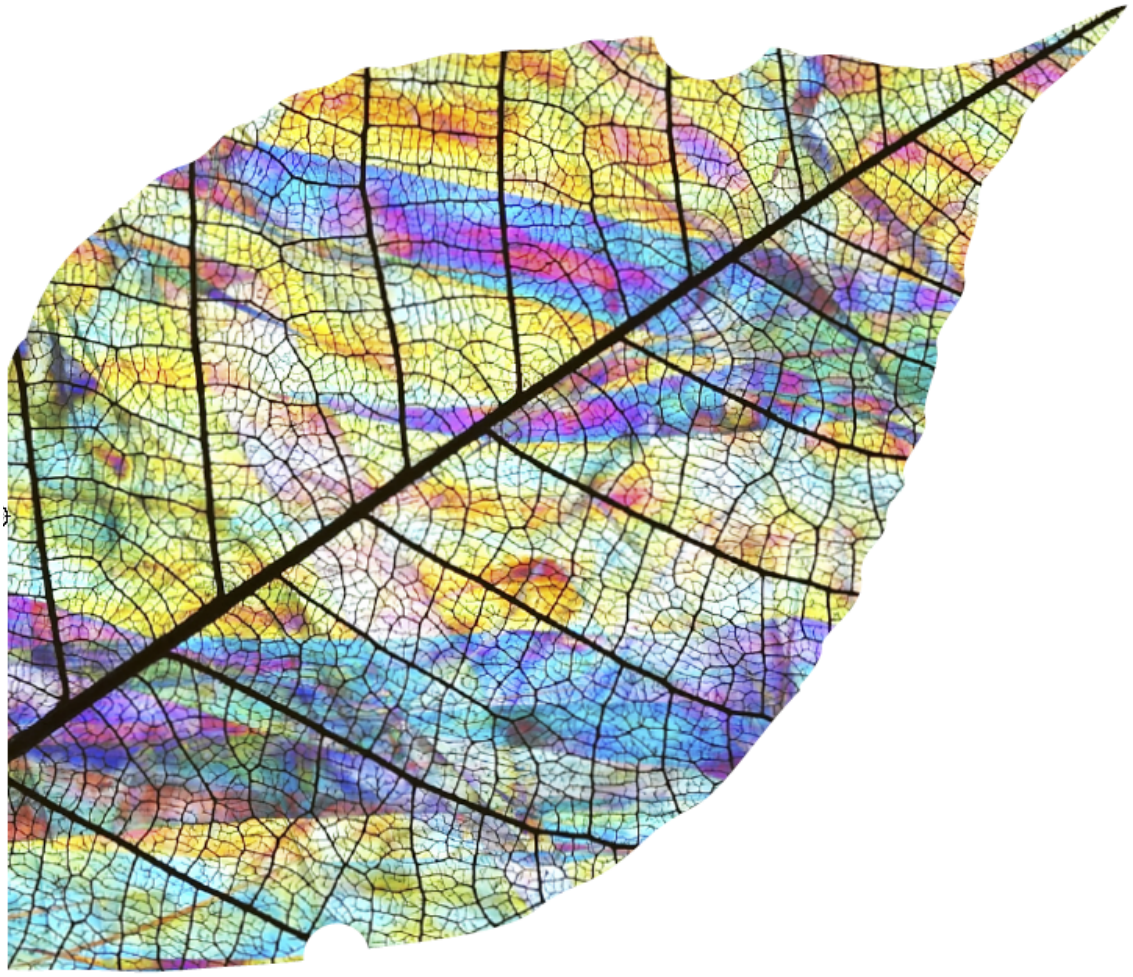
World Universities Comparative Law Project
Legal rating of Slovenia
carried out by students at the University of Ljubljana

A production of the Allen & Overy Global Law Intelligence Unit



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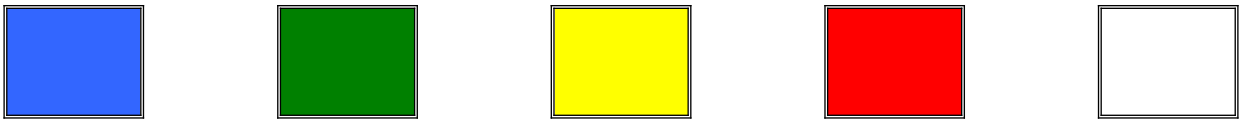


Produced by the Allen & Overy Global Law Intelligence Unit

World Universities Comparative Law Project

The World Universities Comparative Law Project is a set of legal ratings of selected jurisdictions in the world carried out by students at leading universities in the relevant jurisdictions. This legal rating of Slovenia was carried out by students at the Faculty of Law in Ljubljana, University in Ljubljana.

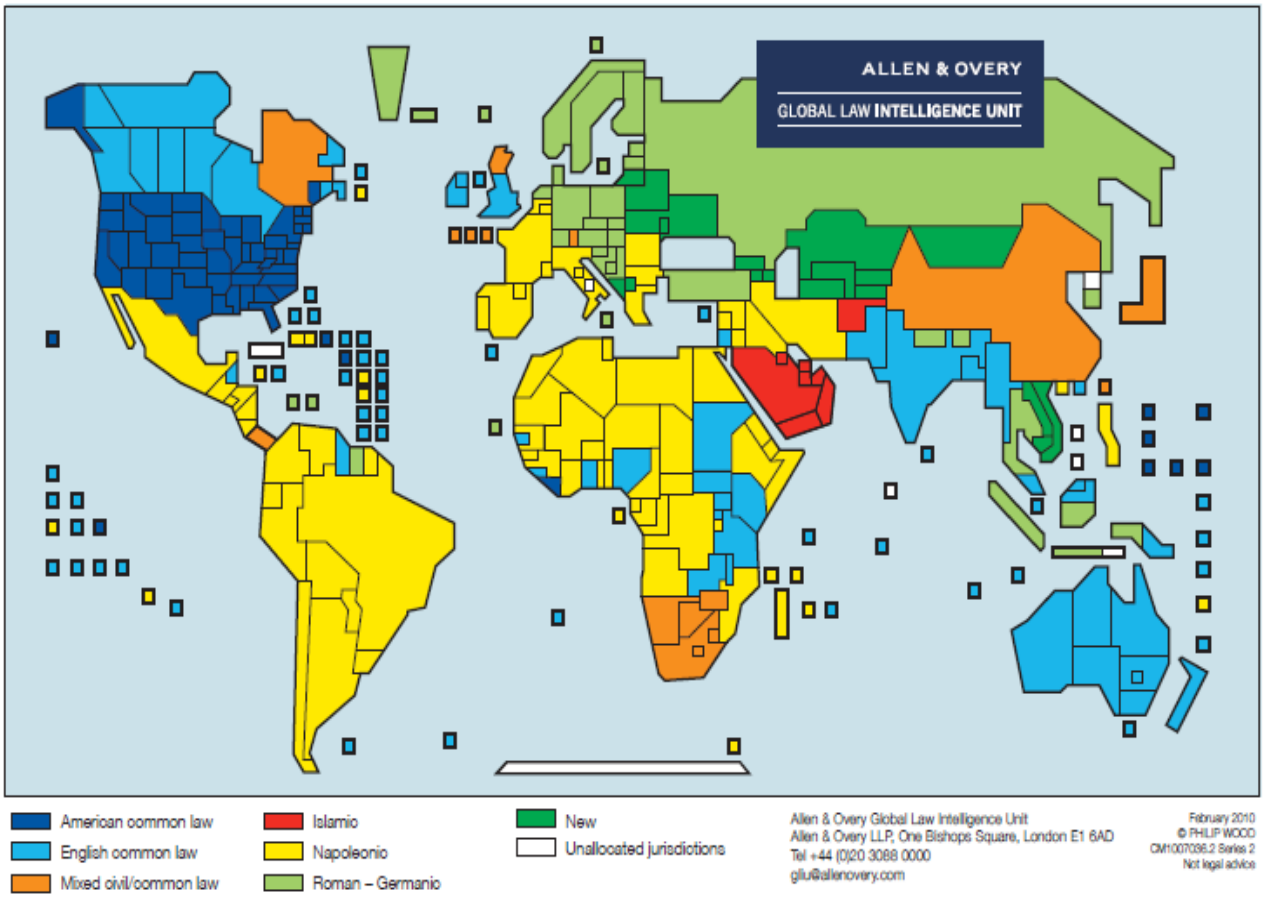
The members of the Practitioner Expert Panel with whom the students could discuss the questions in the survey were:

- Nataša Pipan Nahtigal, Partner, Attorney-at-Law at Odvetniki Šelih & partnerji, o.p., d.o.o.,
- Jera Majzelj, Attorney-at-Law at Odvetniki Šelih & partnerji, o.p., d.o.o., and
- Ažbe Tušar, Attorney-at-Law at Odvetniki Šelih & partnerji, o.p., d.o.o.

The Allen & Overy Global Law Intelligence Unit produced this survey and is most grateful to the above for the work they did in bringing the survey to fruition.

All of those involved congratulate the students who carried out the work.

Families of law



Description of the legal rating method

Introduction

This paper assesses aspects of the law in Slovenia with a view to rating the law in the relevant areas. The survey is concerned primarily with wholesale financial and corporate law and transactions, not with retail law.

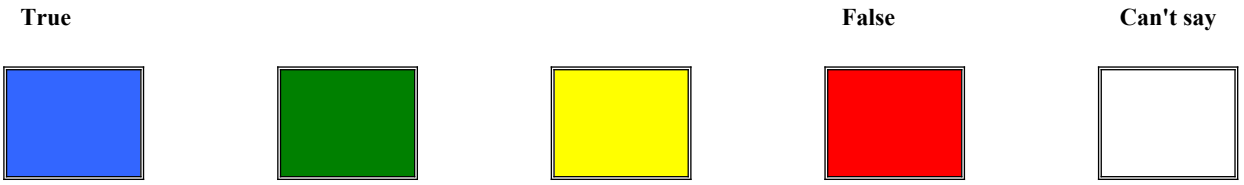
Legal risk has increased globally because of the enormous growth of law; because of its intensity; because many businesses are global but the law is national; because nearly all countries are now part of the world economy; and because the law is considered to play a very significant role in the fortunes of our societies. Liabilities can be very large and reputational losses severe.

The survey was carried out by students at Faculty of Law in Ljubljana, University in Ljubljana. The survey was designed by the Allen & Overy Global Law Intelligence Unit.

The students were requested to express their views freely and in their own way. The views expressed are their views, not necessarily those of Faculty of Law in Ljubljana, University in Ljubljana, the members of the Practitioner Expert Panel or the Global Law Intelligence Unit, the members of Allen & Overy.

Methodology

The survey uses colour-coding as follows:



Blue generally means that the law does not intervene and the parties are free, ie the law is liberal and open.

Red generally means that there is intense legal intervention, usually in the form of a prohibition.

Green and **yellow** are in-between.

