EURO ADOPTION ACT (ZUE)

I. GENERAL PROVISIONS

Article 1

This Act shall lay down detailed procedures connected with the adoption of the euro as the currency unit of the Republic of Slovenia.

Article 2

Terms used in the Act shall have the following meaning:


The euro adoption date means the date defined by the Council Decision of 11 July 2006 in accordance with Article 122(2) of the Treaty on the adoption by Slovenia of the single currency on 1 January 2007 (OJ L 195, 15 July 2006, p. 25).

Bottom-up method means the method of debt redenomination in which the value of individual debt security denomination is subject to redenomination.

II. CASH CHANGEOVER

Article 3

(1) As from the euro adoption date, euro-denominated banknotes and coins shall become legal tender in Slovenia.

(2) The dual circulation period shall commence on 1 January 2007 at 00:00 hours and shall last until 24:00 hours on 14 January 2007 inclusive.

(3) Tolar-denominated banknotes and coins shall also be used as a legal tender during the dual circulation period.

Article 4

(1) During the dual circulation period, legal and natural entities pursuing a business activity (hereinafter referred to as "enterprises"), state authorities and local authorities may return the difference between the price charged for goods or services and the amount received only in euro-denominated banknotes and coins.
(2) The conversion shall be made by deducting the amount in euros from the amount converted into euros received in tolar-denominated banknotes or coins.

Article 5

(1) As from the euro adoption date, the Bank of Slovenia shall start withdrawing tolar-denominated banknotes and coins from circulation.

(2) The Bank of Slovenia may issue a regulation laying down the cash changeover procedures and methods in greater detail, particularly the conditions of transport, packaging, storage, providing security and statistical monitoring of the cash changeover procedure.

Article 6

(1) Notwithstanding the second paragraph of Article 3 of this Act, the period of exchange of tolar-denominated banknotes and coins for euro-denominated banknotes and coins in banks, savings banks and Poštā Slovenije as the contractual services provider for Poštā banka Slovenije (hereinafter referred to as Poštā Slovenije) shall last from 1 January 2007 till 24:00 hours of 1 March 2007 inclusive.

(2) In the period from the preceding paragraph, banks, savings banks and Poštā Slovenije shall provide for exchange of tolar-denominated banknotes and coins into euro-denominated banknotes and coins at the conversion rate free of charge.

(3) Banks, savings banks or Poštā Slovenije may require that the exchange of amounts exceeding 1,500 euros be notified one business day prior to the planned exchange. Without prior notification of the exchange in accordance with the preceding sentence, banks, savings banks or post offices will be allowed to charge exchange costs for exchanged amounts exceeding 1,500 euros at their current rates.

Article 7

Banks, savings banks or Poštā Slovenije shall not charge any fees for deposits of tolar-denominated banknotes or coins into an account held by customers with such banks or savings banks in the period from 00:00 hours on 1 January 2007 till 24:00 hours on 1 March 2007 regardless of the amount of deposit or its denomination structure.

Article 8

(1) The Bank of Slovenia shall permanently provide for exchange of tolar-denominated banknotes and coins into euro-denominated banknotes and coins at the conversion rate free of charge.

(2) The Bank of Slovenia shall provide for exchange of tolar-denominated banknotes and coins into euro-denominated banknotes and coins on behalf and for the account of the Republic of Slovenia at the conversion rate free of charge by 31 December 2016.

(3) The deadline for the exchange of tolar-denominated coins by the Bank of Slovenia on behalf and for the account of the Republic of Slovenia shall be 31 December 2016.

III. ACCOUNT BALANCES AND PAYMENTS
Article 9

(1) As from the euro adoption date, tolar account balances shall be converted into euros according to Articles 4 and 5 of the Council Regulation (EC) no. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ L 162 of 19 June 1997, p. 1, as amended, hereinafter referred to as "Regulation 1103/97").

(2) Amounts from the preceding paragraph shall be rounded off pursuant to Article 5 of Regulation 1103/97.

(3) The balances from the first paragraph of this Article shall be converted free of charge.

Article 10

Non-cash payment transactions shall cease to be carried out in tolars as from the euro adoption date.

