

**Disclosure of information on measure imposed on member of management body of credit institution**

**Supervisory measure against a member of the management body of a credit institution pursuant to point 1 of the second paragraph of Article 45 of the ZBan-2**

<b>Information on person responsible for breach</b>	
<b>Business name and registered office of legal person</b>	-
<b>Information on breach</b>	
<b>Description of circumstances and conduct entailing breach of ZBan-2 or Regulation (EU) No 575/2013</b>	<b>A member of the management body of a credit institution breached point 1 of the second paragraph of Article 45 of the ZBan-2 in connection with the first paragraph of Article 141 and the second paragraph of Article 315 of the ZBan-2, by failing between ■ and ■ to organise an internal audit department as an independent organisational unit that reports directly to the credit institution's management board and is functionally and organisationally separate from the credit institution's other organisational units, and failing to ensure that the performance of internal auditing tasks was transferred by contract in timely manner to a person who meets the conditions for the performance of such tasks, and by being late in rectifying the identified breach (18 February 2019<sup>1</sup>).</b>
<b>Nature of identified breaches</b>	Breach of duties and responsibilities of management body members (point 1 of second paragraph of Article 45 of ZBan-2)
<b>Operational part of the decision by which the relevant proceedings are completed</b>	
<ul style="list-style-type: none"><li>- In conducting supervision of ■, registration number ■ (hereinafter: the credit institution), the Bank of Slovenia found that ■, EMŠO ■, permanently resident at ■:<ul style="list-style-type: none"><li>- breached point 1 of the second paragraph of Article 45 of the ZBan-2 in connection with the first paragraph of Article 141 and the second paragraph of Article 315 of the ZBan-2, by failing between ■ and ■ to organise an internal audit department as an independent organisational unit that reports directly to the credit institution's management board and is functionally and organisationally separate from the credit institution's other organisational units, and failing to ensure that the performance of internal auditing tasks was transferred by contract in timely manner to a person who meets the conditions for the performance of such tasks;</li><li>- rectified the identified breach on ■, when the management board of ■ signed a contract on the performance of internal auditing tasks with ■;</li><li>- breached point 1 of the second paragraph of Article 45 of the ZBan-2 in connection with point 4 of the fourth paragraph of Article 136 of the ZBan-2, by failing to inform members of the management body without delay in writing, having received instructions from a member of the management body not to sign a contract with the provider of internal auditing tasks approved at the ■ session of the supervisory board of ■, that this would entail a serious breach of the regulations referred to in the second paragraph of Article 9 of the aforementioned law.</li></ul></li></ul>	

<sup>1</sup> Date of issue of the decision establishing that the breaches had been rectified (PBH-24.50-012/18-006)

<b>Information as to whether judicial protection proceedings have been initiated against the decision in accordance with the ZBan-2</b>
No administrative dispute has been lodged pursuant to the declaratory decision.