and 67 of the credit risk management guidelines, by failing to put in place policies and procedures for validation of the probability of default model (hereinafter: the PD model) that would clearly describe the validation framework, including the timetable, the verification of the accuracy and quality of data, analysis of the results and action in the event of irregularities being identified, and the preparation of the validation report for the PD model. The bank's approach:
 - o allowed the bank in the validation process to subjectively modify the validation sample on account of a bad result in the statistical test (e.g. eliminating certain customers solely from the number of defaulters, but not from the total population), which is in contravention of the requirement of paragraph 67(b) of the guidelines,
 - o failed to clearly define the rating scale for the validation of the PD model (as required by paragraph 67(b) of the guidelines),
 - o meant that the internal standards of data quality and reliability and their verification were not adequately or clearly defined (as required by paragraph 67(b) of the guidelines),
 - o failed to properly define or assess whether the underlying theory of the PD model is conceptually sound, and to have a documented process for the development of the PD model (as required by paragraph 67(b) of the guidelines),
 - o failed to put in place performance criteria for model validation and a list of potential actions that the bank would take in the event of model validation showing it to be inadequate or to have poor predictive power (as required by paragraph 67(c) of the guidelines), and
 - o failed to clearly define the roles and responsibilities for validation of the PD model. The model should be reviewed and updated on an ongoing basis (as required by paragraph 67(a) of the guidelines);

(b) Marko Rozman between 30 June 2021 and 1 February 2023 and Barbara Cerovšek Zupančič between 30 June 2021 and 30 September 2023 (in complicity with Marko Rozman between 30 September 2021 and 1 February 2023) failed to ensure that between 30 June 2021 and 30 September 2023 the bank:

³ Banking Act (Official Gazette of the Republic of Slovenia, Nos. 25/15, 44/16 [ZRPPB], 77/16 [ZCKR], 41/17, 77/18 [ZTFI-1], 22/19 [ZIUDSL], 44/19 [constitutional court decision] and 92/21 [ZBan-3]; hereinafter: the ZBan-2)

i) had put in place and was implementing appropriate policies and procedures for managing credit risk, and was thereby failing to meet the requirements in accordance with Article 171 and the first and second paragraphs of Article 172 of the ZBan-3, and in accordance with:

- the second paragraph of Article 4 of the Regulation on the credit risk management at banks and savings banks⁴ and point (i) of paragraph 38 and paragraph 73 of the Guidelines on loan origination and monitoring (EBA/GL/2020/06 of 29 May 2020; hereinafter: the loan origination and monitoring guidelines), because the risk management function organised in the Risk Management Division failed to put in place adequate controls of the take-up of credit risk, in that its opinions of credit applications that formed the basis for the credit approval process on the bank's most senior body for deciding on credit did not contain complete and sufficient information, analysis and rationales with regard to the acceptability of the credit applications (including an assessment of the borrower's creditworthiness and risk profile), and were not drawn up in all cases when to do so would be appropriate in light of the level of potential risk (e.g. if the total exposure to the borrower's group of connected clients or in connection with previous operations exceeded the limit otherwise set by the bank for requiring an opinion from the Risk Management Division);
- the second paragraph of Article 5 of the credit risk management regulation in connection with points (b), (c) and (d) of paragraph 38 in connection with Annex 1 of the loan origination and monitoring guidelines and in accordance with paragraph 5.2, Annex 2 and paragraph 194 of the loan origination and monitoring guidelines, because the bank failed to define and apply appropriate and accurate rules for deciding on credit approval, in particular criteria for the approval of credit, requirements regarding the handling of the information and data needed for creditworthiness assessment, and requirements regarding creditworthiness assessment, including sensitivity analysis (e.g. calculation of creditworthiness in the case of farmers, sole traders and sole traders claiming standardised expenses relies on an experience-based method, where the calculation for the last two is the same; the bank did not have a separate methodology for the assessment of long-term investment firms and highly leveraged operations; it did not have appropriate and clear guidance and criteria for the approval and extension of revolving loans, and requirements with regard to the dynamics of drawdown and repayment and with regard to their purpose and use; in the analysis of the financial position of firms it failed to ensure the use of real and reasonable financial projections, etc.);

