

ON INTERVENTION MEASURES TO CURB THE COVID-19 EPIDEMIC AND MITIGATE ITS IMPACT ON CITIZENS AND THE ECONOMY

The first measures to curb COVID-19 epidemic and mitigate its impact on citizens and the economy have already entered into force (the presentation is available on our website <https://faturmenard.com/en/category/news/>). The second package of measures was adopted within the framework of the *Act on Intervention Measures to Curb the COVID-19 Epidemic and Mitigate Its Impact on Citizens and the Economy* (“**ZIUZEOP**”), which will come into force on the day after its publication in the Official Gazette. Most measures are applicable from March 13, 2020 until May 31, 2020 (and for a further 30 days if the COVID-19 epidemic is not cancelled until May 15, 2020).

National Assembly of the Republic of Slovenia adopted the Act amending the Act on Intervention Measures to Contain the COVID-19 Epidemic and Mitigate Its Impact on Citizens and the Economy (“**ZIUZEOP-A**”), which provides new and complements existing measures. The ZIUZEOP-A entered into force on May 5, 2020. The text below represents an update to the document published on April 7, 2020 and includes amendments of the ZIUZEOP.

1. MEASURES IN THE FIELD OF WORK AND SOCIAL SECURITY, HEALTHCARE AND HEALTH INSURANCE CONTRIBUTIONS

ZIUZEOP affects the application of certain provisions of the Act on Intervention Measures in the Field of Salaries and Contributions (“**ZIUPPP**”), which is in force from March 29, 2020. This presentation outlines the current measures in relation to rights and obligations of employers pertaining to the temporary suspension of workers’ employment, the inability of workers to work due to *force majeure*, the reimbursement of the paid salary compensation to the employers for such workers and the exemption of the employers’ payment of contributions in accordance with both acts.

The interim measures adopted on the basis of ZIUZEOP regarding the reimbursement of paid salary compensation to workers, suspended from employment and to the workers unable to work due to *force majeure*, and the exemption of the employers’ payment of contributions are valid from March 13, 2020 until May 31, 2020 (with a possible extension of 30 days), whereby after the expiry of the aforementioned period, the relevant provisions of ZUIPPP apply.

a) Conditions for the allocation of public funds or state aid

In order to ensure the compliance with the rules on state aid, ZIUZEOP-A establishes the requirements for the allocation of public funds. Accordingly, the main requirements are that the total amount of public funds for all measures may not exceed the amount of EUR 800,000 per company and that the state aid may not be granted to the companies that were already considered as undertakings in difficulty on December 31, 2019 within the meaning of the Commission Regulation (EU) No. 651/2014. The above requirements apply to all companies. However, regardless of the prescribed limitation of the amount of funds received, the allocation of public funds exceeding the amount of EUR 800,000 to the large companies may be carried out in one of the following ways:

- (i) if the total amount of the aid does not exceed 80% monthly gross salary of an individual worker, but only for workers who would otherwise be laid off, whereby it is required to maintain the employment relationships of the workers, for whom employers received the aid, throughout the whole period of receipt of the aid or
- (ii) according to the rules on reimbursement of the damage, caused by natural disasters or exceptional occurrences (COVID-19 epidemic), after prior approval by the European Commission.

b) Right to the reimbursement of paid salary compensation

ZIUZEOP governs, for the benefit of the employers, the reimbursement of paid salary compensations for:

- workers suspended from employment due to the inability of the employer to provide them with work due to the epidemic; and
- workers unable to work due to *force majeure* (COVID-19 epidemic), namely due to care for children since the closure of kindergartens and schools and other objective reasons, the inability to commute to work due to the interruption of public transport or the closure of borders with neighbouring countries.

All employers, except (i) direct or indirect users of the State or municipal budget whose revenue from public sources exceeded 70% in 2019, (ii) employers providing financial or insurance activities who employ more than 10 workers on March 13, 2020 and (iii) foreign diplomatic representations and consulates, international organizations, representations of international organizations and institutions, associations and agencies of the European Union in the Republic of Slovenia, are entitled to the reimbursement of the paid salary compensation.

The right to the reimbursement is granted to employers estimating that their revenues in 2020 will be reduced, due to the epidemic, by more than 10% compared to 2019. Employers that have not operated throughout the entire 2019 or 2020, are entitled to the aid if their average monthly revenues in 2020 will be reduced, due to the epidemic, by more than 10% compared to the average monthly revenues in 2019. If the employers were not operating throughout 2019, they are entitled to the aid if their average monthly revenues in 2020 will be reduced, due to the epidemic, by more than 10% compared to the average monthly revenues in 2020 until March 12, 2020.

