

The unofficial consolidated text of the Real Estate Brokerage Act includes:

- *Real Estate Brokerage Act - ZNPosr (Official Gazette of the Republic of Slovenia, No. 42/03 of 9 May 2003),*
- *Decision on partial annulment of item 1 and repealing point 2 of the third paragraph of Article 7 of the Real Estate Brokerage Act and partial annulment of item 1 and repealing Article 26 (2) and Article 33 of the Rules on professional examination, licenses and managing the real estate agents directory (Official Gazette of the Republic of Slovenia, No. 21/06 of 27 February 2006),*
- *Act Amending and Supplementing the Real Estate Brokerage Act - ZNPosr-A (Official Gazette of the Republic of Slovenia, No. 47/06 of 9 May 2006),*
- *The Mass Real Estate Valuation Act - ZMVN (Official Gazette of the Republic of Slovenia, No. 50/06 of 16 May 2006),*
- *Real Estate Brokerage Act - official consolidated text - ZNPosr-UPB1 (Official Gazette of the Republic of Slovenia, No. 72/06 of 11 July 2006),*
- *Act Amending and Supplementing the Real Estate Brokerage Act - ZNPosr-B (Official Gazette of the Republic of Slovenia, No. 49/11 of 24 June 2011).*

REAL ESTATE BROKERAGE ACT (ZNPosr)
(Unofficial consolidated text No. 5)

I. GENERAL PROVISIONS

Article 1
(Content)

(1) This Act:

1. determines the conditions for the provision of real estate brokerage for real estate companies and real estate agents;
2. determines the rules for safe and diligent business activity in real estate brokerage, which real estate companies and real estate agents are obliged to respect in their work;
3. determines the jurisdiction of the ministry responsible for real estate brokerage (hereinafter: the competent ministry);
4. regulates the inspection supervision over the implementation of this Act.

(2) This Act transfers the following to the legislation of the Republic of Slovenia:

- Directive 2005/36 / EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications (OJ L 255 of 30.9.2005, p.22), last amended by Commission Regulation (EC) No 279/2009 of 6 April 2009 amending Annex II to Directive

2005/36 / EC of the European Parliament and of the Council on the recognition of professional qualifications (OJ L 93 of 7 April 2009, page 11) and

- Directive 2006/123 / EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L No. 376 of 27.12.2006, page 36).

Article 2
(Terms used)

Individual terms used in this Act have the following meanings:

1. A **real estate company** is a private company or an individual entrepreneur that carries out real estate brokerage as an economic activity under this Act.
2. A **real estate agent** is a private person who performs brokerage activities for a real estate company based on an employment contract or other legal basis with a license to perform brokerage activities obtained from the competent ministry and entered in the real estate agents directory at the competent ministry.
3. **Real estate brokerage** means performing a registered profitable activity of brokerage in real estate transactions, whereby individual brokerage activities include all activities in establishing contact between the client and the third party and in negotiating and preparing the conclusion of legal transaction whose object is a certain real estate, such as purchase, sale, rent, lease or other contract for a particular real estate.
4. A **client** is a private or legal person who concludes a brokerage contract with a real estate company.
5. A **third party** is a person who the real estate agent attempts to bring into contact with a client in order to negotiate the conclusion of a particular contract in respect to a real estate.
6. The **client's immediate family members** are the client's spouse or the person with whom the client lives in a non-marital union, in accordance with the regulations on marriage and family relations, their children or adopted children, their parents and adoptive parents, and persons they are legally obligated to support.
7. The **competent ministry** under this Act is the ministry responsible for spatial planning.

II. CONDITIONS FOR PERFORMING REAL ESTATE BROKERAGE

1. Real estate companies and performing brokerage services

Article 3
(Performing brokerage services)

(1) A real estate company may begin real estate brokerage if:

1. one or more real estate agents performs brokerage activities for it, on the basis of an employment contract or other legal basis;
2. it has insured liability in accordance with the provisions of this Act.

(2) A real estate company established in the Member States of the European Union, the European Economic Area, the Swiss Confederation or with head office in a country with which an agreement on the mutual recognition of professional qualifications has been concluded (hereinafter: Contracting States) wishing to provide real estate brokerage services in the Republic of Slovenia permanently, through an established branch in the Republic of Slovenia (hereinafter: permanent) or occasionally, cross-border (hereinafter referred to as: occasional), may, under the conditions referred to in the preceding paragraph, provide this services in any legal form if it fulfills the conditions for the lawful providing of these services in the country of establishment.