ii) had put in place and was implementing appropriate policies and procedures for monitoring and adjusting real estate collateral values in accordance with the third paragraph of Article 173 of the ZBan-3 in connection with Section 7.2.1 of the loan origination and monitoring guidelines, because in procedures for monitoring real estate values it failed to set out an approach according to the relevant data (type of real estate, the quality of the credit with real estate collateral, the level of development of the real estate, etc.), it failed to set out the approach to revaluation (when it can be undertaken by desktop valuation, when it is by drive-by valuation, when it is by full visit, etc.), and the statistical method set out by the bank for real estate revaluation failed to meet the requirements of Section 7.4 of the loan origination and monitoring guidelines, as a result of which it was failing to properly undertake all monitoring and revaluation in practice;

iii) was only using, as eligible collateral for the purposes of calculating capital requirements, collateral that meets the requirements of Article 107 in connection with Articles 124, 125, 126,

⁴ Regulation on credit risk management at banks and savings banks (Official Gazette of the Republic of Slovenia, Nos. 115/21; hereinafter: the credit risk management regulation)

208 and 229(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012⁵ in connection with Section 7.2.1 and paragraphs 225 and 226 of the loan origination and monitoring guidelines, because the bank in undertaking the revaluation of collateral failed to meet all the requirements that need to be satisfied for collateral to be considered eligible in accordance with the aforementioned provisions, in that the bank was using outdated valuations (including those more than ten years old) as the basis for revaluation, and was also undertaking revaluation by means of a statistical method that fails to meet the criteria for advanced statistical valuation models and was thus failing to satisfy the requirements of Section 7.4 of the loan origination and monitoring guidelines, and was consequently taking the results unjustifiably into account in the reduction of risk-weighted exposure amounts for credit risk, which had an impact on the total capital ratio and the common equity Tier 1 capital ratio,

by virtue of which the bank breached points 2 and 3 of the first paragraph of Article 148 of the ZBan-3 between 1 January 2018 and 30 September 2023.

The bank thereby committed a misdemeanour under the second paragraph in connection with point 19 of the first paragraph of Article 396 of the ZBan-3.

2. The **responsible person MARKO ROZMAN**, EMŠO (personal identification number): ■■■■■, residing at ■■■■■ (hereinafter: Marko Rozman or the responsible person):

bears liability for the following:

as the responsible person at the bank, namely president of the management board at the time of the misdemeanour, on behalf of, for the account of and using the resources of the bank, they were complicit with Barbara Cerovšek Zupančič, with whom they jointly represented the bank in statutory matters, including being authorised to put in place the bank's internal governance arrangements, in the following in Ljubljana:

- a) between 17 October 2018 and 1 February 2023 they failed to ensure that the bank had put in place and was applying appropriate policies with regard to the creation of impairments and provisions, and was thereby failing to meet the requirements in accordance with Article 151 of the ZBan-2 previously in force (until 22 June 2021) and Article 171 of the ZBan-3 (in force as of 23 June 2021) and in accordance with:
 - Section 5.5 of IFRS 9 and paragraphs 102 and 108 in connection with Principle 6 of the credit risk management guidelines, by failing, in the legal persons segment in the system for identifying a significant increase in credit risk, to ensure that forward-looking information, including macroeconomic factors, would be taken into account in timely fashion, with sufficient frequency and with sufficient influence on the identification of increased credit risk. The bank was taking the aforementioned information into account once a year via a points system for determining the customer's credit rating on the basis of annual forecasts for the sector and the industries, but its method failed to provide for a sufficient and timely

⁵ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176 of 27 June 2013, with further amendments; hereinafter: Regulation (EU) No 575/2013)