The purpose of this colour-coding is to synthesise and distil information in a dramatic way, rather than a legal treatise. The colours correspond to a rating of 1, 2, 3 or 4, or A, B, C or D.

The cross in the relevant box signifies the view of the students carrying out this assessment of the position of Slovenia. This is followed by a brief comment, e.g. pointing out qualifications or expanding the point. These comments were written by the students.

The colour-coding does not usually express a view about what is good or bad. Whether the law should intervene in a particular arena is a matter of opinion. The scale is from low legal intervention to intense legal intervention or control. This is not a policy or value judgment as to whether or not the law should or should not intervene. Jurisdictions often disagree on whether the law should intervene and how much. So one of the main purposes of this survey is to endeavour to identify some of the points of difference so as to promote fruitful debate.

Black letter law and how it is applied

This survey measures two aspects of law. The first is black letter law, ie what the law says or the written law or law in the books.

The second measure is how the law is applied in practice, regardless of what it says. Thus, the law of Congo Kinshasa and Belgium has similar roots but its application is different.

Although there is a continuum, these two measures have to be kept separate. Otherwise we may end up with just a blur or noise or some bland platitude, eg that the law depends upon GDP per capita.

In fact, only the last two questions deal with legal infrastructure and how the law is applied. All of the others deal with the written law, without regard to enforcement or application.

Key indicators

The survey uses key indicators to carry out the assessment. It is not feasible to measure all the laws or even a tiny fraction of them. The law of most jurisdictions is vast and fills whole libraries.

The key indicators are intended to be symptomatic or symbolic of the general approach of the jurisdiction. To qualify as useful, the indicator must usually be (1) important in economic terms, (2) representative or symbolic and (3) measurable. In addition, the indicators seek to measure topics where jurisdictions are in conflict. There is less need for measuring topics where everybody agrees.

An important question is whether this method is useful or not, and, if it is, whether the indicators are relevant.

Legal families of the world

Most of the 320 jurisdictions in the world, spread just under 200 sovereign states, can be grouped into legal families. The three most important of these are: (1) the common law group, originally championed by England; (2) the Napoleonic group, originally championed by France; and (3) the Roman-Germanic group, originally championed by Germany, with major contributions from other countries.

The balance of jurisdictions is made up of mixed, Islamic, new and unallocated jurisdictions.

Many aspects of private law are determined primarily by the family group, but this is not true of regulatory or economic law.

Excluded topics

This survey does not cover:

- transactions involving individuals
- personal law, such as family law or succession
- competition or antitrust law
- intellectual property
- auditing
- general taxation
- macroeconomic conditions, such as inflation, government debt, credit rating or savings rates
- human development, such as education, public health or life expectancy
- infrastructure, such as roads, ports, water supply, electricity supply
- personal security, such as crime rates, civil disorder or terrorism.

Banking and finance

Introduction

Banks and bondholders (typically also banks, but also insurance companies, pension funds and mutual funds) provide credit or capital. Their main risk is the insolvency of the debtor and therefore the key indicators intended to measure whether the law supports those habitual creditors or debtors, such as large corporations

as borrowers, when it matters, ie on bankruptcy. This is when commercial law is at its most ruthless in deciding who survives and who drowns.

This debtor or creditor decision is implemented mainly through the bankruptcy ladder of priorities. A feature of common law systems is the presence of super-priority creditors who are paid before anyone else - creditors with a set-off or a security interest and beneficiaries under a trust. For example, if a bank has universal security over all the assets of a company, the bank is paid before all other creditors, including employees and trade creditors. This regime therefore protects significant creditors who such as banks.

Jurisdictions based on the English common law model give super-priority to all three claimants. Traditional Napoleonic jurisdictions typically do not allow insolvency set-off, have narrower security interests and do not recognise the trust. Their bankruptcy ladder favours greater equality of creditors. Most traditional Roman-Germanic jurisdictions are in-between. They allow insolvency set-off and have quite wide security but most do not recognise the trust. There are wide exceptions to these generalisations.

Insolvency set-off

Generally If set-off of mutual debts is allowed on insolvency, the creditor is paid. If it is not allowed, then effectively the creditor is not paid. Very large amounts are involved in markets for foreign exchange, securities, derivatives, commodities and the like, so that the question of whether exposures should be gross or net is a matter of policy as to who the law should protect.

Q1 In Slovenia, creditors can set off mutual debts on the insolvency of a debtor if they are incurred before notice of the insolvency.

True			False	Can't say
X				

Comment:

In Slovenia, set off of mutual debts is possible in insolvency proceedings of a debtor if mutual debts are incurred before notice of the insolvency proceedings. Namely, set off is performed *ex lege* on the initiation of the insolvency proceedings (Articles 164 and 261 of Zakon o finančnem poslovanju, postopkih zaradi insolventnosti in prisilnem prenehanju (ZFPPIPP) no. 123/2007 with amendments, hereinafter the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act). Such a set-off is possible also with conditional claims, provided that the creditor has submitted a request to the court and the court has approved such a set off.

Security interests

Generally Security interests give priority to the creditor with security - typically banks - who are the main providers of credit in most countries.

In traditional common law jurisdictions, a company can create universal security over all its present and future assets to secure all present and future debt owed to a bank. Once registered, the security is valid against all creditors, except that the floating collateral ranks after preferred creditors - typically wages and taxes. The security can be granted to a trustee for creditors. On a default there are no mandatory grace periods and the creditor can enforce out-of-court by appointing a receiver (a type of possessory manager) or by private sale. But in some common law jurisdictions there are freezes on enforcement in the event of a judicial rescue of the debtor. Also, in some of these jurisdictions there are stamp duties.

On the other hand, in many traditional Napoleonic jurisdictions, universal security is not possible, neither is security for all future debt. There is no trustee to hold the security. On enforcement, there are grace periods and no receiver. Sale is through the court and a public auction. Preferential creditors rank ahead. Some countries have a freeze on enforcement under a judicial rescue statute.

The main policy issue is therefore whether security should be encouraged or whether the law should intervene to impose greater equality.

The main tests are (1) scope of eligible assets, (2) debt secured, (3) trustee, (4) priority over preferred creditors, (5) private enforcement and receiver, (6) no rescue freezes and (7) low costs.

Q2 In Slovenia, the law offers a security interest which is highly protective of the secured creditor.

True			False	Can't say
X				

Comment:

In Slovenia, the law provides a wide variety of possible security instruments. Any existing, future or conditional claims can be secured (Article 129 of Stvarnopravni zakonik (SZP) no. 87/02 with amendments, hereinafter the Law of Property Code), however, the law does not allow for a universal security over all present and future assets since the asset providing security must be individually specified (source: Juhart *et al.,* Zavarovanje in utrditev obveznosti, 1995, p. 94; Juhart *et al.,* Stvarnopravni zakonik (SPZ) s komentarjem, 2004, p. 598). Collateral can be possessory or non-possessory, tangible or intangible.

Security over debtor's assets is effective against all other creditors save for preferred creditors and costs of proceedings. A secured creditor has the right to prevent unsecured creditors or subsequent creditors having security over the same asset from prior repayment of their claims. This is applied in a bankruptcy procedure, whereas in other insolvency procedures (where debtor business continues) the secured creditor has a certain protection (Juhart *et al.,* Zavarovanje in utrditev obveznosti, 1995, pp. 93-94).

When a debtor falls under the judicial rescue regime (insolvency procedure), the Slovenian law grants a *standstill* period, during which commencement of an enforcement procedure is not permitted. Furthermore, all ongoing enforcement procedures are frozen.

On a default, there are no mandatory grace periods.

Costs depend on how a creditor liquidates the security. A creditor can liquidate security in several possible ways, depending on the security type and the form of contract. If the secured creditor possesses a directly enforceable notarial deed, it is allowed to commence a judicial enforcement procedure. If such directly enforceable notarial deed does not exist, the secured creditor has to first obtain a court decision recognizing the right to liquidate the security. Only then can a secured creditor, on the basis of such court decision, commence the judicial enforcement procedure. Nevertheless, the parties may agree on an *out of court* liquidation of security within the contract (source: Juhart *et al.*, Stvarnopravni zakonik (SPZ) s komentarjem, 2004, p. 729). Moreover, Slovenian legislation indicates a possibility of private enforcement by way of notary, however, such procedure is not yet regulated and therefore impossible. (Juhart *et al.*, Stvarnopravni zakonik (SPZ) s komentarjem, 2004, p. 688).

Universal trusts

Under a trust, one person, called the trustee, holds title to the assets of another person, called the beneficiary, on terms that, if the trustee becomes insolvent, the assets go to the beneficiary and are not used to pay the trustee's private creditors. The assets are immune and therefore taken away from the debtor-trustee's bankrupt estate.

The main examples of trusts are custodianship of securities, pension funds, securities settlement systems and trustees of security for bondholders and syndicate banks. The amounts involved are enormous.

All jurisdictions have an effective trust of goods (called bailment or deposit). The common law group has a universal trust for all other assets (land and intangible property). Most members of the civil code group do not have a universal trust, subject to wide exceptions, especially for custodianship of securities. A few countries in this group have a universal trust by statute, e.g. France and China.

Q3 Slovenia has a universal trust for all assets.

True			False	Can't say
			X	

Comment:

In Slovenia, universal trusts cannot be established under the law. The Slovenian legal system does not recognize trust as an institute but is familiar with other, to some extent, similar instruments (Articles from 201 to 209 of the Slovenian Law of Property Code). Such instruments are, for example, a fiduciary contract the intent of which is the transfer of title in order to secure an obligation (*fiducia cum creditore*) or a contract allowing proper management of the property (*fiducia cum amico*) (Žnidaršič Skubic, Zasebna ustanova, trust, fiduciarni pravni posli in njihov vpliv na dedovanje, 2015, p. 69; Cooke, Modern Studies in Property law: Volume 2, 2003, p. 44). There are certain similarities between trust and these instruments such as that the assets are to certain extent immune and therefore taken away from the debtor-trustee's bankrupt estate (Article 205 and 209 of the Slovenian Law of Property Code).

Other indicators

Other bankruptcy indicators not measured here include freezes on the termination of contracts, fraudulent preferences, the priority of rescue new money, the presence and intensity of corporate rescue proceedings and recognition of foreign insolvencies. Director liability for deepening the insolvency is dealt with below.

Other financial law topics not covered in this survey include the regulatory regime, especially capital, liquidity, authorisation of financial business, conduct of business, control of prospectuses, control of market abuse and frauds, such as insider dealing, and the insolvency regime for banks. Financial regulation is a very large field.

Corporations

Introduction

Financial law involves competition between debtors and creditors so that jurisdictions can be positioned on a straight line. Corporate law however involves three main competitors: (1) shareholders, (2) creditors and (3) managers - a triangle. If the key indicators show that a jurisdiction strongly favours one or other of the parties at the points of the triangle, whether creditors, shareholders or management, then one can begin to build up a picture of the choices which the jurisdiction habitually makes in resolving the conflicting interests of the parties.