The aforementioned revenues are considered as net sales revenues, determined in accordance with the accounting rules, and benefits from parental care insurance. Additionally, the reimbursement is granted to the employer, not meeting the above requirements, but has the status of a humanitarian organisation or a disability organisation.

The aid may not be granted to employers:

- who are not paying obligatory contributions and other financial non-taxable obligations in accordance with the law governing the financial administration, collected by the tax authority, if the employer has unpaid due obligations on the day of submission of the application. An employer is also considered as not fulfilling such obligations if, on the day of submission of the application, it had not submitted all the tax returns for revenues from an employment relationship for the period of the past 5 years up to the day of the application submission;
- if bankruptcy has been declared against the employer at the time of the decision-making process of the Employment Service of the Republic of Slovenia (the bankruptcy is deemed declared with the filing of an application for declaration of the bankruptcy).

If the condition regarding reduced revenue is not fulfilled upon the submission of annual reports for 2020, the employer who has received the reimbursement of salary compensation will have to repay the aid. Additionally, the employer that having subsequently determined that it does not fulfil conditions for the reimbursement of salary compensation, must notify the Financial Administration of the Republic of Slovenia thereof. The employer reimburses the amount of the aid received based on a declaratory decision within 30 days.

Following the expiry of the validity of measures under ZIUZEOP (in principle on June 1, 2020), are entitled to the reimbursement of paid salary compensation for workers suspended from employment in accordance with ZUIPPP the employers which:

- submit a description of the business situation due to the consequences of the epidemic,
- suspended the employment of at least 30% of their workers and
- undertake to retain the employment of these workers at least 6 months after the start of the suspension.

According to ZUIPPP the employers have the right to the reimbursement of the paid salary compensation also for the workers unable to work due to the quarantine, if they provide a statement that they are not able to organize work at home.

The employers are entitled to the reimbursement of the paid salary compensations in accordance with ZIUZEOP until May 31, 2020 (until June 30, 2020 in case of an extension); thereafter, in accordance with ZUIPPP, only once and for a maximum of 3 months, until September 30, 2020.

c) Ordering the suspension of employment

The employer may suspend the worker's employment until May 31, 2020 at the latest, in a written order stating the duration of the employment suspension, the options and means of ordering the worker to return to work prematurely and the amount of the salary compensation. If the worker returns to work prematurely, the employer must notify the Employment Service.

If the employer orders the worker to return to work during the suspension of employment for up to 7 (not necessarily consecutive) days in the current month, the employer retains the right to the reimbursement of paid salary compensation in accordance with ZIUZEOP (until May 31, 2020). According to the clarification of the Employment Service, the worker is entitled to a salary, and not compensation of the salary, for the days the worker is ordered to return to work. Moreover, the employer does not receive reimbursement of the paid salary compensation for those days in accordance with ZIUZEOP.

The worker may, in accordance with the agreement with the employer, exercise the right to annual leave during the suspension of employment. The worker has the right to salary compensation in accordance with the Employment Relationships Act ("**ZDR-1**") during this period.

d) Obligations of the employer

During the suspension of employment and during the period when the worker is not working due to *force majeure*, the employer must pay the worker a net salary compensation in the amount determined by ZDR-1 for temporary inability to provide work for business reasons (i.e. 80% of the average monthly salary for full-time work, received in the past 3 months), but at least in the amount of the minimum salary in the Republic of Slovenia (EUR 940.58). All workers are entitled to the aforementioned salary compensation, including those whose employers are not entitled to the reimbursement of salary compensation pursuant to ZIUZEOP, unless otherwise expressly provided by law. During this time, the employer may not order overtime work if such work may be done by the workers suspended from employment. Additionally, the employer is required to inform the

Employment Service of any order to return to work prematurely and the termination of workers' absence due to *force majeure*.

In the event of a violation of the above, the employer must pay triple the amount of the aid received. Moreover, the employer must return the aid received if liquidation commences during the period of receipt of the aid or within the period after the receipt of the aid equal to the period of receipt of aid.