- influence on the criteria for the purposes of identifying a significant increase in credit risk;
- paragraphs 65, 66 and 67 of the credit risk management guidelines, by failing to put in place policies and procedures for validation of the PD model that would clearly describe the validation framework, including the timetable, the verification of the accuracy and quality of data, analysis of the results and action in the event of irregularities being identified, and the preparation of the validation report for the PD model. The bank's approach:
 - o allowed the bank in the validation process to subjectively modify the validation sample on account of a bad result in the statistical test (e.g. eliminating certain customers solely from the number of defaulters, but not from the total population), which is in contravention of the requirement of paragraph 67(b) of the guidelines,
 - o failed to clearly define the rating scale for the validation of the PD model (as required by paragraph 67(b) of the guidelines),
 - o meant that the internal standards of data quality and reliability and their verification were not adequately or clearly defined (as required by paragraph 67(b) of the guidelines),
 - o failed to properly define or assess whether the underlying theory of the PD model is conceptually sound, and to have a documented process for the development of the PD model (as required by paragraph 67(b) of the guidelines),
 - o failed to put in place performance criteria for model validation and a list of potential actions that the bank would take in the event of model validation showing it to be inadequate or to have poor predictive power (as required by paragraph 67(c) of the guidelines), and
 - o failed to clearly define the roles and responsibilities for validation of the PD model. The model should be reviewed and updated on an ongoing basis (as required by Article 67(a) of the guidelines);

b) between 30 June 2021 and 1 February 2023 they failed to ensure that the bank:

i) had put in place and was implementing appropriate policies and procedures for managing credit risk, and was thereby failing to meet the requirements in accordance with Article 171 and the first and second paragraphs of Article 172 of the ZBan-3, and in accordance with:

- the second paragraph of Article 4 of the credit risk management regulation and point (i) of paragraph 38 and paragraph 73 of the loan origination and monitoring guidelines, because the risk management function organised in the Risk Management Division failed to put in place adequate controls of the take-up of credit risk, in that its opinions of credit applications that formed the basis for the credit approval process on the bank's most senior body for deciding on credit did not contain complete and sufficient information, analysis and rationales with regard to the acceptability of the credit applications (including an assessment of the borrower's creditworthiness and risk profile), and were not drawn up in all cases when to do so would be appropriate in light of the level of potential risk (e.g. if the total exposure to the borrower's group of connected clients or in connection with previous operations exceeded the limit otherwise set by the bank for requiring an opinion from the Risk Management Division);
- the second paragraph of Article 5 of the credit risk management regulation in connection with points (b), (c) and (d) of paragraph 38 in connection with Annex 1 of the loan origination and monitoring guidelines and in accordance with paragraph 5.2, Annex 2 and paragraph 194 of the loan origination and monitoring guidelines, because the bank failed to define and apply appropriate and accurate rules for deciding on credit approval, in particular criteria for the approval of credit, requirements regarding the handling of the information and data needed for creditworthiness assessment, and requirements regarding creditworthiness assessment,

including sensitivity analysis (e.g. calculation of creditworthiness in the case of farmers, sole traders and sole traders claiming standardised expenses relies on an experience-based method, where the calculation for the last two is the same; the bank did not have a separate methodology for the assessment of long-term investment firms and highly leveraged operations; it did not have appropriate and clear guidance and criteria for the approval and extension of revolving loans, and requirements with regard to the dynamics of drawdown and repayment and with regard to their purpose and use; in the analysis of the financial position of firms it failed to ensure the use of real and reasonable financial projections, etc.);

