



REPUBLIC OF SLOVENIA
MINISTRY OF FINANCE

Number: IPP 007-646/2013/34

Date: 3rd October 2013

MR MARIO DRAGHI
President of the European Central Bank
Eurotower
Kaiserstrasse 29
DE-60311 Frankfurt am Main

Subject: Updated draft provisions of the Act amending Banking act (ZBan-1L)

Dear Mr Draghi

Draft provisions of the Act amending Banking act (ZBan-1L) are sent to the European Central Bank in accordance with Article 127(4) and 282(5) of the Treaty on the Functioning of the European Union and the third and sixth indents of Article 2(1) of Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions.

Ministry of finance has already sent you draft provisions of the ZBan-1L in the middle of September 2013. Since then we have made some improvements in the text due to our consultation process with relevant parties. We have added some material changes, i.e. power to enforce claims (new article 260b), the extent of termination or conversion of qualifying liabilities (improved new article 261,c), but in general, the improvements are primarily technical in nature. Please find attached the updated provisions of ZBan-1L, which is expected to be presented to the Parliament in the next week.

As explained in the previous letter, the main purpose of ZBan-1L is to enable the implementation of measures to strengthen the stability of the banks in Slovenia in accordance with Act Defining the Measures of the Republic of Slovenia to Strengthen Bank Stability (ZUKSB) and consequently increase the rating of the State and of the individual banks. The European Commission (DG COMP) has informed Republic of Slovenia that the new rules on state aid will be in force for solving Slovenian problems. The new rules include provisions on burden sharing between shareholders and junior creditors, which is not possible in current legislation of the Republic of Slovenia.

We would be very grateful if receiving your opinion on the ZBan-1L as soon as possible, as the law will be adopted under urgent procedure.

We look forward to hearing from you soon.


Yours sincerely,


Dr. Uroš Čufer
MINISTER

Enclosed:

- Zakon o spremembah in dopolnitvah Zakona o bančništvu (Act amending Banking Act)

Method of transmission:

- By post
- By e-mail to: office.president@ecb.europa.eu and @ecb.europa.eu