For example, a very tough prohibition on financial assistance (which is protective of creditors against shareholders) tends also to support an attitude to other principles of the maintenance of capital or to support the proposition that mergers by fusion are difficult (because they can prejudice creditors). This would be true of the English regime in 1948. Similarly, a view which easily imposes personal liability on directors for deepening an insolvency might also show a legal approach which is not supportive of the veil of incorporation in other areas, eg shareholder liability and substantive consolidation on insolvency.

The two extreme corporate law models are the Delaware model and the traditional English model, exemplified by the English Companies Act 1948 (now superseded). Napoleonic and Roman-Germanic models are in-between to varying degrees.

The Delaware regime is highly protective of management in the key areas. The traditional English regime favours creditors on most of the key contests and, where creditor interests are not involved, it tends to favour shareholders as opposed to managers.

Director liability for deepening an insolvency

Generally If the law imposes personal liability on directors for deepening an insolvency, eg carrying on business and incurring debts where there is no reasonable prospect of paying them, then the regime is hostile to the interests of management. The legal risks of management are increased.

There are basically four regimes internationally: (1) directors are hardly ever liable for deepening the insolvency, eg Delaware and most US jurisdictions, plus some traditional English jurisdictions which only punish fraudulent trading; (2) directors are liable for serious negligence (England, Singapore, Australia, Ireland); (3) directors are liable for mere business misjudgements deepening the insolvency (France); and (4) directors are liable if they fail to file for an insolvency proceeding after the company becomes insolvent (France, Germany and others).

Q4 In Slovenia the law rarely imposes personal liability on directors for deepening the insolvency and there is no rule that the directors must file for insolvency when the company is insolvent.

True			False	Can't say
			X	

Comment:

In Slovenia, the legal system recognizes civil, criminal and disqualification liability of directors which may also extend to other members of the corporate bodies (e.g. members of supervisory board).

In case of insolvency, the directors are obliged to treat creditors equally (e.g. to defer all payments save for those necessary for the company's daily business), prepare a financial restructuring report and a plan within one month after insolvency, and follow such plan, e.g. file for bankruptcy, if required (Articles 34 and 35 of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act). Failure to do so may result in director's liability towards the creditors for damages (i.e. if their claims remained unsettled in the bankruptcy proceedings). Such liability of directors is, however, capped to twice the amount of the director's remuneration in the relevant year, whereas the minimum amounts depend on the size of the debtor (ranging from 20,000€ to 150,000€). The caps do not apply in case of intentional misconduct or gross negligence.

In most severe cases, directors may be held liable for criminal offence (Articles 226, 227 and 228 of Kazenski zakonik (KZ-1) Official Gazette no. 50/12 with amendments, hereinafter the Criminal Code), for example in cases where a person who is aware of company's insolvency causes bankruptcy resulting in a large property loss for creditors, where a person intentionally discriminates creditors, or where a person commits a business fraud (e.g. where the person is aware of the company's inability to meet its obligations, but nevertheless enters into a contract on behalf of such company).

Moreover, a person that was acting as a member of the management board of a company against which bankruptcy proceedings were instituted and has been found liable for the payment of damages to creditors, is disqualified from being appointed a member of management or the supervisory board for a time period of two years after the judgement is made final (Article 255 of Zakon o gospodarskih družbah (ZGD-1) Official Gazette no. 65/09 with amendments, hereinafter the Companies Act).

Financial assistance to buy own shares

Generally Many jurisdictions prohibit a company from giving financial assistance to buy its own shares. The typical example would be where a bidder finances the acquisition of a target company by a loan and after the takeover arranges for the target to guarantee the loan and charge its assets to secure the guarantee. The commercial effect is similar to the repayment of the share capital of the target before its creditors are paid. Shareholders should be subordinated to creditors.

The prohibition therefore favours creditors against shareholders of the target.

The Delaware regime does not prohibit financial assistance. The traditional English regime has a wide prohibition (not England any more). Most Roman-Germanic regimes are against it, with Napoleonic regimes hesitant. The EU has a prohibition against financial assistance by public companies. Some countries allow financial assistance by private companies if solvency is established.

A contravening transaction is usually a criminal offence and void.

Q5 Slovenia permits a company to grant financial assistance for the purchase of its own shares.

True			False	Can't say
		X		

Comment:

In Slovenia, the law in general prohibits all legal transactions that enable a public company (i.e. a joint stock company) to grant financial assistance for acquiring its own shares and such transactions are considered null and void (Article 227 and 248 of the Companies Act).

The law, however, offers two exceptions. The prohibition does not apply to on-going legal transactions of financial institutions (for example when a bank credits its clients, when buying bank's shares) and in case of legal transactions initiated so as to enable employees and/or affiliated companies to gain such shares (Article 248 of the Companies Act). In order for this transactions to be legal and valid, a company has to establish a special treasury shares fund. This fund is usually based on undistributed profits or revenue reserves. At this point it has to be emphasized that the establishment of such fund must not lower the amount of the share capital, otherwise the legal transaction will be considered null and void.

As regards private companies (i.e. a limited liability company), prohibition of financial assistance does not apply. However, financial assistance must not lower the amount of the share capital and the tied-up reserves.

In conclusion, Slovenian law is considerably strict when it comes to financial assistance for acquisition of own shares. Considering strict conditions and severe consequences for breach (voidness of the transaction), we assess that the above- mentioned statement is mostly false.

Public takeover regime

Generally A public takeover regime which is free and open tends to favour managers who can guard against takeovers by poison pills and the like and who have relative freedom to acquire other companies. An example is the Delaware regime. A restrictive regime on the lines of the British system tends to favour shareholders.

The chief features of a restrictive regime are: (1) the bidder must make a mandatory bid in cash when a threshold of shares in the target is reached, eg 30%; (2) the bidder must pay the same price to all shareholders (sharing the control premium); (3) no partial bids (getting control on the cheap); (4) proof of certain funds to implement the offer; (5) compulsory acquisition of dissenting minorities (squeeze-out); (6) fixed timetable; (7) no ability of the managers to frustrate a bid by poison pills without shareholder approval; and (8) control of the content of circulars, especially forecasts.

Q6 Apart from exchange controls and restrictions on foreign direct investments, the public takeover regime in Slovenia is open and has few restrictions.

True			False	Can't say
		X		

Comment:

Slovenia has more of a restrictive regime on public takeover regulated by the Takeovers Act (Zakon o prevzemih (ZPre-1), Official Gazette of Slovenia, no. 79/06 with amendments, hereinafter the Takeovers Act) which is EU harmonized by the Directive 2004/25/EC.

The Takeovers Act defines a takeover as a situation in which the offeror, alone or together with persons acting in concert, achieves the takeover threshold, i.e. one third of voting rights in such company (Article 7 of the Takeovers Act). Since the takeover threshold can be reached by a single shareholder or by a group of persons acting in concert the Takeovers Act prescribes situations when certain persons act in such manner. Persons act in concert if they cooperate with each other, based on explicit or tacit, written or oral understanding, in order to gain or reinforce their control over the targeted company or to preclude a certain person from succeeding in the takeover bid (Article 8 of the Takeovers Act).

When this threshold is reached, the offeror is required to make a mandatory takeover bid (Article 11 of the Takeovers Act). The offeror's intention to make a takeover bid has to be announced to the Slovenian Securities Market Agency, the management of the targeted company and the authority for competition even before the official takeover bid is released (Article 24 of the Takeovers Act). In Slovenia, the equal treatment rule is in force and accordingly the same price should be offered for all the shares in the targeted company/all the shares in the same class (Article 17 of the Takeovers Act). However a person is not obligated to make a mandatory takeover offer if the threshold was reached because:

- Of a decrease of the share capital incurred by withdrawal of the shares, executed on the basis of the assembly's decision where this person did not take part, or
- If another shareholder or shareholders that form a corporate group possesses higher stake than this person (Article 10 of the Takeovers Act)

The offeror must make a new bid each time it successfully acquires additional 10 % of the capital carrying voting rights, up until it acquires at least 75 % of all the target company's capital carrying voting rights. There are however some exceptions to the mandatory takeover bid (Article 22 of the Takeovers Act), e.g. inheritance, gratuitous transaction between spouses etc.

If the offeror acquires 90 % of all voting shares, the general meeting of a public limited company may (but is not obliged to) adopt a resolution to transfer shares of the other shareholders (Minority Shareholders) to the main shareholder against the payment of appropriate cash compensation, which is known as squeeze out (Article 384 of the Companies Act).

Also, the notice on the intended takeover, the takeover bid, the amendment or the withdrawal of a takeover bid, and the result thereof, shall be published in a daily Slovenian newspaper (Article 10 of the Takeovers Act) and of course notified to the Slovenian Securities Market Agency.

Slovenia exhibits most of the features of a strict takeover regime such as mandatory bid when the threshold

is reached, the obligation imposed on the bidder to pay the same price to all shareholders, a fixed timetable, the possibility of a squeeze-out and also no ability for the managers to frustrate a bid by poison pills without shareholders' approval.

Other indicators

Other important indicators are corporate governance (difficult to measure), free ability to merge companies by fusion, the one-share-one-vote rule, and, to a lesser extent, minority protections. Other indicators relate to quick and cheap incorporation, the *ultra vires* rule, maintenance of capital, no par value shares, shareholder liability, substantive consolidation on insolvency and disclosure. These are not measured here.

Commercial contracts

Introduction

Contract is at the heart of commercial life, and is everywhere. In fact, the main tenets of contract law across the main families of jurisdictions are consistent - it is in the fields of insolvency and property law where the main differences emerge. It is true that there are contract differences, for example, between writing requirements, open offers, the time of acceptance and specific performance, but often these differences are of lesser significance in practice in the business field.

The key indicators the survey chooses all tend to symbolise whether the approach of the jurisdiction to contract is hard or soft. If the approach is hard, then the jurisdiction tends to support predictability in business contracts so that certainty and freedom of contract are valued more than mitigating the risk of occasionally abusive behaviour and unfair results, especially for weaker parties. A soft jurisdiction tends to give greater primacy to notions of good faith and the like.

Exclusion of contract formation

Generally Commercial parties often wish to be able to negotiate heads of terms commercially without being bound by a contract. In some jurisdictions, the courts are ready to infer that the parties are bound if the terms are sufficiently clear, even if they have said expressly that they do not intend to be bound.

Q7 In Slovenia, parties are not bound to heads of terms if they expressly state that the terms are "subject to contract" or some such clear phrase.

