



*Unofficial English translation.*

*The official text is in the Slovenian language.*

***REGULATIONS OF CLEARING  
AND DEPOSITORY  
CORPORATION ON MEMBERS***

*Document details*

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# 1 GENERAL PROVISIONS

## *Application of regulations*

### Article 1

These regulations apply to legal relationships between KDD and its members regarding the terms of use of information system of central registry.

## *Definitions of terms*

### Article 2

(1) Terms used in these regulations have the following meaning:

1. **rules:** the Operations Rules of KDD – Central clearing and depository corporation, Ljubljana,
2. **information system of central registry:** the information system comprising of:
  - the information system of dematerialised securities accounts maintenance (Point 2 Article 8 of the rules),
  - the information system for issue and cancellation of dematerialised securities (Article 40 of the rules),
  - the settlement information system (Paragraph 3 Article 89 of the rules)
  - the information system for take-overs (Point 21 Article 146 of the rules),
3. **user manual:** the document comprising the description of the manner:
  - of data entry with respect to maintenance of dematerialised securities accounts, settlement of stock exchange transactions or take-over procedures entered by the member when using the information system of central registry,
  - of transmission of these data and
  - of insight to data required by the member for performing its services with respect to securities when using the information system of central registry.

(2) Terms and abbreviations defined in the rules are applied in these regulations with the same meaning as in the rules.

(3) In case a member has its registered office on the territory of another EU member state, the provisions of these regulations on measures of the agency or the Bank of Slovenia apply *mutatis mutandis* also to supervisory measures of the competent supervisory authority of the state where the registered office of the member is situated.

## *Manner of notification*

### Article 3

(1) All notifications that a member shall send KDD pursuant to these or other regulations, shall be sent by the member to an e-mail address [*clami@kdd.si*], unless different manner of notification is provided for a specific case by these or other regulations. If electronic communication is not possible due to malfunction in communication connections or other extraordinary circumstances, the respective member shall send due notification to KDD by fax.

(2) All notifications that KDD shall send to a member pursuant to these or other regulations, shall be sent by KDD to the e-mail address designated by the respective member, unless different manner of notification is provided for a specific case by these or other regulations. If electronic communication is not possible due to malfunction in communication connections or other extraordinary circumstances, KDD shall send due notification to the respective member by fax.

(3) If the fax of the settlement member is turned off, busy or not functioning properly, the member shall be considered as having received the notification at the time when KDD attempted to send the notification by fax for the first time.

***Application of provisions for settlement members***

Article 4

Provisions of these or other regulations applying to registry members shall apply mutatis mutandis to settlement members.

## 2 ACQUIRING MEMBERSHIP STATUS

### 2.1 COMMON PROVISIONS

#### *Application for membership*

##### Article 5

(1) The application for membership shall comprise:

1. the basic data on the applicant (the registered name, registered office and business address, registration number, tax number),
2. desired type of membership and evidence of meeting due requirements for admission to this type of membership,
3. contact person and substitutional contact person of the applicant.

(2) Evidence of meeting due requirements for acceptance into the desired form of membership include an excerpt from the companies register or other official records for the applicant, documents demonstrating the legal status of the applicant pursuant to Article 10 of the rules, and other documents based on which it is possible to verify whether the applicant meets all the requirements for KDD membership.

(3) If evidence from paragraph 2 hereof are in a foreign language, the applicant shall also file verified translations thereof.

##### Article 6

(deleted)

#### *Incomplete application for membership*

##### Article 7

If an application for membership is incomplete, KDD shall call on the applicant to appropriately supplement the application, and set forth an appropriate time limit for supplementation.

#### *Admission to membership*

##### Article 8

(1) In its decision on admission for a member, KDD shall state the type of membership and designate a member code.

(2) If the membership is with limited access, then KDD will set out in its admission decision also the accounts or types of accounts which may be maintained by a person admitted as a member.

#### *Rejection of application for membership*

##### Article 9

KDD rejects the application for membership if the applicant does not meet the requirements therefore or fails to submit due evidence on meeting the membership requirements despite the call from Article 7 hereof.

### ***Time limit for decision***

#### Article 10

(1) KDD Management Board shall decide on application for membership within 30 days of receipt thereof. Incomplete application shall be proceeded pursuant to Article 7 hereof within the said time limit.

(2) KDD Board of Directors shall decide on eventual applicant's appeal against the rejection of its application for membership within 30 days of receipt of the appeal.

#### Article 11

(deleted)

## **2.2 ACQUIRING MEMBERSHIP STATUS**

### ***Conclusion of a contract on accession to the system of dematerialised securities accounts maintenance and payment of compensation***

#### Article 12

(1) If KDD accepted the applicant for a member, KDD shall – together with the decision on admission for a member – send him a contract on accession to the system of dematerialised securities accounts maintenance and call upon him to pay the compensation for accession and the compensation for membership for the first calculation period.