(3) A real estate company not established in a Contracting State (hereinafter referred to as "third countries") may provide real estate brokerage services in the Republic of Slovenia under the conditions set out in the preceding paragraph if the condition of material reciprocity is met. If the head office of a real estate company is located in several third countries, when determining material reciprocity, the legal order of the strictest country is taken into account.

(4) If the competent inspection finds that the conditions laid down in this Article are not fulfilled, it shall issue a decision prohibiting the real estate company from providing real estate brokerage services.

Article 4 (Obligation of a real estate company)

A real estate company must ensure that in relation to the client only real estate agents who fulfill the conditions are performing brokerage activities for it in accordance with this Act, whether based on an employment contract or other legal basis.

Article 5 (Maximum allowed brokerage commission)

(1) The maximum allowed brokerage commission in the case of a purchase or sale for the same property cannot exceed 4% of the contract price, however this limitation does not apply where the contractual value of the property is less than EUR 10.000. In the case of other legal transactions, the brokerage commission is agreed by the contract.

(2) A real estate company may charge a brokerage commission only to the client based on the real estate brokerage contract. If the parties of a sale, lease, chartering or other contract (hereinafter: the contract) for a given real estate agree that they shall both bear the cost of the brokerage commission, the amount referred to in the previous paragraph is distributed between them.

(3) A contract that is contrary to the first and second paragraphs of this Article shall be void.

(4) The minister responsible for spatial planning may prescribe, in agreement with the minister responsible for the economy, criteria for establishing the prices for real estate brokerage services within the maximum allowable commission referred to in the first paragraph of this Article by means of a by-law.

Article 6 (Liability for damage and liability insurance)

(1) A real estate company must, prior to providing real estate brokerage services insure and hold, throughout the duration of the services, insured liability for damage incurred by the client or a third

party through breach of the contract for an insured sum that may be no less than EUR 150.000 for an individual insurance case and no less than EUR 350.000 for all insurance cases in a given year.

(2) A real estate company established in a Contracting State or a third country must, prior to providing real estate brokerage services, insure and hold throughout the duration of the activity, either in the Republic of Slovenia or in the country of establishment, insured liability for damage incurred by the client or a third party through breach of the contract in the territory of the Republic of Slovenia in the amount referred to in the preceding paragraph.

(3) A real estate company may accept cash from the client or a third party in connection with the execution of a legal transaction for which it has brokered if it has a contract with a bank for managing the fiduciary account and if the client or a third party authorizes it in writing.

Article 6a (Obligations of the investor)

(1) An investor who is a legal person or an individual entrepreneur (hereinafter: the investor) and builds for the market must ensure that only persons who fulfill the conditions for real estate brokerage activities in accordance with this Act are performing sale activities for it.

(2) An investor must deliver a draft contract, a copy of a certified notarial record of the general conditions for the sale of individual parts of the building, a preliminary floor property plan for the building, a record of the technical characteristics of the building and individual parts of the building and a layout of individual parts of the building to the real estate company acting as its agent in the transfer or sale of its real estate, intended for resale on the market.

(3) The real estate company referred to in the preceding paragraph shall inform the buyer of the documents referred to in the preceding paragraph by handing it over to them and leaving sufficient time to examine them before concluding the contract.

2. Real estate broker and brokerage activities

Article 7 (Conditions for a national of the Republic of Slovenia)

(1) A national of the Republic of Slovenia shall acquire the right to perform brokerage activities on the day he acquires the status of a real estate agent. The request for obtaining the status of a real estate agent shall be filed by an individual with the competent ministry on the form published on the website of the ministry. The basis for obtaining the status of a real estate agent are a certificate on the national professional qualification "real estate broker" (hereinafter: real estate broker) and a certificate from the criminal record that the individual has not been finally convicted of a crime against property or economy to a prison sentence longer than three months. An individual acquires the status of a real estate agent on the date of entry into the real estate agents directory.

(2) The competent ministry obtains the information that the individual has acquired the professional qualification referred to in the preceding paragraph ex officio from the collection of the national information center for professional qualifications, and the information on the impunity from the criminal record.

Article 7a (Conditions for a national of a Contracting State or a third country)

(1) A national of a Contracting State or a third country must submit to the Republic of Slovenia a request for permanent or occasional pursuit of a regulated profession in accordance with the law governing the procedure for the recognition of professional qualifications to nationals of the Member States of the European Union, the European Economic Area and the Swiss Confederation for the pursuit of regulated professions or regulated professional activities in the Republic of Slovenia (hereinafter: the Act on the Procedure for the Recognition of Vocational Qualifications).