True			False	Can't say
X				

Comment:

In Slovenia, negotiations prior to the conclusion of a contract shall not be binding and may be terminated by either of the parties whenever the party so desires (Article 20 of the Code of Obligations). But a party that enters into negotiations is bound to have regard to certain interests of a counterparty, namely to negotiate fairly or, in other words, not to abandon the negations unfairly (source Juhart, Plavšak, Obligacijski zakonik (OZ) (splošni del) s komentarjem, p. 224). In particular, a party that has negotiated without the intent of concluding a contract or a party that negotiated with the intent of concluding a contract but abandoned the intent without justifiable grounds thus inflicting damage on the other party, shall be liable for any damage inflicted on the other party (Article 20 of the Code of Obligations).

To resume, a party is not bound to conclude a contract solely based on negotiations. It thus follows that heads of terms, which can be considered to form part of negotiations phase, are not binding on the parties. This holds true even if the parties do not expressly state it.

However, in certain cases heads of terms may be considered by a court to be a preliminary contract, or even a contract. A preliminary contract is a contract by which an obligation to subsequently conclude a main contract is accepted. It shall be binding if it contains the material elements of the main contract (paragraph 1 and 3 of Article 33 of the Code of Obligations). In order to exclude the risk that the court will consider heads of terms to be a preliminary contract or even a contract, the parties should expressly state that the terms are "subject to contract" or some such clear phrase

Termination clauses

Generally Many contracts, especially loan contracts, leases of goods and long-term sales contracts, contain events of default on the occurrence of which one party can terminate the contract. Jurisdictions which uphold freedom of contract and the literal interpretation of contract give effect to these clauses and do not rewrite the contract according to the court's notions of what is fair. Other jurisdictions prefer good faith. We ignore consumer contracts - where there may be consumer protections.

Q8 In Slovenia, a termination clause in a loan or sale of goods contract between sophisticated companies (not individuals) providing for the termination of the contract immediately on certain events is usually upheld, even if the event concerned is relatively trivial.

True			False	Can't say
	X			

Comment:

In Slovenia, freedom of contract or party autonomy is the general principle in contract law (Article 3 of the Code of Obligations). But, there are also limits to this general principle, namely participants may regulate their obligational relationships in a manner different to that set out in the Code of Obligations, unless the contrary follows from an individual provision of the present Code of Obligations or from the meaning of an individual provision.

In principle, individuals and sophisticated companies are free to bargain and create the terms of their contract, but the parties may not contravene the Constitution of the Republic of Slovenia, compulsory regulations or moral principles (Article 3 of the Code of Obligations), and the parties must respect the principle of conscientiousness and fairness and must act in accordance with good business custom (Article 5 of the Code of Obligations).

If these conditions are met, no question arises from Slovenian jurisdiction about the validity of the termination clause, even if the event concerned is relatively trivial.

Exclusion clauses

Generally Contracting parties often seek to exclude their liability for defective performance of the contract. So the issue is whether these exclusion clauses are generally upheld if they are clear and whether freedom of contract is allowed in this area.

Q9 In Slovenia, exclusions of liability in most commercial contracts between sophisticated companies, such as a sale of goods contract, are generally upheld if they are clear.

True			False	Can't say
		X		

Comment:

Slovenian legislation limits agreements on exclusion of liability between sophisticated companies with several prohibitions as listed below.

Contractual exclusion of liability is possible only for minor negligence, while exclusion for intent or gross negligence is not allowed (Article 242 of the Slovenian Code of Obligations). Even contractual agreement for slight negligence can be annulled by a court on a request of a party if the agreement derived from the monopoly position of the other party or unequal nature of the relationship between the contracting parties (Article 242 of the Slovenian Code of Obligations).

Exclusion of liability in a sale of goods contract must be distinguished from that relating to material defects and that relating to legal defects. When talking about material defects, although there is autonomy of the parties on seller's liability in commercial contracts, there is possibility of annulment and voidness in regards to contractual provision on restricting or excluding liability for material defects if the defect was known to the seller and the seller failed to inform the buyer about the defect, and also if the seller forced such a provision on the buyer by exploiting a predominant position (Article 466 of the Slovenian Code of Obligations). On the other side, the seller’s liability for legal defects can also be limited or entirely excluded by a contract. However, a threat of annulment and voidness remains if any defect in the seller’s rights was known or could not have remained unknown to the seller (Article 493 of the Slovenian Code of Obligations).

Exclusion of liability might, however, not be upheld if it would be considered unclear. The Slovenian laws do not prescribe any special standards in this respect, accordingly, the general rules for interpretation of contracts apply. Knowing this, the terms within exclusion clauses are to be interpreted within the common intention of the parties and in accordance with general principles of law of obligations (Article 82 of the Slovenian Code of Obligations). Additionally, if the contract, including the exclusion clause, was prepared in advance or suggested by one of the parties, all the unclear provisions are to be interpreted in favour of the other party (Article 83 of the Slovenian Code of Obligations). The interpretation of the contract depends on whether one deals with a contract with pecuniary interest or not. Considering the former, all interpretations are to be made in a manner less favourable for the creditor, while with the latter, interpretation has to be settled so as to form a just balance between the obligations on both sides (Article 84 of the Slovenian Code of Obligations).

Other indicators

Other contract indicators not assessed here include writing formalities, open offers, mistake, frustration, damages, penalties, specific performance and whether notice of assignment of the contract to the debtor is mandatory if the assignment is to be valid on the insolvency of the assignor.

Litigation

Introduction

The first three key indicators of governing law, jurisdiction and arbitration tend to show whether the jurisdiction does or does not place a high value on international comity and freedom of contract as opposed to national primacy.

The indicator on class actions tends to show whether or not the jurisdiction's litigation system is orientated towards plaintiffs, especially mass plaintiffs in product liability cases. This indicator may also show the attitude of the jurisdiction to the protection of individual parties as against business parties, both in terms of the incidence of costs and enforcement.

Governing law clauses

Generally Most countries apply a foreign governing law of a contract even if there is no connection between the contract and the jurisdiction. If the courts do not uphold the governing law, the effect is that the contract obligations may be different.

Q10 The Slovenian courts will apply an express choice of a foreign law in a loan or sale of goods contract between sophisticated companies, even though the contract has no connection with the foreign jurisdiction, but subject to Slovenian public policy and mandatory statutes.

True			False	Can't say
X				

Comment:

In Slovenia, as a member of the European Union, a choice of foreign law is recognized under the applicable law in field of loan or sales of goods contracts, i.e. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) which applies in Slovenia from December 17, 2009 on.

Parties have complete freedom when they are considering the choice of law which will apply to their contractual obligations (Article 3 of the Regulation Rome I). The choice itself shall meet the requirement that it is made expressly or clearly demonstrated by the terms of the concluded contract or other relevant circumstances (Article 3 of the Regulation Rome I). With other words, the choice of governing law can be the result of either express or implied selection. Freedom of choice is provided whether the parties choose to apply the selected governing law to the entire or only part of the contract.

Although no specific connection between the contract itself and the jurisdiction is required, certain prohibitions may still apply in such cases. The choice of governing law cannot exclude the provisions which cannot be derogated from by agreement (ius cogens) if the agreement and its elements have a specific

connection with the country whose law is not the subject of express or implied choice of law (Para 3 of Article 3 of the Regulation Rome I). The provision applies similarly to the situations where non-EU law is chosen; such choice cannot derogate from ius cogens of national law of specific Member State or relevant provisions of EU law (Para 3 and 4 of Article 3 of the Regulation Rome I). The court of the Member State may apply its overriding mandatory provisions to any situation falling within their scope (Article 9 of the Regulation Rome I); whereby this type of provisions are merely illustratively listed as matters of political, social or economic organization which are crucial for Member State`s public interest.

In above mentioned cases the choice of governing law will be overridden.

Foreign jurisdiction clauses

Generally Many contracts confer jurisdiction, sometimes exclusive, on the courts of a foreign jurisdiction, usually accompanied by a choice of foreign governing law.

Q11 The Slovenian courts will generally uphold a clear submission in a loan or sale of goods contract between sophisticated companies to the exclusive jurisdiction of the courts of a foreign country, even if there is no connection between that country and the contract.

True			False	Can't say
X				

Comment:

In Slovenia, as a member of the European Union, a choice of foreign jurisdiction is recognized under the Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, also known as Brussels Regulation I bis which applies from January 1, 2015 on.

The parties can, regardless of their domicile, agree on jurisdiction of a court of specific Member State country (Article 25 of the Brussels I bis). Foreign jurisdiction clauses will be upheld as long as they meet the following requirements. The agreement conferring jurisdiction shall be either:

a. in writing or evidenced in writing;
b. in a form which accords with practices which the parties have established between themselves; or
c. in international trade or commerce, in a form which accords with a usage of which the parties are or ought to have been aware and which in such trade or commerce is widely known to, and regularly observed by, parties to contract of the type involved in the particular trade or commerce concerned (Article 25 of the Brussels I bis).

Although no specific connection between the contract itself and the chosen jurisdiction is required, prorogation of the jurisdiction shall not oppose the provisions of exclusive jurisdiction, jurisdiction in matters relating to insurance as well as jurisdiction over consumer contracts and individual contracts of employment. Additional requirement set by the regulation is also that foreign jurisdiction agreements have to be valid according to the law of the prorogated Member State. Therefore such agreement establishes exclusive jurisdiction unless the parties have agreed otherwise.

In conclusion neither Brussels Regulation I bis nor EU case law do not govern any specific requirement of connection between the prorogated country and the contract as long as such prorogation is concluded in favour of any European Member State country. Therefore the choice of jurisdiction is a matter of parties' agreement as long as it meets all the above mentioned requirements.

Arbitration recognition

Generally Contracting parties, especially in trading and construction contracts, but less so in loan contracts, wish to submit disputes to arbitration, sometimes in a foreign country. The resulting award is often enforceable locally under the New York Arbitration Convention of 1958, to which most countries have adhered.

Q12 In Slovenia, the courts allow sophisticated contracting parties to submit contract disputes to a foreign arbitral tribunal to the exclusion of the Slovenian courts.

True		False	Can't say
	X		

Comment:

In Slovenia, the applicable law is Arbitration Act (Zakon o arbitraži (ZArbit), Official Gazette of Slovenia no. 45/2008, hereinafter the Arbitration Act), governing not only domestic arbitration but also certain situations, where the seat of arbitration is abroad (Para 1 of Article 1 of Arbitration Act).

Provided that the arbitration agreement is duly concluded and effective, the Slovenian courts are obliged to step aside in case when contracting parties agree upon solving their disputes in front of foreign arbitration and when there are no restrictions regarding a specific dispute in terms of exclusive jurisdiction of the Slovenian court (Article 5 of the Arbitration Act). In cases where an action is brought before a court on a matter that is the subject of an arbitration agreement, the court shall declare, upon request of the respondent, that it has no jurisdiction (Article 11 of the Arbitration Act). Following this declaration, the court will invalidate any actions taken in the proceedings and dismiss the action without prejudice, unless it finds that the arbitration agreement does not exist, is null and void, has ceased to be valid, or is incapable of being performed. To achieve dismissal of an action in case of a valid arbitration clause, the respondent is only obliged to raise such request in the statement of defense submitted to the court at the latest.