- ii) had put in place and was implementing appropriate policies and procedures for monitoring and adjusting real estate collateral values in accordance with the third paragraph of Article 173 of the ZBan-3 in connection with Section 7.2.1 of the loan origination and monitoring guidelines, because in procedures for monitoring real estate values it failed to set out an approach according to the relevant data (type of real estate, the quality of the credit with real estate collateral, the level of development of the real estate, etc.), it failed to set out the approach to revaluation (when it can be undertaken by desktop valuation, when it is by drive-by valuation, when it is by full visit, etc.), and the statistical method set out by the bank for real estate revaluation failed to meet the requirements of Section 7.4 of the loan origination and monitoring guidelines, as a result of which it was failing to properly undertake all monitoring and revaluation in practice;
- iii) was only using, as eligible collateral for the purposes of calculating capital requirements, collateral that meets the requirements of Article 107 in connection with Articles 124, 125, 126, 208 and 229(1) of Regulation (EU) No 575/2013 in connection with Section 7.2.1 and paragraphs 225 and 226 of the loan origination and monitoring guidelines, because the bank in undertaking the revaluation of collateral failed to meet all the requirements that need to be satisfied for collateral to be considered eligible in accordance with the aforementioned provisions, in that the bank was using outdated valuations (including those more than ten years old) as the basis for revaluation, and was also undertaking revaluation by means of a statistical method that fails to meet the criteria for advanced statistical valuation models and was thus failing to satisfy the requirements of Section 7.4 of the loan origination and monitoring guidelines, and was consequently taking the results unjustifiably into account in the reduction of risk-weighted exposure amounts for credit risk, which had an impact on the total capital ratio and the common equity Tier 1 capital ratio,

as a result of which the bank breached points 2 and 3 of the first paragraph of Article 148 of the ZBan-3,

and the responsible person thereby breached points 1 and 3 of the first paragraph of Article 45 of the ZBan-2 previously in force and points 1 and 3 of the first paragraph of Article 47 of the ZBan-3, as a result of which a breach of the second paragraph in connection with point 19 of the first paragraph of Article 396 of the ZBan-3 (defined in point 1 of the operative part of this decision) was committed at the bank.

Marko Rozman thereby committed a misdemeanour under point 19 of the first paragraph in connection with the fourth paragraph of Article 396 of the ZBan-3.

3. The responsible person BARBARA CEROVŠEK ZUPANČIČ, EMŠO (personal identification number): ■, ■, residing at ■, ■ (hereinafter: Barbara Cerovšek Zupančič or the responsible

person):

bears liability for the following:

as the responsible person at the bank, namely a member of the management board at the time of the misdemeanour, on behalf of, for the account of and using the resources of the bank, they did the following in Ljubljana:

- a) between 1 January 2018 and 30 June 2023, and in complicity with Marko Rozman between 17 October 2018 and 1 February 2023, they failed to ensure that the bank had put in place and was applying appropriate policies with regard to the creation of impairments and provisions, and was thereby failing to meet the requirements in accordance with Article 151 of the ZBan-2 previously in force (until 22 June 2021) and Article 171 of the ZBan-3 (in force as of 23 June 2021) and in accordance with:
- Section 5.5 of IFRS 9 and paragraphs 102 and 108 in connection with Principle 6 of the credit risk management guidelines, by failing, in the legal persons segment in the system for identifying a significant increase in credit risk, to ensure that forward-looking information, including macroeconomic factors, would be taken into account in timely fashion, with sufficient frequency and with sufficient influence on the identification of increased credit risk. The bank was taking the aforementioned information into account once a year via a points system for determining the customer's credit rating on the basis of annual forecasts for the sector and the industries, but its method failed to provide for a sufficient and timely influence on the criteria for the purposes of identifying a significant increase in credit risk;
 - paragraphs 65, 66 and 67 of the credit risk management guidelines, by failing to put in place policies and procedures for validation of the PD model that would clearly describe the validation framework, including the timetable, the verification of the accuracy and quality of data, analysis of the results and action in the event of irregularities being identified, and the preparation of the validation report for the PD model. The bank's approach:
 - o allowed the bank in the validation process to subjectively modify the validation sample on account of a bad result in the statistical test (e.g. eliminating certain customers solely from the number of defaulters, but not from the total population), which is in contravention of the requirement of paragraph 67(b) of the guidelines,
 - o failed to clearly define the rating scale for the validation of the PD model (as required by paragraph 67(b) of the guidelines),
 - o meant that the internal standards of data quality and reliability and their verification were not adequately or clearly defined (as required by paragraph 67(b) of the guidelines),
 - o failed to properly define or assess whether the underlying theory of the PD model is conceptually sound, and to have a documented process for the development of the PD model (as required by paragraph 67(b) of the guidelines),
 - o failed to put in place performance criteria for model validation and a list of potential actions that the bank would take in the event of model validation showing it to be inadequate or to have poor predictive power (as required by paragraph 67(c) of the guidelines), and
 - o failed to clearly define the roles and responsibilities for validation of the PD model. The model should be reviewed and updated on an ongoing basis (as required by paragraph 67(a) of the guidelines);