(2) A decision on the recognition of a professional qualification grants a national of a Contracting State or a third country the right to pursue in the Republic of Slovenia the regulated profession of a real estate agent for which he is qualified in a Contracting State if the acquired professional qualification in a Contracting State is comparable to the professional qualification to pursue this profession required by the regulations of the Republic of Slovenia. The competent ministry issues the decision on the recognition of the professional qualification of a real estate broker to a third country national on condition of material reciprocity. If the head office of the provider is in several third countries or the individual has several nationalities, the legal order of the strictest country shall be considered to determine material reciprocity.

(3) If a national of a Contracting State or a third country has not acquired a professional qualification or does not meet the requirements of the regulations of the Republic of Slovenia, the competent ministry shall, in accordance with the law on the procedure for the recognition of professional qualifications, invite an individual with a provisional decision to pass a knowledge test or carry out training during the adaptation period. Prior to the training, the individual must provide the name and surname of a real estate agent - mentor with at least two years of experience in the field of real estate brokerage and a mentor's written statement that the individual will be trained during the adaptation period under his mentoring. The competent ministry shall approve the decision by the mentor and the real estate company, with whom the individual has agreed to perform the adaptation period. After successful completion of the adaptation period, the real estate company issues a certificate of completed training, signed by the mentor and the responsible person of the real estate company.

(4) A national of a Contracting State or a third country acquires the status of a real estate agent on the date of entry into the real estate agents directory on the basis of a final decision on recognition of the professional qualification for real estate broker or a decision on the right of an individual to occasionally perform brokerage activities in the Republic of Slovenia in accordance with Article 7b of this Act, if he has not been finally convicted of a crime against property or economy to a prison sentence longer than three months in the country of origin.

Article 7b
(Occasional brokerage activities)

A national of a Contracting State or of a third country under the condition of reciprocity, who wishes to perform brokerage activities in the Republic of Slovenia occasionally, must submit a written application to the competent ministry in accordance with the provisions of the Act on the procedure for the recognition of professional qualifications. The application must also contain information on the estimated duration of the real estate brokerage activities in the Republic of Slovenia, the company on whose behalf the activities will be performed and the insurance of liability for damages in accordance with Article 6 of this Act.

Article 7.c
(Real estate agents directory, license, card)

(1) The following information is entered in the Real estate agents directory kept by the competent Ministry:

1. identification data (name, surname, nationality, ID number of the citizen, permanent or temporary residence);
2. number and the issuing date of the national professional qualification certificate for the real estate broker;
3. license number and date;
4. information about the revocation of the license;
5. number and date of renewal of the license;
6. information on the educational organization, which carried out the supplementary training and the date of completion of the supplementary training;
7. information on employment or on the real estate company for which it performs brokerage activities.

(2) The real estate agents directory is public for the purposes of consumer protection in the part relating to the name and surname of the agent, nationality and information on the real estate company for which it performs brokerage activities, the duration of validity of the status of a real estate agent, namely whether it is a permanent or occasional brokerage activity. The public part of the real estate agents directory is published on the website of the competent ministry. In case of occasional brokerage activity in the territory of the Republic of Slovenia, the period of occasional brokerage activity shall be entered. The competent ministry shall obtain data for keeping the directory from the existing national personal databases based on individual's consent.

(3) An individual must notify the competent ministry of any change in the data entered in the real estate agents directory within 15 days of the change.

(4) The competent ministry shall issue a license for performing brokerage activities and a real estate agent's card to the person registered in the real estate agents directory. Until the issue of the license and the card, the individual proves the status of a real estate agent with a certificate from the competent ministry.

(5) The license for performing brokerage activities is a public document containing the name and surname, date and place of birth, occupation, level and field of holder's education, number and date of issue. The real estate agent's card is a public document showing the status of a real estate agent. It contains a photograph, name, surname and signature of the real estate agent, serial number, date of issue and validity of the license, stamp and signature of the minister.

Article 8
(Supplementary training of a real estate agent)

(1) A real estate agent is obliged to complete supplementary training every five years, or upon a change in the regulations whose knowledge is required as part of a professional examination for a real estate agent.

(2) The minister responsible for spatial planning may order an examination of knowledge acquired through the supplementary training referred to in the preceding paragraph.

Article 9
(deleted)

Article 10
(Revocation of a license)

(1) The competent ministry shall permanently revoke the license for performing brokerage activities if the real estate agent, after a two-time letter of formal notice from the competent ministry, is still:

1. providing unlawful, incomplete, wrong, misleading or false information about the brokered real estate;
2. providing false or incomplete information about itself or about the real estate company for which he is performing brokerage activities;
3. violating the rules of safe and diligent real estate brokering, where such infringement is considered if the real estate agent:
 - does not warn the client of legal and factual errors of property that he knew or should have known if he carefully checked the property's situation,
 - does not inform the client about the market conditions that are important and would have a significant effect on the price determination in the contract,
 - unlawfully holds the original document of the client or third party.