These provisions show that Slovenian courts exclude themselves in cases of valid arbitration agreement or contract clause, but not ex officio, since there has to be some input of contracting party in a form of a request for such exclusion. However, Slovenian courts still have limited jurisdiction, since they can make decisions regarding the validity of arbitration agreement and the jurisdiction of arbitration tribunal (Article 11 of the Arbitration Act). A Slovenian court may, upon request of a party, grant an interim measure of protection relating to the subject matter of the arbitration before or during arbitral proceedings (Article 12 of the Arbitration Act). On the other hand, arbitral proceedings may commence or continue, and the arbitral tribunal may grant the award even/already while the issue is pending before the court (Para 4 of Article 11 of the Arbitration Act).

As regards recognition of foreign arbitral awards, the Arbitration Act directly refers to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (Article 42 of the Arbitration Act), and stipulates that the arbitral award, issued in a foreign arbitration procedure, has effects if it has been recognized by the

District Court of Ljubljana. Slovenia has thus departed from the reservation of reciprocity, which shows that even when a country is not a signatory to the New York Convention, the respective Convention is (nevertheless) used in the recognizing process.

For the purposes of the recognition of a foreign arbitral award, Slovenian law has softened the New York Convention requirements, as it suffices that the party requesting recognition presents an original arbitral award or its copy. Upon request of the Court, a party has to present also the original or a certified copy of the arbitration agreement.

Class actions

Generally In some countries, such as the United States, a plaintiff can be authorised by the court to sue on behalf of all claimants who are similarly situated. Claimants have to opt out or they are bound.

Q13 In Slovenia, class actions where the class is bound if they do not opt out are generally not allowed.

True			False	Can't say
		X		

Comment:

In Slovenia, for now, standard class actions are not a recognizable form of procedure. Several persons may act together as plaintiffs, but this is based on free will of each individual and such actions are, therefore, not based on the opt-out system. This means that the claimant becomes affected by joint litigation only if he joins the litigation. Furthermore, in Slovenia, lawsuits in particular areas (e.g. consumer protection) may be filed jointly or on behalf of several persons or entities.

According to the Slovenian Civil Procedure Act (Zakon o pravdnem postopku, (ZPP), Official gazette of Slovenia no. 73/07, hereinafter the Civil Procedure Act), several people may sue or be sued by the same action (co-litigants), if the disputed claims or obligations are of the same type and based upon similar factual and legal ground, and if the same court has the subject-matter and territorial jurisdiction over each of the claims (Article 191 of the Civil Procedure Act). In cases with many plaintiffs it is, therefore, possible to submit an action through one agent (usually a selected law firm or a lawyer), who represents all of the plaintiffs. Furthermore, the same Article states that until the completion of the main hearing and subject to certain conditions, the plaintiff may be joined by another plaintiff, subject to consent of the former. However, in this case each plaintiff must be aware of the fact that the person joining shall take over the litigation in the state as existing upon their joinder. Furthermore, there is a distinct difference between this form of action and a standard class action, since each of the co-litigants acts as an independent party to the litigation; the acts of procedure, which he or she performs or fails to perform, are not to the benefit nor to the detriment of other co-litigants (Article 195 of the Civil Procedure Act). Due to this, courts are obliged to perform individual testing of procedural requirements for each litigant. There is an exception to this rule, when a certain dispute can only be resolved in the same manner for all co-litigants (i.e. indispensable parties). In such case, the legal effect of any act of procedure made by one of the co-litigants shall be extended to comprise also those of them who have failed to perform it in time (Article 196 of the Civil Procedure Act).

The Consumer Protection Act (Zakon o varstvu potrošnikov (ZVPot-UPB2), Official Gazette of Slovenia no. 98/2004, hereinafter the Consumer Protection Act) provides for a possibility of a lawsuit claiming prohibition of future acts, when the defendant acts harmfully. This type of action concerns consumers indirectly and can be filed by an organization of consumers, a chamber or a trade association. Furthermore, this type of action can be filed by consumer ombudsman or organization of consumers from another Member State (source: Galič, A.: Group actions in the field of consumer law, Pravni letopis 2011, page 219). A declaratory lawsuit for unlawful acts can be filed by any of the entities listed above and is intended to achieve declaration of nullity regarding specific consumer contracts or unfair general terms and conditions (Article 76 of the Consumer Protection Act). However, the action is only declaratory, meaning that consumers themselves have to file an additional lawsuit, where they can require compensation and refer to the earlier declaratory action.

Similar lawsuits are also possible under Environmental Protection Act (Zakon o varstvu okolja (ZVO-1) Official Gazette of Slovenia no. 39/2006, hereinafter the Environmental Protection Act).

Other indicators

Other indicators not covered by this survey include contingent costs, loser pays the costs of the winner, prejudgment freezes or arrests, appeals, scope of disclosure (discovery of documents), efficacy of waivers of sovereign immunity and the enforceability of foreign judgments.

Real property

Ownership of land

Generally In most countries, nationals can own land absolutely and are not restricted simply to leases for a limited term or simple rights of occupancy. However, in some jurisdictions, absolute ownership of land is not available to nationals or local corporations. If this is so, then the jurisdiction would be coloured green if citizens can lease land for a very long term without material restrictions, such as 999 years, and can also mortgage or sell the land or give it away or bequeath it under their wills without official consent because the ownership is a close proximate of absolute ownership. If on the other hand citizens are entitled only to a lease of, say, 70 years or less, or to similar rights of occupancy, and if there are limitations on dealing with the land without official consent, such as mortgaging, selling or bequeathing it, then the jurisdiction would be red.

Q14 In Slovenia nationals and local corporations are entitled to own land absolutely.

True		False	Can't say
	X		

Comment:

In principle, nationals and local corporations in Slovenia are entitled to own land absolutely. A right to own land is an absolute right which means that the owner is entitled to possess, use, enjoy real-estate and has

absolute power of disposal over it (Article 37 of the Stvarnopravni zakonik (SPZ) Official Gazette of Slovenia, hereinafter the Law of Property Code).

The Constitution of the Republic of Slovenia sets out the way of acquiring and enjoying property in the sense of ensuring its economic, social and ecological function (Article 67 of the Slovenian Constitution). Some other restrictions are also imposed, such as: prohibition of use in a certain way (mostly in regard to construction), imposition of certain practices (a right of way of necessity), restrictions on disposal (pre-emptive right) and even commandments (duty bound behaviour – maintenance of land). Moreover, no one shall be deprived of a property right unless it is in the public interest, in accordance with conditions determined by law and with respect to the principles of international law. The right to property is a fundamental right, which can only be limited by the rights of others after passing the proportionality test. Interference is permissible only if it is absolutely necessary for the protection of other human rights. In particular, a real-estate right (ownership of land) may be taken away against damages or compensation, may be restricted for a limited period of time and may be burdened with a temporary or permanent easement (Article 92 of Zakon o urejanju prostora (ZUreP-1) Official Gazette of Slovenia no. 110/02 with amendments, hereinafter the Spatial Management Act). Parties may also restrict real-estate rights with a contract, whereby if such restrictions are registered in the Land Register, they are effective against third parties.

When the state has a special interest in certain types of land (mostly in protected areas), it imposes restrictions on land transactions. The measures adopted by the legislature in this case are: (i) the consent of the National Authority for the conclusion of the transaction or the acquisition of the real-estate right; and (ii) the legally protected pre-emptive right, where legislature in advance determines who is the most suitable buyer. Also, Article 12 of the Mining Act *(*Zakon o rudarstvu (ZRud-1), Official Gazette of Slovenia no. 14/14*,* hereinafter the Mining Act) and Article 6 of the Cultural Heritage Protection Act *(*Zakon o varstvu kulturne dediščine (ZVKD-1), Official Gazette of Slovenia no. 16/08 with amendments, hereinafter the Cultural Heritage Protection Act*)* determine that mineral resources and archaeological finds are owned by the State.

Security of land title and land registers

Generally Many jurisdictions improve the security of title to land by a registration system which, although not necessarily state-guaranteed, has high reliability. An example is the Torrens system developed in Australia and used in many other countries, eg Canada and England.

Most countries in the civil code groups do not have a title register but instead require documents concerning land to be notarised and filed at the registry so that they can be searched. The United States does not generally have title registers for land although there may be mortgage registers. They rely on title registration companies which provide title insurance.

Q15 Most land in Slovenia is registered in a land register which records most major interests in land, eg ownership, mortgages and longer-term leases.

True			False	Can't say
X				

Comment:

In Slovenia, most land is registered in a land register. Any legal right of interest shall be registered in the Land Register in order to protect that right against claims from third parties, as it stands that all registered rights prevail over unregistered claims. Therefore, a purchaser of real property can rely on the data concerning real property in the Land Register, since retroactive actions by third parties will not have any effect. The Land Register is kept in electronic form by each Local Court.

The Land Register contains legal information about the property. It includes rights *in rem* regarding the ownership, mortgage, land debt, easement, encumbrance and building title on the property. Additionally, some obligation rights are entered into the Land Register as well.

Besides the Land Register, holding legal information, there is also the Cadastre, holding factual information. The Cadastre is comprised of the Land Cadastre and the Cadastre of Buildings. It contains factual information about the land, which is divided into individual plots, each given its own cadastral number (identification number). It contains information regarding the owner, user, tenant, operator, location and shape, surface, actual use, rating of land and the number of residence/business unit of the property, as set out in the Real-Estate Recording Act (Zakon o evidentiranju nepremičnin (ZEN), Official Gazette of Slovenia no. 47/06 with amendments, hereinafter the Real-Estate Recording Act*)*.

Land development restrictions

Generally Many countries restrict development and the change of use of land and require permits to be obtained for any development or change of use.

Q16 In Slovenia, apart from environmental controls (dealt with later), the control of commercial development and the change of use of land is very light and, where required, permits are quick and cheap to obtain.

True			False	Can't say
		X		

Comment:

In Slovenia, the change of the use of land by an individual is practically impossible and a building permit is required in most cases. Due to the preparation of extensive project documentation and complex conditions for obtaining it, obtaining building permits may be a long and expensive procedure.

Spatial planning is in the public interest, which is why an individual has no right to change the use of land. Areas of eligible use of land, as determined in spatial arrangements, are: building, agricultural, wooded, water and other land. The Spatial Planning Act *(*Zakon o prostorskem načrtovanju (ZPNačrt), Official Gazette of Slovenia no. 33/07 with amendments, hereinafter the Spatial Planning Act*)* lays down the substantial rules and rules of procedure for the adoption of spatial planning documents, in which general guidelines for spatial interventions, types of interventions, conditions, and criteria are determined. Spatial planning documents are adopted at national or municipal level.