(2) The member shall within eight days as of receipt of documents under Paragraph 1 hereof send KDD one copy of the signed contract and pay the compensation for accession and compensation for membership for the first calculation period.

(3) If the member fails to return a copy of the signed contract within the time limit set forth under Paragraph 2 hereof, KDD may rescind its decision on admission for a member.

### ***Beginning of performance***

#### Article 13

KDD begins to perform services from Article 15 of the rules for a particular member when this member:

1. fulfils the obligations under Article 12 hereof and
2. meets technical requirements for the use of information system of central registry pursuant to technical regulations.

## **2.3 ADDITIONAL PROVISIONS FOR SETTLEMENT MEMBERS**

### ***Conclusion of contract on accession to the settlement system and payment of compensation***

#### Article 14

(1) If KDD accepted the applicant for a settlement member, KDD shall – together with the documents set forth under Article 12 hereof – send him a contract on accession to the settlement system and call upon him to make the basic payment into the guarantee fund pursuant to regulations for stock exchange transactions settlement.

(2) The settlement member shall within eight days as of receipt of documents under Paragraph 1 hereof, in addition to fulfilling the obligations set forth under Paragraph 2 of Article 12 hereof, send KDD one copy of the signed contract on accession to the settlement system and make the basic payment into the guarantee fund.

(3) If the settlement member fails to return a copy of signed contract on accession to the settlement system or a copy of a signed contract on accession to the system of dematerialised securities accounts maintenance within the time limit set forth under Paragraph 2 hereof, KDD may rescind its decision on admission for a member.

### ***Beginning of performance of settlement services***

#### Article 15

KDD begins to perform settlement services from Article 90 of the rules for a particular settlement member when this settlement member:

1. fulfils the obligations under Paragraph 2 Article 14 hereof and
2. meets the technical requirements for the use of information system of central registry pursuant to technical regulations.

### 3 KDD'S OBLIGATIONS

#### *Ensuring conditions for operation and use of information system of central registry*

##### Article 16

KDD shall ensure the conditions for operation and proper use of information system of central registry.

#### *Assignment of user names*

##### Article 17

(1) Upon member's application, KDD assigns a user name that enables access to the information system of central registry to the person performing the tasks or the functions for the member, whose performance is related to the use of information system of the central registry.

(2) The member's application shall comprise first name and family name, personal ID number (EMSO), permanent residence and e-mail of the person to whom user name is to be assigned, its function performed for the member and the type of use of the central registry information system which should be enabled.

(3) Upon member's request, KDD shall – within one month of the payment of the compensation for the assignment of a user name – conduct a training programme for use of the information system of the central registry for the person from Paragraph 1 hereof.

(4) Within two business days after the payment of the compensation for assignment of a user name, KDD shall – in accordance with the member's application – assign a user name for a respective type of use of information system of central registry as determined in the user manual.

##### Article 18

(deleted)

##### Article 19

(deleted)

#### *Terms of using the user name*

##### Article 20

(1) KDD shall enable the person to whom a user name has been assigned to use the information system of central registry the following business day after the day when the said person fulfils the requirements with respect to the qualified digital certificate for electronic signature set forth in technical regulations.

(2) KDD shall prevent the use of information system of central registry to a person that ceases to fulfil the requirements with respect to qualified digital certificate for electronic signature set forth in technical regulations.

#### *Cancellation of user names*

##### Article 21

(1) Member may require KDD to cancel a specific user name.

(2) KDD shall – no later than on the next business day after the receipt of the member’s requirement for cancellation – disable the access to the information system of central registry with the use of cancelled user name. If KDD receives the member’s requirement for cancellation of a user name after 3 pm, it is deemed that KDD received the requirement on the next business day after the actual receipt.

Article 22

(deleted)

***Assistance to members regarding the use of information system of central registry***

Article 23

KDD shall provide assistance to members regarding the use of information system of central registry through the electronic system for user support.

***Training of member’s users***

Article 24

If KDD significantly upgrades or changes the functionalities of information system of central registry, it shall conduct appropriate training for all persons with a user name at least 15 days before the beginning of use of the additional or modified functionality of the information system of central registry.

## 4 MEMBER'S OBLIGATIONS

### 4.1 GENERAL MEMBER'S OBLIGATIONS

#### *General provision*

##### Article 25

Apart from obligations set forth by these regulations, the member shall also fulfil the obligations set forth by the rules or other regulations of KDD.

#### *Staff requirements for the use of information system of central registry*

##### Article 26

(1) Member shall ensure that the user name for access to information system of central registry shall only be used by the person this name was assigned to and not forward it to any other person.