b) between 30 June 2021 and 30 September 2023, and in complicity with Marko Rozman between 30 June 2021 and 1 February 2023, they failed to ensure that the bank:

i) had put in place and was implementing appropriate policies and procedures for managing credit risk, and was thereby failing to meet the requirements in accordance with Article 171 and the first and second paragraphs of Article 172 of the ZBan-3, and in accordance with:

- the second paragraph of Article 4 of the credit risk management regulation and point (i) of paragraph 38 and paragraph 73 of the loan origination and monitoring guidelines, because the risk management function organised in the Risk Management Division failed to put in place adequate controls of the take-up of credit risk, in that its opinions of credit applications that formed the basis for the credit approval process on the bank's most senior body for deciding on credit did not contain complete and sufficient information, analysis and rationales with regard to the acceptability of the credit applications (including an assessment of the borrower's creditworthiness and risk profile), and were not drawn up in all cases when to do so would be appropriate in light of the level of potential risk (e.g. if the total exposure to the borrower's group of connected clients or in connection with previous operations exceeded the limit otherwise set by the bank for requiring an opinion from the Risk Management Division);
- the second paragraph of Article 5 of the credit risk management regulation in connection with points (b), (c) and (d) of paragraph 38 in connection with Annex 1 of the loan origination and monitoring guidelines and in accordance with paragraph 5.2, Annex 2 and paragraph 194 of the loan origination and monitoring guidelines, because the bank failed to define and apply appropriate and accurate rules for deciding on credit approval, in particular criteria for the approval of credit, requirements regarding the handling of the information and data needed for creditworthiness assessment, and requirements regarding creditworthiness assessment, including sensitivity analysis (e.g. calculation of creditworthiness in the case of farmers, sole traders and sole traders claiming standardised expenses relies on an experience-based method, where the calculation for the last two is the same; the bank did not have a separate methodology for the assessment of long-term investment firms and highly leveraged operations; it did not have appropriate and clear guidance and criteria for the approval and extension of revolving loans, and requirements with regard to the dynamics of drawdown and repayment and with regard to their purpose and use; in the analysis of the financial position of firms it failed to ensure the use of real and reasonable financial projections, etc.);

ii) had put in place and was implementing appropriate policies and procedures for monitoring and adjusting real estate collateral values in accordance with the third paragraph of Article 173 of the ZBan-3 in connection with Section 7.2.1 of the loan origination and monitoring guidelines, because in procedures for monitoring real estate values it failed to set out an approach according to the relevant data (type of real estate, the quality of the credit with real estate collateral, the level of development of the real estate, etc.), it failed to set out the approach to revaluation (when it can be undertaken by desktop valuation, when it is by drive-by valuation, when it is by full visit, etc.), and the statistical method set out by the bank for real estate revaluation failed to meet the requirements of Section 7.4 of the loan origination and monitoring guidelines, as a result of which it was failing to properly undertake all monitoring and revaluation in practice;

iii) was only using, as eligible collateral for the purposes of calculating capital requirements, collateral that meets the requirements of Article 107 in connection with Articles 124, 125, 126, 208 and 229(1) of Regulation (EU) No 575/2013 in connection with Section 7.2.1 and paragraphs 225 and 226 of the loan origination and monitoring guidelines, because the bank in undertaking the revaluation of collateral failed to meet all the requirements that need to be