A municipal spatial plan is a basis for the preparation of projects to acquire a building permit. In the process of preparing this plan, an individual has the right to participate. The general public has a right to participate, namely the municipality must inform the public of the draft of a municipal spatial plan and the public has the right to comment and suggest amendments (Article 50 of the Spatial Planning Act). The municipality must respond to proposals and adopt a position on them. However, the municipality is not required to consent to the proposal. From the foregoing we can conclude that an individual does not have much power in the change of use of land. It must be emphasized that the status of the use of land does not denote that the rights have been acquired; the use of land can be changed when adopting a new spatial plan.

A final building permit is required in order to build in most cases. The Construction Act *(*Zakon o graditvi objektov (ZGO-1), Official Gazette of Slovenia no. 102/04 with amendments, hereinafter the Construction Act*)* lays down the conditions for obtaining a building permit.

With respect to complexity of a building and to its maintenance, buildings are classified as complex, less complex, non-complex and simple buildings. A building permit is required for every type of building except when building a simple object, but even then it must be in concordance with the spatial plan. The investor must apply for a building permit at the competent administrative body. Attachments to the application are; project design, the certificate of the right to build if this right is not registered in the Land Register, and approvals as required by the law. The competent administrative body issues a building permit in 60 days, but this time period is not binding. After completion of the building and before use, also an operating permit must be acquired.

Before deciding to build, it is highly recommended to seek information on location, which can be also obtained online. The information on location includes basic characteristics of the land in question and lists approvals that must be obtained to acquire a building permit.

Other indicators

Other indicators not surveyed include transfer costs, stamp duties and lessee protections.

Employment law

Generally The indicator here is whether it is easy or hard to hire and fire employees. The measures include high minimum wages, maximum hours, minimum holidays, maternity rights, equal pay for equal work (non-discrimination) and severance costs.

Q17 In Slovenia, there are few controls on hiring and firing employees or on the terms of employment.

True			False	Can't say
		X		

Comment:

In Slovenia, the minimal standards of employment relationship are mostly governed by the Employment Relationship Act (Zakon o delovnih razmerjih (ZDR-1) Official Gazette of Slovenia no. 21/13 with

amendments, hereinafter the Employment Relationship Act). With few exceptions, the employment contract and/or collective agreement may lay down only rights which are more favourable for the worker than those laid down in the Employment Relationship Act.

The employment contract may be terminated by the employer or employee with a period of notice (so-called ordinary termination) or without a period of notice (so-called extraordinary termination). The employment contract may be terminated ordinarily only because of the following reasons: business reason, reason of incapacity, reason of culpability, reason of inability to carry out the work due to disability and reason of unsuccessful trial work. Extraordinary termination is possible only one of the enumerated statutory reasons exists (Article 110 and 111 of the Employment Relationship Act) and if, taking into account the circumstances and the interest of both parties, the employment relationship could not be continued until the end of the period of notice.

Moreover, a worker has a right to severance pay in case of (i) termination of an employment contract on the ground of business reason or reason of incapacity, and (ii) extraordinary termination for reasons on the employer's side, and (iii) employment contract is terminated in the process of dissolution of the employer (Article 108 of the Employment Relationship Act). This right cannot be waived by the employee. The basis for the calculation of the severance pay is the average monthly wage, received by the worker in the last three months before the termination of the contract. The amount of severance pay depends on the time of the employment relationship with the employer and his legal predecessors. Worker, employed for less than one year before the termination of the employment contract, is not entitled to severance pay. The maximum level of the severance pay is set to tenfold amount of the basis, unless otherwise stipulated by the branch collective agreement. For severance pay in case of termination of a fixed-term contract and in case of retirement the rules are slightly different.

When hiring employees and drafting the terms of the employment contract, the following shall be taken into consideration:

Non-discrimination: Employers are obliged (also when hiring and firing employees) to ensure equal treatment irrespective of ethnicity, race or ethnic origin, national or social background, gender, skin colour, state of health, disability, faith or conviction, age, sexual orientation, family status, membership of unions, financial standing or other personal circumstance (Article 6 of the Employment Relationship Act). This general rule has an exception; differing treatment does not constitute discrimination if, owing to the nature of the work or circumstances in which the work is performed, a certain personal circumstance might represent a significant and decisive condition in respect of the work and such a requirement is in proportion to and justified by the legitimate objective.

Minimum wages: When setting the amount of remuneration the employer must take into account the statutory provisions (Article 126 of the Employment Relationship Act). The amount paid to the worker may not be lower than the minimum laid down by law and/or collective agreement. The minimum wage is regulated by the Minimum Wage Act and its gross amount in 2016 for working full-time is 790,73 EUR per month. This amount is annually adjusted at least based on the consumer price index.

Maximum hours: Subject to certain exceptions, full working hours may not exceed 40 hours a week (Article 143 of the Employment Relationship Act).

Minimum holidays: A worker has the right to annual leave which may not be shorter than four weeks in an individual calendar year, regardless of whether he or she works full time or part time (Article 159 of the

Employment Relationship Act). Annual leave is paid. Employers are also obliged to pay holiday allowance to the workers who are entitled to annual leave at least in the amount of the minimum wage (Article 131 of the Employment Relationship Act). Additional rights are given to older workers, disabled persons, workers with at least 60 % physical impairment, workers who take care of a physically or mentally handicapped child, workers who are parents, night workers and workers under the age of 18.

Maternity rights: During pregnancy and parenthood, workers enjoy special protection. There is a general rule that an employer must enable workers to coordinate between family and employment (Article 182 of the Employment Relationship Act). To ensure that, workers have the right to parental and maternity leave, during which they can attend to their family responsibilities. Certain rights in relation to parenting belong to both fathers and mothers, such as the right to apply for parental leave and wage compensation during that time. Certain prohibitions of work apply to women during pregnancy and breast-feeding period, if such work could present risk to her or her child's health. A breastfeeding mother additionally has the right to longer breaks during working time and enjoys special protection regarding night and overtime work. During this period there is also a prohibition of employment contract termination.

Environmental restrictions

Q18 In Slovenia the rules governing the environment and liability for clean-up are very light and relaxed.

True			False	Can't say
			X	

Comment:

Slovenia, as a member of EU, has very strict rules governing the environment and liability for clean-up. It has implemented the majority of EU acts and it has in addition adopted even stricter rules in some fields e.g. chemicals, climate change. Namely, EU is recognised as having established some of the world's highest environmental standards and is one of the most active players in the field of environmental protection. In 2002, sustainable development has become the key element of EU policy.

Slovenian Constitution introduced the principle of sustainable development (Articles 67 and 72 of the Constitution of Republic of Slovenia). In Slovenia there are several sectoral laws such as Nature Conservation Act, Forest Act, Waters Act, but the framework law is the Environmental Protection Act (Zakon o varstvu okolja (ZVO), Official Gazette or Slovenia no. 39/06 with amendments, hereinafter the Environmental Protection Act) which includes all basic rules regarding environmental issues. Among others, the goals of this act are also to prevent and reduce environmental pollution and to eliminate its consequences (Article 2 of the Environmental Protection Act). The polluter is liable for eliminating the source of excessive pollution and its implications and for prevention and remediation of environmental damage (Article 9 of the Environmental Protection Act). Furthermore, polluter bears all costs of the prescribed measures for the prevention and reduction of pollution, including the environmental tax on pollution that can be prescribed (Article 10 of the Environmental Protection Act).

The key remedy for environmental damage is environmental liability introduced in Slovenia's legal order in 2008, with the implementation of the Directive 2004/35/EC on environmental liability. Based on the polluter pays principle it establishes liability for the damage to protected species and natural habitats, water and soil.

Openness to foreign business

Generally These indicators measure the degree to which the country is open to foreign businesses. The indicators are quite generic and therefore subjective.

Foreign direct investment

Q19 In Slovenia foreigners may freely own and control local companies outside protected industries, such as media, banks and defence.

True		False	Can't say
	X		

Comment:

In Slovenia, foreigners may freely own and control local companies outside protected industries, such as media, banks and defence. In order to control a local company a foreigner has the following options: establishment of a company, takeover, joint venture and foreign direct investment.

The most common way to own and control a local company is to establish a company. A foreigner is entitled to establish a company under the same conditions as Slovenian citizens and entities. A founder of a company can be any natural or legal person (Article 3 of the Slovenian Companies Act), subject to certain statutory limitations (Article 10 of the Slovenian Companies Act). Slovenia also does not apply any additional requirements for the foreigners considering the registration of the company. However a distinction has to be made between the establishment of a company and representing the company. Should a foreigner wish to be a representative of the company, it may need to acquire a special consent of the Employment Service of Slovenia (Zakon o zaposlovanju, samozaposlovanju in delu tujcev (ZZSDT), Official Gazette of Slovenia no. 47/15 with amendments, hereinafter the Employment, Self-employment and Work of Aliens Act).

Next option, to own and control a company in Slovenia, is to exercise a takeover of an already existing company. The takeover act is based on the principle of equal treatment of domestic and foreign legal and natural persons and does not contain any special provisions concerning foreign investors.

Slovenian legislation provides two more options, which offer a possibility to own and control a company. One is to set up a joint venture. Slovenia does not impose any restrictions for foreigners on this matter. And another one are foreign direct investment incentives. Slovenia encourages foreign investments and is promoted as R&D hub, green hub and logistic hub.

As a side note, the government agency »Invest Slovenia« encourages non-residents to invest here, with the following activities: offering free consulting, promotion, analysing of its competitive benefits and granting of financial incentives (Article 4 of Zakon o spodbujanju tujih neposrednih investicij in internacionalizacije podjetij (ZSNIIIP), Official Gazette of Slovenia no. 107/06 with amendments, hereinafter the Promotion of

Foreign Direct Investment and Internationalisation of Enterprises Act). The criteria for granting these incentives are the number of newly created jobs, investor references, the degree of technological complexity of the investment and the effects of the investment on balanced regional development (Article 10 the Promotion of Foreign Direct Investment and Internationalisation of Enterprises Act).

Exchange controls

Q20 In Slovenia, there are no exchange controls. Businesses may therefore have foreign bank deposit accounts in foreign currency, borrow in foreign currency and repatriate profits to foreign shareholders in foreign currency.

True			False	Can't say
X				

Comment:

At the time of entering EMU (i.e. European monetary union), some changes had been made in the area of exchange controls and accordingly a new Foreign Exchange Act was passed (Zakon o deviznem poslovanju (ZDP-2) Official Gazette of Slovenia no. 16/08 with amendments, hereinafter the Foreign Exchange Act).

In general, the Foreign Exchange Act does not impose foreign exchange controls or specific restrictions on payments to foreign individuals and companies, save for the following.