(2) If the person that user name was assigned to ceases to perform tasks for the member, related to use of information system of central registry, the member shall require KDD to cancel the respective user name the next business day thereafter.

#### *Organisational requirements for the use of information system of central registry*

##### Article 27

The member shall organise its operation in such a manner that only the persons that were assigned a user name pursuant to these regulations will have the access to computer software providing access to the information system of central registry.

#### *Requirements regarding solvency of settlement members*

##### Article 28

(1) The settlement member shall meet the requirements regarding solvency pursuant to the rules on risk management set forth in:

1. ZBan-1 and regulations based thereon, if the settlement member is a bank with its registered office in the Republic of Slovenia or bank from a third country conducting investment services and transactions in the Republic of Slovenia through a branch,

2. ZTFI and regulations based thereon, if a settlement member is a stock broking or investment company of a third country conducting investment services and transactions in the Republic of Slovenia through a branch,

3. regulations adopted by respective member state in order to implement the provisions of Directive 2006/48/EC and Directive 2006/49/EC, if the settlement member is a bank, special financial institution or investment company from a member state.

(2) KDD may require a settlement member to present a report on its operation including the data that the settlement member reports to the Bank of Slovenia, the agency or the competent authority of the member state where it is registered pursuant to regulations under Paragraph 1 hereof.

### ***Payment of compensation for KDD's services***

#### Article 29

Member shall pay compensation for KDD's services in the amount and in the time limits set forth by the tariff.

### ***Notification of KDD***

#### Article 30

Settlement member shall notify KDD of the following no later than the next business day after it has come to his knowledge:

1. on the supervisory measure imposed on it by the Bank of Slovenia, the agency or another competent supervisory authority,
2. on the modification of data from Paragraph 1 Article 5 hereof and
3. on other circumstances relevant for the use of information system of central registry or for performing KDD's services.

#### Article 31

(deleted)

## **4.2 TEMPORARY DISCONNECTION FROM THE INFORMATION SYSTEM OF CENTRAL REGISTRY**

### ***Temporary disconnection from the information system of central registry due to supervisory authority's measure***

#### Article 32

(1) If the agency, the Bank of Slovenia or another competent supervisory authority impose upon the member a temporary measure which prohibits the said member to use in part or in full the information system of dematerialised securities accounts maintenance, KDD shall disconnect the member appropriately and within the scope of technical capacity from the information system of central registry within the following time limits:

1. from the information system of dematerialised securities accounts maintenance: within two business hours after the receipt of ruling on the measure,
2. from the settlement information system: the next business day after the receipt of ruling on the measure.

(2) After receiving the ruling on the cancellation of measure, KDD reconnects the member in the information system of central registry within the same time limits as provided under Paragraph 1 hereof.

### ***Temporary disconnection from the information system of central registry due to default to pay the compensation or breach of other obligations***

#### Article 33

(1) If a member does not pay the compensation for KDD's services at maturity or breaches obligations pursuant to Article 26, 27 or 28 hereof, KDD may disconnect the member from the information system of central registry in part or in full as of the next business day.

(2) KDD reconnects the member to the information system of central registry the next business day after receipt of payment of compensation or the next business day after the member remedies the breach of obligations and provides KDD due evidence of such remedy.

Article 34

(deleted)

Article 35

(deleted)

***Notification of the member of temporary disconnection from the information system of central registry***

Article 36

KDD shall notify the affected member of temporary disconnection from the information system of central registry pursuant to these or other regulations within two business hours as of disconnection.

## 5 TERMINATION OF MEMBERSHIP STATUS

### *Share of the guarantee fund when determining grounds for exclusion of a settlement member*

#### Article 37

The share of the guarantee fund from Indent 1 or 2 Point 2 Paragraph 2 Article 26 of the rules is 25 percent of the basic principal amount of the guarantee fund.

### *Time limit for decision of the Board of Directors on the appeal against exclusion*

#### Article 38

KDD Board of Directors shall decide on member's appeal against the decision of Management Board to exclude the member within 30 days as of receipt of the appeal.

#### Article 39

(deleted)

## 6 TRANSITORY AND FINAL PROVISIONS

### *Application of regulations*

#### Article 40

These regulations begin to apply when the rules begin to apply according to Article 189 of the rules.

### *Termination of validity of provisions of membership contracts*

#### Article 41

Provisions of membership contracts that are inconsistent with these regulations shall cease to have effect as of the date when these regulations begin to apply.

### *Enforceability of regulations*

#### Article 42

These regulations become enforceable on 1 January 2005.

### **Transitory provision to the resolution on changes of regulations dated 12 September 2007**

#### Article 12

Amendments to the rules become enforceable on 1 November 2007.

### **Transitory provision to the resolution on changes of regulations dated 19 August 2010**

#### Article 31

These amendments become enforceable on the fifteenth day following their publication on KDD's website.