(2) The competent ministry shall permanently revoke the license for performing brokerage activities if it has been finally convicted of a crime against property or economy to a prison sentence longer than three months.

(3) The competent ministry temporarily revokes a license for performing brokerage activities if the real estate agent is deprived of his business capacity if he does not complete the required supplementary training every five years, or upon a change in the regulations whose knowledge is required as part of a professional examination for a real estate agent or if he fails the examination of knowledge referred to in the second paragraph of Article 8 of this Act, when prescribed.

(4) If the real estate agent is deprived of his business capacity, the license shall be revoked for the time of deprivation of his business capacity. In case of temporary suspension of the license for failing to complete the supplementary training, the license shall be revoked until the condition of the supplementary training specified in Article 8 of this Act is fulfilled.

(5) A real estate agent whose license has been permanently or temporarily revoked must deposit the license and the real estate agent's card with the competent ministry within the time limit specified in the final decision on the revocation of the license.

Article 10a
(Deletion from the real estate agents directory)

(1) A real estate agent shall be deleted from the real estate agents directory if:

1. he so requests;
2. he dies;
3. his conditional license expires.

(2) After the decision on the revocation of the license has become final, the public part of the real estate agents directory shall make a note about the deletion of a real estate agent from the directory.

Article 11
(Legal protection)

The competent ministry decides by a decision against which an action is allowed to an administrative court.

Article 12
(Prohibition against performing services which constitute competition)

At the time when a real estate agent performs brokerage activities for a particular real estate company, he may not, without the consent of the real estate company, engage in brokerage activities for another real estate company or other activities or practices that are competitive with brokerage services provided by the real estate company.

III. RULES FOR SAFE AND DILIGENT BUSINESS IN REAL ESTATE BROKERAGE

Article 13
(Real estate brokerage contract)

(1) By a written agreement on real estate brokerage, the real estate company commits on behalf of the client to strive to find a third party and establish contact between them in order to negotiate on a conclusion of a particular contract, the object of which is the real estate, and the client is obliged to pay the real estate company a brokerage commission if the contract is concluded.

(2) The legal relationship between the real estate company and the client is subject to the general rules of the law of obligation on the brokerage contract, unless otherwise provided in this Act.

(3) The provisions of this chapter may not be excluded or restricted by a contract, unless a different agreement between the parties is explicitly permitted in relation to a particular provision, or a different agreement is in the obvious interest of the client.

(4) The real estate brokerage contract, which must be concluded between the real estate company and the client, must include the following:

1. the name and surname of the real estate agent who will perform the brokerage activities with the indication of his license number and the serial number of the entry in the real estate agents directory;
2. the amount of brokerage commission, which must be in accordance with Article 5 of this Act;
3. the name of the insurance company, the number of the policy and the insured sum for the insurance of liability of the real estate company, which must be in accordance with the first paragraph of Article 6 of this Act, with the supporting documents;
4. description of the costs of individual activities covered by the brokerage commission referred to in point 2 of the second paragraph of Article 15 of this Act;
5. the type and amount of any additional services and costs if the client ordered the services referred to in point 3 of the second paragraph of Article 15 of this Act;
6. the right to brokerage commission in accordance with the first and second paragraphs of Article 25 of this Act;

7. amount of payment for brokerage, when the client himself finds a third party with whom he concludes a contract for the real estate that was the subject of brokerage in accordance with the fifth paragraph of Article 25 of this Act;
8. the indicative offer price for each type of real estate that is the subject of brokerage, excluding the enrolled tax and brokerage commission;
9. a description of the real estate being the subject of brokerage;
10. the duration of the contract, which must be determined in accordance with the first paragraph of Article 26 of this Act.

Article 14

(Diligence of a good real estate company and a good real estate agent)

- (1) A real estate company and a real estate agent that perform brokerage services must act with the diligence of a good expert in the provision of services or activities in the real estate transaction.
- (2) A real estate company or a real estate agent may not encourage or recommend the conclusion of a particular contract solely for the purpose of obtaining a brokerage commission.