Slovenia exercises exchange control merely in two cases: the first one is control over foreign exchange operations of banks and foreign exchange offices that is maintained by the Bank of Slovenia, and the second one is control over cross-border transfer of cash that is maintained by custom authorities (Articles 13 and 14 of the Foreign Exchange Act). Custom authorities exercise control over all cross-border transfers of cash of residents and non-residents, and are entitled to confiscate cash in the amount over 10.000€ that was not notified in advance (Articles 13 and 14 of the Foreign Exchange Act). Also, some reporting obligations are imposed to control tax evasion and money laundering. With respect to the latter, organizations (such as banks, companies providing certain payment transaction services, post, investment funds etc.) shall inform and forward the data to Office for Money Laundering Prevention of the Republic of Slovenia on cash transaction exceeding EUR 30,000 (Article 4 of Zakon o preprečevanju pranja denarja in financiranja terorizma (ZPPDFT), Official Gazette of Slovenia, no. 90/14, hereinafter the Prevention of Money Laundering and Terrorist Financing Act). In order to prevent tax evasion every natural and legal person is obligated to register in the tax register and provide information on all domestic and foreign bank accounts to the financial administration of the Republic of Slovenia (Article 48 and 49 of Zakon o finančni upravi (ZFU), Official Gazette of Slovenia no. 25/14, hereinafter the Financial Administration Act).

Additionally, in Slovenia all legal persons must make payments for the supply of goods and services through their bank accounts with the exception of smaller transactions which can be paid in cash (Article 36 of Zakon o davčnem postopku (ZdavP-2), Official Gazette of the Republic of Slovenia no. 13/11 with amendments, hereinafter Tax Procedure Act). In this respect, a reference could be made to the Payment Services and Systems Act (Zakon o plačilnih storitvah in sistemih (ZPlass), Official Gazette of Republic of Slovenia no. 58/09 with amendments, hereinafter Payment services and Systems Act) that encompasses a definition of a

bank account, stating explicitly that a bank account is only an account opened by a bank or a savings institution in Republic of Slovenia. This would imply that Slovenia imposes a restriction on foreign bank accounts however this interpretation would be too vast. The above-mentioned definition is used solely for the purpose of collecting data about bank accounts that can be subjected to the enforcement.

Alien ownership of land

Q21 In Slovenia, foreign-controlled companies have the same rights as nationals or residents to own or lease land without a permit.

True			False	Can't say
		X		

Comment:

In Slovenia, foreign-controlled but locally incorporated companies have the same rights as nationals or residents to own or lease land without a permit. As regards foreign incorporate companies, the following applies.

At the outset, there is a distinction between foreign persons or companies domiciled in the European Union and foreign persons or companies domiciled elsewhere. Persons or companies domiciled in the European Union are not considered as foreigners and have the same rights to own land as nationals of Slovenia, in accordance with the fundamental freedoms of the European Union. Furthermore, a different regime applies to persons or companies from European Union Candidate Countries, as set out in the Act Stipulating the Conditions for the Acquisition of the Title to Property by Natural Persons and Legal Entities from the European Union Candidate Countries (Zakon o pogojih za pridobitev lastninske pravice fizičnih in pravnih oseb držav kandidatk za članstvo v Evropski uniji na nepremičninah (ZPPLPKEU); Official Gazette of Slovenia no. 61/02, hereinafter the Act Governing conditions for the acquisition of title to property by natural persons and legal entities of European Union candidate countries), which separates Candidate Countries from EU Member States and equalizes them with other foreigners.

Those foreign persons or companies face certain restrictions in regard to the ownership of real-estate in Slovenia, namely the principle of reciprocity applies, which is determined by the Reciprocity Act (Zakon o ugotavljanju vzajemnosti (ZUVza); Official Gazette of Slovenia no. 9/99, hereinafter the Reciprocity Act), unless otherwise specified by an international treaty. Reciprocity, according to this act, means that foreign persons can obtain and own land in Slovenia if nationals of Slovenia can obtain and own land in the State of the foreigner under the same or similar conditions that apply to foreigners in Slovenia and that the fulfilment of those conditions is not substantially more difficult for nationals of Slovenia. The decision of reciprocity is issued by the Ministry of Justice and shall then be enclosed to the application to enter the right of ownership of land into the Land Register.

As regards lease of land, there are no specific provisions in law regarding the lease of land of foreign persons or companies, therefore the same rules apply as for nationals of Slovenia.

Application of the law

Generally These indicators deal with the application of the law, as opposed to what the law actually says. They are bound to be generic and subjective, a matter of impression.

Q22 In Slovenia, the higher courts usually treat big businesses as fairly as they treat individuals and do not favour local interests over foreigners.

True		False		Can't say
	X			

Comment:

In Slovenia, Article 23 of the Constitution specifically declares a right to the independent and impartial court and also a right to be judged solely by a judge duly appointed in accordance with the laws.

All judges are independent and are bound only by the Constitution and the laws. In order to ensure this presumption, Constitution of Slovenia encompasses the following provisions; permanence of judicial office, election of judges, incompatibility of judicial office and immunity of judges (source: Mavčič (2012) Guarantees of Independence of the Judiciary: the Slovenian Experience. In: The International Judicial Reform Symposium, page 6). Slovenian courts have to comply with all constitutional and legislative requirements, both national and international, to ensure all parties a fair and equitable treatment.

We did not come across any case that would prove that higher courts treat individuals any different than big businesses or favour local interests over foreigners.

Costs and delays of commercial litigation

Q23 The costs and delays of commercial litigation in the higher courts in Slovenia are not considered materially greater than in other comparable countries.

True		False		Can't say
	X			

Comment:

In Slovenia, the costs of commercial litigation procedure are a sum of court fees, attorney's fees and costs of possible interpreters, court experts and costs related to other evidence. Although different sources of costs are regulated separately, the Civil Procedure Act provides key principles.

Each party must bear the costs they have caused in advance (Article 152 of Civil Procedure Act). The basic principle is "Loser pays", therefore the losing party in a dispute must reimburse the expenses of the

adversary, unless the costs are caused by fault of one party or by coincidence on its side (Article 156 of Civil Procedure Act). When a party only wins partially the court can, based on the success of a party, decide that each party bears their own costs or that the losing party must reimburse a corresponding part of the costs (Article 154 of Civil Procedure Act). Considering all relevant circumstances, the court, on request of a party, decides the necessary costs of litigation that are returned.

Court fees are regulated by the Court Fees Act (Zakon o sodnih taksah (ZST-1), Ur. l. RS, no. 37/08with amendments, hereinafter Court Fees Act). The court fees depend on the value of the disputed claim and are capped; once the value of the disputed claim reaches EUR 30m, the court fees no longer increase. Attorneys rates are defined by the Bar association of Slovenia in unison with the minister of justice (Zakon o odvetniški tarifi (ZOdvT), Ur. l. RS, no. 2/15, hereinafter Attorney Tariff Act). They also depend on the value of the disputed claim and are capped. Other costs are regulated also by rules on the costs of court interpreters (Pravilnik o sodnih tolmačih, Official gazette of Slovenia no. 88/10 with amendments, hereinafter the Rules on court interpreters) and court experts and certified appraisers (Pravilnik o sodnih izvedencih in sodnih cenilcih, Official gazette of Slovenia no. 88/10 with amendments, hereinafter the Rules on court experts and certified appraisers). These costs are in fixed amounts.

In Slovenia, delays of commercial litigation have after the 2005 pilot judgement *Lukenda v. Slovenia* (i.e. the ECtHR identified a systematic problem in the Slovenian judiciary with regard to trial within reasonable time which is violation of Article 6 of the European Convention on Human Rights) shortened significantly. However, backlogs and lengthy court proceedings remain a challenge for the functioning of civil and commercial courts, especially on lower courts. According to the Annual report of the Slovenian Supreme court from 2014, a commercial litigation proceedings case takes, on average, 8.5 month on the first instance, 2.9 month on the second instance and 5.1 month on the third instance (source: Letno poročilo o učinkovitosti in uspešnosti sodišč 2014, URL: http://www.sodisce.si/VSRS-Letno_porocilo-2014.pdf (2.4.2016)).

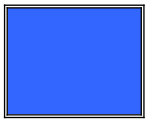
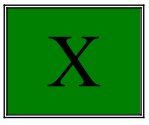
Since Slovenia belongs to Roman-Germanic family of law, its legal system is best comparable to Germany and Austria. Laws regulating the costs are to our understanding very similar, however, based on the OECD report the actual costs in Slovenia are lower than in other comparable countries (source: OECD (2013), "What makes civil justice effective?", OECD Economics Department Policy Notes, No. 18 June 2013). Furthermore, based on the 2014 EU Justice scoreboard in Slovenia litigious civil and commercial cases take much longer (source: http://ec.europa.eu/justice/effective-justice/files/justice_scoreboard_2014_en.pdf).

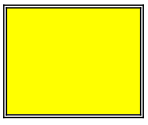
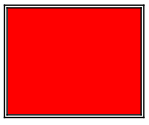
Overall ranking

This overall ranking is achieved by a survey of all the rankings as shown in this table:

	Question	Rating
1.	Insolvency set-off	
2.	Security interest	
3.	Universal trusts	
4.	Director liability for deepening insolvency	
5.	Financial assistance to buy own shares	
6.	Public takeover regime	
7.	Exclusion of contract formation	
8.	Termination clauses	
9.	Exclusion clauses	
10.	Governing law clauses	
11.	Foreign jurisdiction clauses	
12.	Arbitration recognition	
13.	Class action	
14.	Ownership of land	
15.	Security of land title and land registers	
16.	Land development restrictions	
17.	Employment law	
18.	Environmental restrictions	
19.	Foreign direct investment	
20.	Exchange controls	
21.	Alien ownership of land	
22.	Court treatment of foreign big business	
23.	Costs and delays of commercial litigation	

True **False** **Can't say**


Profiles

The survey was carried out by the following students:

Ms. Ana Antuničević

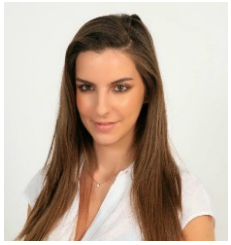
Ana has finished her Bachelor's Degree in Law from Faculty of Law at University of Ljubljana and is currently working on her Master's thesis, considering constitutionalization of human rights.

Her areas of interest are: arbitration, commercial law and public international law.

Ana is an active student and has participated in Phillip C. Jessup International Law Moot Court in 2015 and in Arbitratior's Quest Moot Court in 2016. During her studies she worked as a legal translator from English to Slovenian language and also gained experiences in the field of corporate and commercial law.

Ana can be reached at: ana.antunicevic@gmail.com.

Ms. Kaja Batagelj



Kaja is finishing her master's degree at Faculty of Law, University of Ljubljana in Slovenia. Her areas of interest are especially intellectual property law and EU law, however recently she has also been focused on the effect of disruptive economies on the business operations of the banks.

During her studies she has been enrolled at many extracurricular activities. To name just a few, she has competed at the European Law Moot Court Competition and afterwards she coached teams competing on moot courts dealing with EU law on behalf of Ljubljana's Faculty of Law. She has also undertaken several internships, such as internship at the legal department of Deloitte and internship at the World Intellectual Property Organization.