IV. BOOK-ENTRY DEBT SECURITIES

Article 11

(1) Issuers of tolar-denominated book-entry debt securities shall redenominate these securities into euros according to the Slovene legislation by sending the Central Securities Clearing Corporation within 15 days from the effective date of this Act an order for entry of changes in information on debt securities in the central register pursuant to the act governing book-entry debt securities.

(2) If issuers of book-entry debt securities choose no other method of redenomination into euros within the time limit specified in the preceding paragraph, they shall carry out the redenomination into euros according to the method from Article 12 of this Act.

Article 12

(1) Tolar-denominated book-entry debt securities held by the national budget shall be redenominated according to the bottom-up method.

(2) The method and procedures of redenominating individual types of book-entry debt securities held by the national budget shall be laid down by the minister responsible for finance (hereinafter referred to as "minister").

V. CONTINUITY OF CONTRACTS

Article 13

(1) As from the euro adoption date, amounts stated in statutory provisions, judicial decisions, acts of administration, securities, contracts, other legal acts, payment instruments except banknotes and coins, documents, notifications, accounts, records and other instruments with legal effect shall be deemed to be denominated in euros at the conversion rate.
(2) Unless otherwise follows from the agreement between parties or from a statutory provision, debtors shall be responsible for the correctness of the conversion of tolar amounts into amounts in euros on payment or presentation of payment orders.

(3) In offering goods for sale, selling and other forms of marketing of goods and services provided by enterprises subject to the act regulating consumer protection, enterprises shall be responsible for the correctness of the conversion of tolar amounts into amounts in euros.

(4) Courts of justice and other state authorities, local authorities and other organizations with public authority shall, in the processes they conduct, convert tolar amounts into amounts in euros ex officio.

(5) Notwithstanding the provision of the first paragraph of this Article, issuers of special money orders with pre-printed amounts issued during the last two months prior to the euro adoption date shall include in their special money orders both the amount in tolars and the amount in euros calculated at the conversion rate.

Article 14

Notwithstanding the other provisions of this Act, in establishing or determining the rights and duties under acts regulating social insurance, based on the information from the period prior to the euro adoption date, this information shall be established and determined in the manner laid down by these regulations and then converted into euros at the conversion rate.

Article 15

In taxation matters in which the tax base needs to be assessed after the euro adoption date by taking into account, at the same time, the amount of capital, and in which taxable natural persons acquire capital prior to the euro adoption date, the amount of capital shall be converted on acquisition according to the Bank of Slovenia's average rate of exchange valid on the date of acquisition of capital or on 1 January 2006 at the latest, when, according to tax regulations, the acquisition cost of capital is considered to be the amount of capital as of that date.

Article 16

Notwithstanding the provisions of Article 13 of this Act, the minister responsible for finance may issue instructions defining the currency in which reports, statements, accounts, records and other information relating to the period prior to the euro adoption date are to be submitted to state authorities and other entities entitled to request the same for the purpose of exercising their responsibilities and duties.

VI. RATES OF INTEREST, INDICES AND RATES OF EXCHANGE

Article 17

On the first expiration of the contractual interest period that expires after the euro adoption date, the interbank reference rate SITIBOR of the Bankers Association of Slovenia shall be replaced by the European interbank reference rate EURIBOR with appropriate maturity unless otherwise agreed by the parties.

Article 18
(1) If a reference rate, index or exchange rate (hereinafter referred to as "reference value parameters") cease to apply or if the method or the basis of their calculation are changed due to the adoption of the euro, this shall have no effect on the validity of instruments.

(2) If reference value parameters from the preceding paragraph are replaced by other reference value parameters, the substitute reference value parameters shall be deemed to apply.

(3) The first and the second paragraphs of this Article shall not apply if the parties agree otherwise.

VII. OTHER ROUNding PROVISIONS

Article 19

(1) As from the euro adoption date, selling prices of goods and services shall be converted into prices in euros with not less than three decimals and expressed in not less than two decimals.

(2) When goods or services are sold in large quantities (such as electricity, telephone charge units, basic public utility services, oil derivatives, natural gas and liquefied petroleum gas), their prices converted from tolars into euros shall be rounded to and expressed in not less than four decimals.

