

Disclosure of information on measure imposed on credit institution

Supervisory measure imposed on Hranilnica Lon d.d. due to conducting of brokerage transactions in sales of vouchers via ATMs

Information on person responsible for breach	
Business name and registered office of legal person	Hranilnica Lon d.d., Žanova ulica 3, 4000 Kranj, registration number 5624908000 (savings bank)
Information on breach	
Description of circumstances and conduct entailing breach of ZBan-2 or Regulation (EU) No 575/2013	From the data available to the Bank of Slovenia and the data that the savings bank submitted upon request, it was established that the savings bank conducts brokerage transactions which do not fall under banking and financial services as set out in Article 5 of the ZBan-2, nor under additional financial services as set out in Article 6(1) of the ZBan-2, nor under ancillary services as set out in Article 30(4) of the ZBan-2. In conducting brokerage transactions, the savings bank is in breach of Article 30(5) of the ZBan-2.
Nature of identified breaches	The savings bank that conducted brokerage transactions that do not fall under commercial activities and services as set out in Article 30(1) and (3) of the ZBan-2, through which it is in breach of Article 30(5) of the ZBan-2, was required to cease conducting brokerage transactions as of the date of service of the order.
Operational part of the decision by which the relevant proceedings are completed	
<p>The savings bank conducted brokerage transactions in the sale of vouchers via ATMs (hereinafter: brokerage transactions) which do not fall under banking and financial services as set out in Article 5 of the ZBan-2, nor under additional financial services as set out in Article 6(1) of the ZBan-2, nor under ancillary services as set out in Article 30(4) of the ZBan-2. By conducting brokerage transactions, the savings bank was in breach of Article 30(5) of the ZBan-2.</p> <p>In order to rectify the breach referred to in point 1 of the operational part of the order the savings bank was required to cease conducting brokerage transactions on the date of service of the order.</p> <p>Within eight days of the receipt of the order, the savings bank was required to report to the Bank of Slovenia the name of the responsible member of the management board and the names of responsible persons defined in accordance with the savings bank's internal organisational structure or the names of external contractors who will be responsible for rectify the breaches referred to in point 1 within the deadline set out in point 2 of the operational part of the order. Within 15 (fifteen) days of the service of the order, the savings bank was required to submit to the Bank of Slovenia a report including descriptions of the measures it has implemented in connection with the cessation of the conducting of brokerage transactions and submit documents showing that as of the date of service of that order it had ceased conducting brokerage transactions in the sale of coupons (vouchers) for the purchase of virtual currencies.</p> <p>In accordance with Article 277 of the ZBan-2, the following information in connection with this supervisory measure shall be published on the Bank of Slovenia website after these proceedings have been completed:</p> <ol style="list-style-type: none">1. regarding the entity or person responsible for the breach:<ul style="list-style-type: none">- the business name and registered office of the legal person,2. regarding the breach:<ul style="list-style-type: none">- a description of the circumstances and conduct that represent a breach of the ZBan-2 or Regulation (EU) No 575/2013,	

- the nature of the identified breaches;
- 3. the operational part of the decision by which the relevant proceedings were completed;

The breaches specified in the order that the Bank of Slovenia imposed on the savings bank have been rectified. The savings bank was issued Decision establishing that the breaches had been rectified PBH-24.50-002/18-002 of 27 February 2018.

Information as to whether judicial protection proceedings have been initiated against the decision in accordance with the ZBan-2

No administrative dispute has been lodged pursuant to the declaratory decision on the rectified breaches.