Kaja is looking forward to obtain her master's degree and start practicing law. She also plans to study abroad after few years of working experience. She can be reached at kaja.batagelj@gmail.com.

Ms. Tea Čebulj

Tea is finishing her master studies at the Faculty of Law in Ljubljana, Slovenia. Her main fields of interest are investment arbitration law, public and private international law, commercial law and European law.

She has participated in student exchanges in the Netherlands, Munich and Oklahoma. Her activities include participating at the Frankfurt Investment Arbitration Moot Court, being a student representative in the university's bodies and being a member of the Ženevski klub, a club of law students. She can be reached at tea.cebulj@gmail.com.

Mr. Tadej Francelj

Tadej Francelj is a master student at the Faculty of Economic and PhD candidate at the Faculty of Law, University of Ljubljana. Tadej's areas of interest are M&A, corporate law and arbitration.

He has taken part in many extracurricular activities, among which Model United Nations, moot court, negotiation competition, arbitration competition, and was also a member of student board at the Law Faculty, University Ljubljana.

He is currently working in a law firm in Amsterdam, in the area of debt collection. Tadej can be reached at francelj.tadej@gmail.com.

Ms. Barbara Friedl

Barbara completed her Master's Degree at the Faculty of Law, University of Ljubljana in 2016. She is currently doing an internship at Law Firm Čeferin and Partners as a member of commercial law department. Her areas of interest are commercial, corporate, labour, civil and media law.

During her studies she participated in many extracurricular activities, most importantly she was a member of the winning team at Leonid Pitamic Constitutional Law Moot Court Competition in 2016 and a member of Environmental Legal Clinic in 2015.

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Mr. Gašper Hajdu

He is from Ljubljana, the capital of Slovenia. He graduated from Gimnazija Šentvid (high school). After graduating, he enrolled at University of Ljubljana, Faculty of Law, where he was a student representative in the Faculty Senate. In his 4th year he was on an exchange program at Utrecht University School of Law. He

was also a proud recipient of the Zois scholarship awarded by the Slovene Human Resources Development and Scholarship Fund for achieving outstanding achievements in sport and education. While studying he worked as a legal intern at law firms Vrtačnik and Wolf Theiss. Moreover, he was a team member of the University of Ljubljana VIS moot team. Currently, he is furthering his studies as he is enrolled in a master program in commercial law at the University of Ljubljana, Faculty of Law.
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Ms. Manuela Hervatich

She finished her bachelor and masters of law at the University of Ljubljana, Faculty of Law. Her fields of interests are commercial and corporate law, intellectual property, telecommunications and IT as well as real estate and construction.

She is an alumni member of the Geneva Club of the Faculty of Law and also of ELSA (European Law Student Association).

During her studies she has been on an exchange program at Università degli Studi di Firenze (Italy). Moreover she has done also traineeship in a law office in Italy.

Being interested in IT and IP law, as a student, she has gained some practical experience working in an IT company. She has also started a start-up company. Now she is working as an associate in one of the leading Slovenian law firms.

In the future she is interested in gaining some more international experience and in doing her bar exam.

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Ms. Katja Hodošček

Katja Hodošček is currently finishing Master's study programme at Faculty of Law Ljubljana. She works in the field of public procurement at the Institut for Public-Private Partnership. Her main fields of interests are banking and finance, administrative law and corporate law.

She was enrolled in many student activities during her studies. She was also an expert on evaluation of faculties and study programs at Slovenian Quality Assurance Agency. She completed three month internship at Law Firm Ulčar & Partners l.l.c., Ljubljana. She also gained considerable commercial law knowledge on Erasmus+ student exchange at CEVRO Institut, Prague**.**

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Ms. Urša Jerman

Urša is completing a master`s degree of law at the Faculty of Law in Ljubljana. Her main fields of interest are corporate, M&A, banking and finance and commercial law. After finishing the master's degree of law, she wants to upgrade her knowledge with master's degree in economics (IMB).

Urša is known to be an active student, joining several extracurricular activities, for instance Summer Economics Institute (SEI), organized by the American Chamber of Commerce (AmCham) and the US Embassy in Slovenia in the academic year 2014/2015, the legal clinic of law in sport in the academic year 2015/2016 and State Legal Research Group organized by ELSA International and the International Bar Company K & L Gates in the academic year 2016/2017. As well she participated in the competition“Pravna rešitev” where she reached the final.

Urša has also undertaken internships at one of the major banks which is one of the economically most successful financial institutions in the world and the leading bank in Russia. In the past, she accumulated experiences in summer practice for Philip Morris International in Ljubljana and in the law firm Ksenija Ocvirk.

In her youth, she actively practiced tennis, she was a member of the Slovenian national youth team, junior national champion and as a junior she played junior Grand Slam Australian Open. Sports gave her qualities such as perseverance, hardworking, discipline and organization.

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Ms. Janja Končan

Janja is master student at the Faculty of law, University of Ljubljana (Slovenia) and LLM student at the Faculty of law, University of Groningen (the Netherlands), where she is pursuing double LLM in International Business Law and International Commercial Law. Fields of her special interests are, among the others, M&A transactions and insolvency law.

She was always an active student at her home university, however, she is currently more actively involved at the University of Groningen where she is running as a candidate for the University Council. She is also an active member of the student party Lijst Calimero and secretary at the External affairs committee at the international student association Nexus.

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Ms. Špela Krajnc

She is from Ljubljana, the capital of Slovenia. She graduated from Gimnazija Šiška (high school). After graduating, she enrolled at University of Ljubljana, Faculty of Law, where she was a Vice President of the Student Council. Currently she is still a Tribunal member of Slovenian student Union. While studying she worked as a legal intern at law firms Bandelj and Matoz, and insolvency administrator Zakrajšek. Currently, she is furthering her studies as she is enrolled in a master program in commercial law at the University of Ljubljana, Faculty of Law.

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Ms. Barbara Kompan

Barbara is finishing her undergraduate studies this year and passing on to the master's programme of legal studies at the Faculty of Law, University of Ljubljana. Her main fields of interests are environmental law, civil procedural law and Russian approaches to international law.

She did the spring 2017 semester abroad, at the University of Tartu, and during her studies she participated in several extracurricular activities, such as environmental clinic and moot court competitions.

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Ms. Anita Lulić

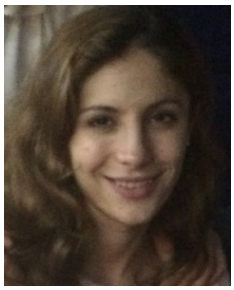
Anita is finishing her fourth (senior) year of Faculty of Law, University of Ljubljana. Anita's areas of interest are M&A, corporate, labour, real estate and aviation law.

She joined the Academic Assembly of Faculty and the Tribunal of Student organisation in 2015. She participated in several extracurricular activities (e.g. as coordinator of Legal clinic »Law in sport«, event organizer at the Faculty). In 2015/2016 she was included in Erasmus+ exchange program in Austria.

Anita has also undertaken internships in Wolf Theiss and law firm Šelih & partners.

She is looking forward to her studies at a post-graduate level and can be reached at lulic.anita@gmail.com.

Ms. Maša Marković



Maša is a legal intern in Slovenia, who holds a Master's Degree from the Faculty of Law in Ljubljana, Slovenia, as well as an LLM in Forensics, Criminology and Law from Maastricht University, Faculty of Law. Furthermore, she is conducting PhD research at Leiden Law School. Her work focuses mostly on Criminal Law and Procedure, as well as Organisational Crime. Throughout her student years, she had actively participated in several comparative and research projects, as well as attended European Law Moot Court Competition in 2014, and operated as an official faculty Tutor for Criminal Procedure.

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Mr. Maks Mencin

Maks Mencin finished his LL.B and is currently enrolled in the International Law Module of the Master's Degree program at the University of Ljubljana. He studied abroad for a semester at the EBS University for Law and Economics in Wiesbaden, Germany. Maks gained professional legal experience as a Research Assistant at Clifford Chance in Frankfurt and as an intern at Jadek & Pensa law firm. During his studies, he attended numerous competitions and was a member of the winning team at the Central and East European Moot Court (CEEMC 2015), winner of the national Prav(n)a resitev competition. Most recently, he reached the top 16 at the Willem C. Vis International Commercial Arbitration Moot. His fields of interest are International Commercial Law and Arbitration, Investment Law, Securities and Intellectual Property Law.

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Ms. Neli Okretič

Neli Okretič has completed her Bachelor's and Master's degrees in Law at the University of Ljubljana, Faculty of Law. Neli has been known to be an active student through participation in various student projects, workshops, and competitions. She is currently a Trainee Solicitor at Jadek & Pensa Law Office from Ljubljana. Her main areas of interests include corporate law and finance as well as commercial litigation and arbitration. She also contributes regularly to Slovenian Arbitration Review, a specialized journal dedicated to arbitration and ADR.

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Ms. Manca Rogelj

Manca Rogelj completed her Bachelor’s and Master's Degree in Law from University of Ljubljana. She studied abroad for one semester, at University of Salzburg, Austria, and participated at various summer school and seminars: Summer School on Dispute Resolution in Berlin, Small Sates Summer School in Reykjavik, RYLA and MUN in Mumbai.

Her areas of interest are corporate law, international investment law, property law and arbitration.

She is currently working as an audit assistant at KPMG Slovenija and can be reached at: manca.rogelj@gmail.com.

Mr. Nebojša Vučković

Nebojša is a junior associate at a Slovenian law firm. His core practice area is arbitration, while he is also an active member in banking, finance and insolvency practice group.

Nebojša has completed his Bachelor’s and Master’s degree in Law at Faculty of Law, University of Ljubljana and is expecting his Master’s degree in Business Administration at Faculty of Economics,

University of Ljubljana. In his years of study, Nebojša has engaged in numerous extra-curricular activities such as Willem C. Vis International Commercial Arbitration Moot and student exchange abroad.

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Allen & Overy Global Law Intelligence Unit

The Allen & Overy Global Law Intelligence Unit is part of the international firm of Allen & Overy and produces papers, surveys and other works on cross-border and international law within the field of its practice. Allen & Overy is one of the largest legal practices in the world with approximately 5,000 people, including some 512 partners, working in 40 offices worldwide. For further information, please contact Philip Wood, philip.wood@allenovery.com or Melissa Hunt, melissa.hunt@allenovery.com.

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Philip Wood is one of the world's leading comparative lawyers and practitioners. He has written about 18 books on financial law. He was formerly a partner and head of the banking department of Allen & Overy. For many years he has been developing innovative and pioneering methodologies for assessing legal jurisdictions and has produced a book of maps of world financial law. His university textbook on the Law and Practice of International Finance has been translated into Chinese and a Japanese version is forthcoming.

Melissa Hunt is project director of the Intelligence Unit and is responsible for the management of the project. She carries out other work for the Intelligence Unit, including the preparation of tables covering rule of law and legal infrastructure risks in the jurisdictions of the world.

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