satisfied for collateral to be considered eligible in accordance with the aforementioned provisions, in that the bank was using outdated valuations (including those more than ten years old) as the basis for revaluation, and was also undertaking revaluation by means of a statistical method that fails to meet the criteria for advanced statistical valuation models and was thus failing to satisfy the requirements of Section 7.4 of the loan origination and monitoring guidelines, and was consequently taking the results unjustifiably into account in the reduction of risk-weighted exposure amounts for credit risk, which had an impact on the total capital ratio and the common equity Tier 1 capital ratio,

as a result of which the bank breached points 2 and 3 of the first paragraph of Article 148 of the ZBan-3,

and the responsible person thereby breached points 1 and 3 of the first paragraph of Article 45 of the ZBan-2 previously in force and points 1 and 3 of the first paragraph of Article 47 of the ZBan-3, as a result of which a breach of the second paragraph in connection with point 19 of the first paragraph of Article 396 of the ZBan-3 (defined in point 1 of the operative part of this decision) was committed at the bank.

Barbara Cerovšek Zupančič thereby committed a misdemeanour under point 19 of the first paragraph in connection with the fourth paragraph of Article 396 of the ZBan-3.

4. Pursuant to the second and fourth paragraphs of Article 396 of the ZBan-3 in connection with point 19 of the first paragraph of Article 396 of the ZBan-3 and in connection with Article 26 of the ZP-1, the following sanctions **are being imposed**:

- **on the bank for the misdemeanour referred to in point 1 of the operative part of this decision, a fine in the amount of EUR 90,000.00,**
 - **on the responsible person Marko Rozman for the misdemeanour referred to in point 2 of the operative part of this decision, a fine in the amount of EUR 2,500.00,**
- and**
- **on the responsible person Barbara Cerovšek Zupančič for the misdemeanour referred to in point 3 of the operative part of this decision, a fine in the amount of EUR 2,500.00.**

The bank and the responsible persons shall pay the entire amount of the imposed fines within eight days of this decision becoming final.

The bank shall pay a court fee of EUR 9,000.00 within eight days of the decision becoming final.

The responsible person Marko Rozman shall pay a court fee of EUR 250.00 within eight days of the decision becoming final.

The responsible person Barbara Cerovšek Zupančič shall pay a court fee of EUR 250.00 within eight days of the decision becoming final.

The bank and the responsible persons shall themselves bear any costs of their advocates' remuneration and expenses, and shall also pay other procedural costs referred to in the first paragraph of Article 143 of the ZP-1, should they be levied after the decision is issued.

Should a responsible person who would be entitled to ordinary free legal aid according to the material criterion under the law governing free legal aid be unable to pay the fine and the procedural costs in the amount of at least EUR 300.00 on the grounds of their financial status or their capacity to pay, they may propose by no later than the deadline for payment that the payment of the fine and the costs be replaced with community service (Article 19a of the ZP-1). The proposal shall be decided on by the local court according to the perpetrator's domicile or temporary residence.

After the deadline for paying the fine and costs, the bank and the responsible persons may request the payment of the fine and the procedural costs in instalments at the authority responsible for forcible recovery (Financial Administration of the Republic of Slovenia).

Any unpaid fine and procedural costs shall be forcibly recovered. A fine that cannot be forcibly recovered may be enforced by means of custodial sentence (Article 20a of the ZP-1).

The fine and court fee shall be paid into Banka Slovenije account number SI56 0100 0000 0100 090, reference SI05 311200010.

5. In accordance with Article 310 of the ZBan-3, after issuance of the decision Banka Slovenije shall publish the **following information** on its website:
- information about the perpetrator:
 - the name and registered office of the legal person, or
 - the name of the natural person;
 - information about the breach:
 - a description of the circumstances and conduct that constitute a breach of the aforementioned law or the CRR,
 - the nature of the identified breaches;
 - the operative part of the decision by which the relevant proceedings are completed, **with the exception of:**
 - the personal data of the perpetrators (responsible persons): job title, personal identification number, address;
 - information as to whether judicial review proceedings have been initiated against the decision.

Information on initiation of judicial review and any rectification of breaches

No judicial review proceedings were initiated against the misdemeanour decision by the bank or the responsible persons.

The bank has rectified the breaches.