

Pursuant to the provisions of Article 237, paragraph 4 of the Capital Market Act (Official Gazette 88/08 and 146-08- Corrigendum) Croatian Financial Services Supervisory Agency , and with the prior consent of the Minister of Finance, issued at its session on 18 June 2009

ORDINANCE ON CALCULATION, METHODS AND TIMEFRAMES OF PAYMENT OF REGULAR CONTRIBUTION OF THE MEMBERS TO THE INVESTORS PROTECTION FUND

General Provision

Article 1

This Ordinance regulates the calculation, methods and timeframes of payment of regular contribution of the members to the Investor Protection Fund, where the payment of contributions to the Investor Protection Fund is an obligation of Members, in accordance with the Article 237, paragraph 1 of the Capital Market Act.

Terms

Article 2

The terms used in this Ordinance shall have the following meaning:

1. **The Act** - Capital Market Act (Official Gazette 88/08 and 146/08- Corrigendum),
2. **Fund** - Investor Protection Fund, with establishment and managing regulated by provisions of the Articles 222 to 246 of the Act,
3. **Fund Member** – Fund Member as defined by Article 223 of the Act,
4. **Fund Operator** -company authorized by the Agency to establish and manage the Fund or the Agency itself in case it acts as the Fund Operator,
5. **Active Client** - Client of the Fund Member for whose account the Member of the Fund executed at least one transaction in one or more financial instruments in previous quarter. Quarters are taken into account on the basis of the calendar with the beginning being calendar year
6. **Basis** - income by the Fund Member in the previous quarter by providing investment service or performing investment activity referred to in Article 5 of the Act, in accordance with the provisions of this Ordinance. Quarters are taken into account on the basis of the calendar with the beginning being calendar year

Calculation of regular contribution

Article 3

- (1) Calculation method and amount of regular contribution as defined by Ordinance and based on type, scope and complexity of investment services and activity and ancillary services referred to in Article 5 of the Act, provided and performed by the Fund Member.

- (2) Regular contribution of the Fund Member consists of the sum of two separate parts, a part calculated in relation to Basis, and part calculated in relation to a number of Active Clients.

Part of regular contribution calculated in relation to Basis

Article 4

- (1) Part of regular contribution calculated in relation to Basis shall be calculated for each investment service and activity regulated by Article 5, paragraph 1, points 1, 2, 4, 6 and 7 of the Act, and for ancillary services and activities regulated by Article 5, paragraph 2, point 1 of the Act, by applying rates referred to in paragraphs 2, 3 and 4 of this Article, in a manner that, for each service, Basis shall be multiplied by rate regulated by these paragraphs of this Article.
- (2) Rate totaling 2% of the amount of Basis shall be used for ancillary services referred to in Article 5, paragraph 2, point 1 of the Act.
- (3) Rate totaling 1.5% of the amount of Basis shall be used for investment service referred to in Article 5, paragraph 1, point 4 of the Act.
- (4) Rate totaling 1 % of the amount of Basis shall be used for each investment service referred to in Article 5, paragraph 1, points 1, 2, 6 and 7 of the Act.
- (5) For each Fund Member, part of regular contribution calculated in relation to Basis comprises amount of regular contributions, obtained by applying provisions of this Article, for each investment service and activity referred to in paragraph 1 of this Article for which the prior Agency's approval was given.

Part of regular contribution calculated in relation to a number of Active Clients

Article 5

For each Active Client in a quarter, Fund Member shall pay the amount of HRK 5.

Submitting reports

Article 6

For the purpose of calculating regular contribution, Fund Members shall submit information on number of Active Clients to the Fund Operator, in a manner and within timeframes regulated by Fund Operator's own rules, whereas the Agency shall submit information on realised income for each quarter to the Fund Operator.

Decrease in regular contribution or exception while calculating regular contribution

Article 7

Exceptionally from the provisions of Articles 4 and 5 of this Ordinance, for the first 6 months since the Fund is established, regular contribution of the Fund Member shall consist of sum of part of regular contribution calculated in relation to the Basis and part of regular contribution calculated in relation to a number of Active Clients, decreased by 50% of the amount.

Fund Operator's Rules

Article 8

Fund Operator may, with the prior approval by the Agency, by virtue of Rules decrease the rates referred to in Article 4 of this Ordinance, as well as the amount paid for the Active Client referred to in Article 5 of this Ordinance, where it would be justified due to the income of the Fund Members, if this would not hinder regular activities and purpose of the Fund.

Timeframes

Payments

Article 9

- (1) Calculation of the Fund Member's regular contribution shall be made after the quarter for which the regular contribution is calculated.
- (2) Regular contribution shall be calculated for the first time for the period 1 July to 30 September 2009.
- (3) Fund Member regular contribution's amount shall be paid in the Fund in 10 days after receiving the calculation of obligation for regular contribution submitted by the Fund Operator.
- (4) Fund Operator shall submit the calculation of obligation for regular contribution to the Fund Members in 10 days after the deadline for submitting supervisory reports for each quarter for which the regular contribution shall be paid, in accordance with the provisions of the Ordinance referred to in 115, paragraph 3 of the Act.

Payment method

Article 10

Payment methods and timeframes shall be regulated in detail by Fund Operator's Rules.

Entry into force

Article 11

This Ordinance shall enter into force on the eighth day after the day of publication in the Official Gazette.

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Deputy of the President of the Board
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