However, following the expiry of ZIUZEOP and pursuant to ZUIPPP, the employer is bound to pay workers suspended from employment and workers in quarantine the salary compensation in the amount determined by ZDR-1 for temporary inability to provide work for business reasons (i.e. 80 % of the amount of the average monthly salary for full-time work received in past 3 months) and social insurance contributions, whereas ZUIPPP does not provide that the salary compensation may not be less than the minimum salary in the Republic of Slovenia. During the period in which it receives the reimbursements of paid salary compensation, the employer may not initiate the procedure for the termination of an employment agreement, terminate an employment agreement for business reasons nor require the workers to carry out overtime work such work could be performed by workers suspended from employment. In the event of breaches of the above, as well as in the case of initiation of liquidation proceedings during the period in which it received the reimbursements or within the same period after the termination of reimbursements, the employer must repay the reimbursements received.

The employer does not pay the salary compensation pursuant to ZIUZEOP and ZUIPPP to a worker who has acquired the right to be absent from work on the basis of health insurance (e.g. sickness leave) or parental protection rules, and the right to a corresponding salary compensation and payment of social insurance contributions.

e) Amount of reimbursement of paid salary compensations and payment of contributions

The Republic of Slovenia reimburses the employer for the paid salary compensation for workers suspended from employment or workers absent due to *force majeure*, in the amount of the paid salary compensation, reduced by the workers' contributions. The amount of the reimbursement of the salary compensation is limited to the average monthly salary in 2019 (EUR 1,753.84).

Employers are, in relation to workers temporarily suspended from employment or absent due to *force majeure*, for which they are entitled to receive reimbursement of paid salary compensation under ZIUZEOP, and are receiving salary compensation on this basis, exempted from the payment of all social security contributions for salary compensations for the period of validity of the measures under ZIUZEOP, but not more than the amount of salary compensation limited to the average monthly salary in 2019.

As of June 1, 2020, and pursuant to ZUIPPP, the employers are entitled to the reimbursement of the paid salary compensation for workers suspended from employment in the amount of 40% of the salary compensation, up to the maximum amount of the unemployment benefit. The Republic of Slovenia will reimburse the paid salary compensation in full for workers who are unable to work due to the quarantine.

f) Procedure and method for claims for reimbursement of salary compensations

Employers exercise the right to reimbursement in accordance with ZIUZEOP by submitting an electronic application to the Employment Service within 8 days from the suspension of employment, but no later than on May 31, 2020.

The employers may also exercise the right to the reimbursement for workers suspended from the employment or workers who are unable to work due to *force majeure* even before the entry into force of ZIUZEOP for the period from March 13, 2020 onwards, by way of an electronic application filed within the period of 8 days from the entry into force of ZIUZEOP (applications submitted under ZUIPPP are processed under ZIUZEOP). ZIUZEOP-A additionally provides that workers, who have missed the aforementioned deadline, may submit the application within 8 days from the entry into force of ZIUZEOP-A (until May 9, 2020). As of June 1, 2020, the employers may exercise the right to the reimbursement of the salary compensation within 8 days from the posting of a worker on suspension from employment, but no later than by September 30, 2020.

ZIUZEOP-A provides that the procedures initiated before its entry into force are finalised under the provisions of ZIUZEOP, unless the finalisation under the ZIUZEOP-A would be more beneficial for the applicant. In this context, the more beneficial solution is considered to be the solution which would not result in returning the state aid.

g) Exemption of the payment of pension and disability insurance contributions for workers who are working

Employers are exempted from the payment of pension and disability insurance contributions of both, employer and the worker, from salaries or salary compensations which burden the employer and are due in April and May 2020 for workers who are compulsorily insured based on their employment, except for the workers suspended from employment or unable to work due to *force majeure*. The exemption from the payment of contributions is granted also for the period when such worker is on sick leave or vacation.

For each worker who is working and whose last paid monthly salary has not exceeded triple the amount of the minimum salary, the employer must pay a monthly crisis allowance of EUR 200, which is exempt from all taxes and contributions. If the worker does not work for the entire month or if the measures do not last for the entire month, the worker is entitled to the proportionate part of the monthly crisis allowance. The worker is also entitled to the monthly crisis allowance for a public holiday and another non-working day determined by law, insofar as the worker would actually work on that day, however, the allowance is not granted to the worker for other forms of absence from work. If the worker has a part-time employment contract with the employer, the worker is entitled to a monthly crisis allowance, proportionate to the working time for which he has concluded an employment contract. A worker who works part-time in accordance with the regulations on pension and disability insurance, health insurance or parental leave is granted the full monthly crisis allowance.

The following persons are not entitled to the aforementioned measures: (i) direct and indirect users of the state and municipality budgetary funds, (ii) employers who conduct financial and insurance business and employ more than 10 workers on March 13, 2020 and (iii) foreign diplomatic representation and consulates, international organisations, representations of international organizations and institutions, associations and agencies of the European Union in the Republic of Slovenia.