(3) Amounts of intermediate operations shall be rounded to at least the same number of decimals as expressed by the price from which intermediate operations are derived. Intermediate operations shall be considered to be operations in which the immediate objective is not payment or posting as the final settlement of appropriate monetary amounts.

(4) Monetary amounts that are calculated on the basis of prices from the second paragraph of this Article and are to be paid and posted shall be rounded up or down to the nearest cent.

(5) Notwithstanding the second paragraph of this Article, the price of petrol, automotive and heating gas oil shall be rounded up or down to three decimals.

Article 20

(1) In the dual display of prices under the Dual Display of Prices in Tolars and Euros Act (Uradni list RS /Official Gazette of the Republic of Slovenia/ no. 101/05), sales of goods and services through vending machines or other similar distribution channels in which payment for goods or services with 0.01 and 0.02 precision is not possible for technical reasons, enterprises may round their prices up or down to the nearest 0.05 euro or to its nearest multiple.

(2) Notwithstanding the third paragraph of Article 3 of this Act, vending machines need not be adapted so as to accept both euro and tolar banknotes and coins simultaneously during the dual circulation period.

VIII. X. MONITORING THE IMPLEMENTATION OF THE ACT
Article 21

(1) The Bank of Slovenia shall be responsible for monitoring the implementation of Articles 6 and 7 of this Act. (3) Provisions of the act governing banking shall apply as appropriate to the monitoring procedures of Bank of Slovenia.

(2) The Market Inspectorate of the Republic of Slovenia shall be responsible for monitoring the implementation of Articles 2, 3, 4, 13 and 19 of this Act.

(3) The Securities Market Agency shall be responsible for monitoring the implementation of Article 11 of this Act.

IX. PENALTY PROVISIONS

Article 22

(1) A fine of 40,000 to 120,000 shall be imposed for an offence committed by a bank, savings bank or Pošta Slovenije by

1. refusing to exchange banknotes and coins in accordance with Article 6 of this Act,
2. failing to exchange banknotes and coins in accordance with Article 6 of this Act.

(2) A fine of 2,000 to 4,000 shall be imposed on responsible persons of banks, savings banks or Pošta Slovenije as the contractual services provider for Poštna banka Slovenije for an offence referred to in the preceding paragraph.

Article 23

(1) A fine of 2,000 to 25,000 euros shall be imposed on legal and natural persons pursuing a business activity for an offence committed by

1. not accepting euro-denominated banknotes and coins after the euro adoption date referred to in Article 2 of this Act;
2. not accepting tolar-denominated banknotes and coins during the dual circulation period referred to in Article 3 of this Act;
3. not using the conversion rate referred to in Article 2 of this Act in the conversion of tolers into euros and in the conversion of euros into tolers;
4. not acting in compliance with the provisions of the fifth paragraph of Article 13 of this Act in issuing special money orders;
5. rounding the prices up or down and expressing them with less than four decimals in converting the prices from tolers into euros for sales of goods or services according to the second paragraph of Article 19 of this Act;
6. not rounding the prices of petrol, automotive and heating gas oil up or down to three decimals according to the fifth paragraph of Article 19 of this Act;
7. failing to send the Central Securities Clearing Corporation an order according to the first paragraph of Article 11 of this Act.

(2) A fine of SIT 500 to 4,000 shall be imposed on the responsible person of a legal entity for committing an offence referred to in the preceding paragraph.

X. TRANSITIONAL AND FINAL PROVISIONS
Article 24

(1) On the euro adoption date, the Republic of Slovenia's National Currency Unit Act (Uradni list RS nos. 17/91 33/92) and the Use of the Currency Unit of the Republic of Slovenia Act (Uradni list RS no. 17/91) shall cease to apply.

(2) Notwithstanding the first paragraph of this Act, the provisions of the Republic of Slovenia's National Currency Unit Act and of the Use of the Currency Unit of the Republic of Slovenia Act shall as appropriate until the expiration of the dual circulation period.

Article 25

As from the effective date of this Act, the word "evro" in all its inflections shall be replaced by appropriate inflections of the word "euro" in legal acts and other regulations.

Article 26

This Act shall come into force on the fifteenth day following its publication in Uradni list Republike Slovenije.

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