ZIUZEOP-A introduces the exemption from the payment of occupational insurance contributions for insured persons who are obligated to pay such contributions (work positions that are dangerous and have adverse health effects and cannot be performed after a certain age) for the period of validity of measures under this act.

With the entry into force of ZIUZEOP-A, enterprises employing persons with disabilities and employment centres may exercise the right to the reimbursement of monthly crisis allowance for each

employed disabled person who works. Worker who is a disabled person has the right to the entire monthly crisis allowance (EUR 200) even if he works part-time.

h) Measures for self-employed persons

Self-employed persons who, due to COVID-19 epidemic are unable to perform their activity, or perform it to a significantly reduced extent, are entitled to a monthly basic allowance, which is free of all taxes and contributions.

Self-employed persons are entitled to this measure if their revenue in 2020 will be reduced, due to the epidemic, by more than 10% compared to 2019. The self-employed persons that have not operated throughout the entire 2019 or 2020 are entitled to the basic monthly allowance if their average monthly revenues in 2020 will be reduced, due to the epidemic, by more than 10% compared to their average monthly revenues in 2019. If the self-employed persons did not operate throughout 2019, they are entitled to the aid if their average monthly revenues in 2020 will be reduced, due to the epidemic, by more than 10% compared to the average monthly revenues in 2020 until March 12, 2020. If the condition of reduced revenue is not met, the self-employed persons will have to repay the aid received.

Shareholders who are managers and are insured under a civil law contract with the company for the purpose of performing their function are also considered as self-employed persons.

Self-employed persons are entitled to a monthly basic allowance of EUR 350 for March 2020 and EUR 700 for April and May 2020, if they have been performing their activities from at least March 13, 2020 until the entry into force of ZIUZEOP. In case of extension of measures, the self-employed persons are entitled to the monthly basic allowance for June. The beneficiary must submit a statement through the Financial Administration's information system, stating that it is considered an entitled person and that due to the epidemic it cannot perform its activity or performs it to a significantly reduced extent, whereby the statement is made based on its own business evaluation. Such a statement is considered as public information that will be published on the Financial Administration's website.

If the self-employed persons are not included by full-month or full-time insurance for a particular month, they are entitled to a proportionate part of in the basic allowance in form of monthly basic income based on the proportion of inclusion in the insurance for that month or up to full insurance time.

The self-employed persons and shareholders are exempt from paying the compulsory social security contributions for the period of the validity of these measures. If the condition for the decline in income is not met, the self-employed persons will have to return exempt social security contributions.

i) Health care and insurance

The salary compensation for workers, sole proprietors, shareholders performing the management function as their principal occupation and farmers, who, on the date of entry into force of ZIUZEOP, are entitled to sick leave compensation or who acquire this benefit after the entry into force of ZIUZEOP, will be covered by compulsory health insurance from the entry into force of ZIUZEOP until the reasons for the temporary restraint from work cease to exist, but no later than until May 31, 2020. In order to exercise this right, the application must be submitted by the beneficiary by September 30, 2020 at the latest.

j) Criminal provisions

The employer must pay a fine ranging from EUR 3,000 to EUR 20,000 if it:

- does not pay net salary compensations to workers;
- does not pay the monthly crisis allowance;
- orders overtime work during the period in which it received partial reimbursement of salary compensation;
- fails to notify the Employment Service in the event of ordering the worker to return to work;
- fails to notify the Employment Service on the date of termination of the workers' absence due to *force majeure*;
- does not enable the Employment Service to provide administrative and financial supervision;
- fails to notify the Financial Administration of the Republic of Slovenia of a subsequent finding of non-fulfilment of conditions for benefits under ZIUZEOP.

k) Repayment of received aid

Persons who have exercised the right to reimbursement of paid salary compensations for workers suspended from employment, right to the exemption from payment of contributions in relation to reimbursement of salary compensation for workers suspended from work, right to the exemption from payment of contributions for workers who work and self-employed persons and shareholders who have exercised the right to the exemption from payment of contributions or payment of basic allowance, must repay the funds received including the statutory default interest rate, in the event of a distribution of profits, acquisition of own shares or business shares, the payment of management rewards or a part of the salary for the business success for management in 2020 since the entry into force of ZIUZEOP (April 11, 2020).

The subject who exercised his rights under ZIUZEOP must inform the Financial Administration of the Republic of Slovenia in deadlines set out in the legislation and return the amount of received aid within 30 days of the notification of the decision if he or she subsequently establishes that he or she did not meet the requirements for their entitlement.

2. CHANGES RELATED TO THE DEFERRAL OF PAYMENTS UNDER BANK LOANS

ZIUZEOP also partially amends the Intervention Measure Act on Deferred Payments of Borrowers' Obligations ("**ZIUOPOK**") which entered into force on March 29, 2020. Specifically, ZIUOPOK provides for the extension of maturity of all collateral agreements for the deferral period. The same extension applies to maturity of collateral agreement for financial claims. At the same time, ZIUZEOP explicitly provides that interest on the deferred part of the principal amount accrues at the general interest rate agreed at the time of conclusion of the loan agreement.

Prohibition of distribution of dividends and other payments – borrowers that are commercial companies and which have been granted a deferral of payment by banks in accordance with ZIUOPOK are prohibited from paying dividends, business performance rewards to members of management and workers, and other financial obligations to parent and affiliated companies or shareholders (such a prohibition must be included in the credit agreement or in the annex to the loan agreement) for the period from the filing of the application for deferment of payment until the termination of the bank's right to exercise the right to guarantee. Violation of this prohibition is the ground to terminate the deferment of payment.

State guarantees – the Republic of Slovenia acts as a guarantor to banks and savings banks with registered offices in the Republic of Slovenia to satisfy part of the borrowers' obligations related to the deferral under ZIUOPOK in the amount of (i) 25% of the sum of deferred monthly loan instalments that

would fall due within the period of 12 months for which deferral was agreed; or (ii) 50% of the sum of deferred monthly loan instalments that would fall due within the period of 12 months for which deferral was agreed in cases where borrowers who were granted a deferral conduct a business activity which was temporarily prohibited by a governmental or municipal decree due to the virus epidemic, and in cases where borrowers who were granted a deferral are natural persons.

Guarantees will also apply to new loan agreements which will have to include the following provisions:

- (i) that the bank's claim under the loan agreement secured by the guarantee is to have at least the same ranking as claims of any other creditors that arose after the granting of the guarantee;
- (ii) the commitment of the borrower not to pledge or otherwise encumber its assets if such action could reduce the collateral or value of the assets intended for the repayment.

The total amount of guarantees will not exceed EUR 200 million. Operational tasks in relation to guarantees will be carried out by SID Bank.

The State guarantee by the Republic of Slovenia is terminated if:

- the bank has violated ZIUOPOK in granting the deferral, or
- the bank has not informed SID Bank of the commencement of insolvency proceedings against the borrower no later than 14 days before the expiry of the deadline for the notification of claims.

3. NEW MEASURES RELATED TO INSOLVENCY PROCEEDINGS AND COMPULSORY DISSOLUTION

An additional insolvency situation – ZIUZEOP provides an irrefutable presumption of continued insolvency to the existing list of insolvency presumptions in cases in which a legal person, sole trader or private person (doctor, notary public, attorney, farmer or other natural person, who is not a sole trader and performs activity as a profession) who acquired financial compensations on the basis of the intervention acts relating to salaries and contributions of workers, but fails to pay such salaries and contributions to workers. The presumption of continued insolvency applies for 4 months following the declaration of the end of the epidemic. In case of filing for bankruptcy proceedings, ZIUZEOP-A further provides that the worker is exempt from paying an advance to cover costs of bankruptcy proceedings.

The extension of the management's obligation to file a petition for bankruptcy or compulsory settlement proceedings – the management is not bound to file a petition for bankruptcy or compulsory settlement proceedings if the insolvency occurred as a result of declaration of the epidemic. This condition is deemed fulfilled if the company performs an activity temporarily prohibited or significantly limited by way of a governmental, ministerial or municipal order or if the company was not insolvent on December 31, 2019. In other cases, the management will have to prove that insolvency occurred as a result of the epidemic. The measure applies during the epidemic and 3 more months following the declaration of the end of the epidemic, unless there is no outlook that the company shall resolve its insolvency situation.

In addition, deadlines for company bodies to comply with obligations in regard to insolvency proceedings have been extended. Among others, the deadline to convene the shareholders' meeting and to increase the share capital is extended by 1 month following the declaration of the end of the epidemic if the actions of the bodies cannot be performed in a timely manner due to the epidemic.

The suspension of the decision on the creditor's petition for the bankruptcy proceedings – the time period in which the debtor can complete the financial restructuring and the consequent termination of insolvency is extended for debtors that became insolvent as a result of the declaration of the epidemic. The insolvency condition is deemed fulfilled if debtors perform an activity which was temporarily prohibited or significantly limited by the authorities or if the debtor was not insolvent on

December 31, 2019. In this case, the court can suspend the decision on the creditor's bankruptcy petition by 4 months, whereas the debtor can justify its request to suspend a decision on the creditor's bankruptcy petition within 4 months. The measure may be implemented in a bankruptcy proceeding brought at the proposal of the creditor no later than in 3 months following the declaration of the end of the epidemic. Additionally, the debtor can demonstrate that he resolved insolvency with other financial restructuring measures or with adequate volume of business and thus justify suspension of the decision on the creditor's for the bankruptcy proceedings.

If the court suspends deciding on the creditor's petition for the bankruptcy proceedings in accordance with abovementioned, the enforcing court suspends enforcement for this period.

4. TAXES

Taxpayers are exempted from the payment of instalments of the preliminary prepayment of personal income tax on the income earned from activity and the instalments of the prepayment of the corporate income tax of legal persons for 2020, which are due following the entry into force of ZIUZEOP and until May, 31 2020.

Under ZIUZEOP-A the taxpayers under the Corporate Income Tax Act and Personal Income Tax Act who generate income from activities, may claim an additional reduction of the tax base for the entire amount of donations for the purpose of eliminating the consequences of the COVID-19 epidemic, namely for payments to a specially designed transaction account of the Republic of Slovenia or the other EU Member State, but not more than the tax base of the tax period.

5. MEASURES IN THE FIELD OF MONEY LAUNDERING AND TERRORIST FINANCING

ZIUZEOP allows certain persons bound under the Prevention of Money Laundering and Terrorist Financing Act on the capital market and insurance market to adapt their customer due diligence review, which is generally carried out by examining the customer's official personal identification document in his/her presence and before the conclusion of the business relationship.

If there is no increased risk of money laundering and terrorist financing, the establishment and verification of the customer's identity may be postponed by up to 1 month after the conclusion of the business relationship, or in case of an extended duration of the epidemic by up to 1 month following the end of the epidemic. Notwithstanding the above, the persons bound under the Act are required to perform all possible measures to obtain the required knowledge about the customer before the conclusion of the business relationship in accordance with the instructions of the competent authorities (personal name, permanent and temporary residence address, date and place of birth tax number or unique personal ID number (EMŠO), citizenship and number, type and title of issuer of the official personal identification document of the person), which includes the recording of a conversation via a video connection and the consequent retention of personal data. The same exemption is provided for banks and savings banks in accordance with ZIUOPOK.

Under ZIUZEOP-A, the adapted customer due diligence review may be performed also by investment funds, managers of funds and mutual pension funds and management companies in case of customer due diligence review before the execution of the transactions and in case of transactions by customers which raise doubt to credibility and adequacy of previously obtained information about the client or beneficial owners of the clients.

6. MEASURES ON ENFORCEMENT AND PERSONAL BANKRUPTCY

ZIUZEOP-A provides that all income received on the basis of acts that regulate intervention measures due to the epidemic, except for income which represents salary compensation, is excluded from enforcement under the Claim Enforcement and Security Act (“ZIZ”) and from tax enforcement under the Tax Procedure Act (“ZDavP-2”) as well as from the bankruptcy estate in the personal bankruptcy proceedings under the Financial Operations, Insolvency Proceedings, and Compulsory Dissolution Act (“ZFPPIPP”).

Compared to ZIUZEOP, ZIUZEOP-A has broadened the scope of incomes, which are exempt from the enforcement proceedings and the bankruptcy estate in the personal bankruptcy proceedings also to incomes that are paid to the debtor based on (other) acts regulating the intervention measures due to the epidemic (and not only ZIUZEOP). ZIUZEOP-A also provides that the debtor is not reimbursed the benefits, which are otherwise exempt from the enforcement and the bankruptcy estate in personal bankruptcy proceedings under ZIUZEOP-A (but not before the validity this amendment) and were distrained from the debtor before the entry into force of the ZIUZEOP-A with enforcement order or were transferred to the bankruptcy estate in personal bankruptcy proceedings.

With the entry into force of ZIUZEOP, the implementation of all enforcement orders under ZIZ is deferred, except for urgent matters, on which the court decides during the epidemic. Additionally, tax enforcement under ZDavP-2 is also deferred.

We hope that the short explanations presented above will help you organize your workflow. We are at your disposal for any questions that may arise in the course of your business.

Ljubljana, May 14, 2020

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