Article 15

(General conditions of business)

- (1) A real estate company must define its general conditions for performing real estate brokerage services (hereinafter: general conditions of business).
- (2) General conditions of business for each type of brokerage services offered by the real estate company to customers shall include:
 1. a specific description of individual activities which the real estate company commits to carry out in performing a particular type of service;
 2. the provision that the payment of brokerage commission referred to in the first paragraph of Article 5 of this Act covers the cost of performing activities in establishing contacts for the principal, checking the state of the property, and negotiating and preparing the conclusion of legal acts necessary for conclusion of a legally valid contract for a particular property, in particular costs for the following acts:
 - conclusion of a real estate brokerage contract;
 - informing the client and the third party about the market conditions that are important for determining the price of the property, about the content of regulations relevant to the valid conclusion of a real estate brokerage contract, about the amount of tax obligations of the client and about the prices of notarial services;
 - determining the legal status of the property by acquiring property documents (extract from the land registry), contracts (if the property is not yet entered in the land register) and the like;
 - written warnings, notices, certificates;
 - review of the property after the conclusion of the real estate brokerage contract;
 - advertising the sale of real estate in the media or otherwise;
 - informing the client about the property and establishing contact with a third person;
 - presence at the review of the property by the client;
 - determining the actual state of the property;
 - informing the client about the established legal and actual situation of the property and a reliable warning of the errors found;
 - telephone communication with customers;
 - participation in negotiations for the conclusion of the contract.

3. type and amount of costs, if the real estate company, in addition to the brokerage, in agreement with the client, performs other services in connection with the transaction that is the subject of brokerage.

(3) A real estate company shall, prior to the conclusion of any real estate brokerage contract, issue a copy of the general conditions of business to the client and enable it to be acquainted with their contents.

(4) In any premises in which it operates with customers, the real estate company must allow access to the general conditions of business in a visible and accessible place.

Article 16 (Advertising)

(1) In case of advertising or other public announcements in the media, or on websites, in premises of the real estate company or other places where advertising is permitted, a real estate company must ensure the publication of the price, the location, the last renovation and the size of the real estate, as well as the name and head office address of the real estate company.

(2) If a real estate company advertises the sale of a multi-apartment building, a residential-office building or a non-residential building with several individual parts, it must ensure the publication of the highest and lowest price per square meter of the building's floor area or its individual part, location, year of construction or last renovation as well as the name and head office address of the real estate company. In cases where the real estate company advertises such building with banners, it is not obliged to indicate the price.

(3) In case a real estate company advertises its own real estate, it must specify this in the advertisement.

(4) It is prohibited to advertise in a manner contrary to the first paragraph of this Article (for example, by adhering leaflets to the entrances of buildings, or inserting them into mailboxes).

(5) The provisions of the Consumer Protection Act shall apply to the advertising of the timeshare of residential buildings.

(6) The provisions of this Article also apply to advertising by the investor.

Article 17 (Protection of the client's interests)

(1) When performing real estate brokerage a real estate company and a real estate broker shall inform the client in an appropriate manner about all the circumstances that are relevant to his decision to conclude a contract. In particular, the following circumstances must be made clear to him:

1. market conditions important for determining the price in the contract;
2. the content of the regulations that are relevant to the valid conclusion of the contract;
3. the amount and type of tax obligations of the client, the amount of costs of notarial authentication of signatures, registration in the land register and any other costs related to the conclusion of the contract that is the subject of brokerage;
4. any risks associated with the incomplete registration of real estate in the land registry, inscribed rights in rem or other rights of third parties on the property or other potential unregulated legal circumstances.

(2) In order to protect the interests of the client, a real estate company has the right, in accordance with the law regulating payment transactions, to obtain from the Bank of Slovenia data on blocked transaction accounts of private persons who act as clients or as third parties in real estate transactions.

Article 18
(Duty to inform)

(1) The client must provide the real estate company with information on all circumstances that are significant for performing brokerage services.

(2) When the client himself finds a third party with whom he concludes the contract that was the subject of brokerage, he must immediately inform the real estate agent or the real estate company about it.

(3) The client must provide the real estate company with all available documentation on the real estate.

Article 19
(Client anonymity)

When a real estate company performs brokerage services for a client who wishes to remain anonymous, it is not obligated to reveal the identity of the client to a third party wishing to conclude a legal transaction with the client until the conclusion of the legal transaction.

Article 20
(Impartiality in brokerage)

(1) When performing brokerage services, the real estate company must equally take care of protection of interests of both the client and the third party with whom it has established contact for the client and at that act impartially, unless it only represents the client's interests based on an explicit agreement with the client.

(2) When a real estate company, based on an agreement with the client or investor, represents exclusively the interests of the client, it must inform the third party with whom it has established contact for the client in a clear and written manner that it acts as a representative and not a broker.

Article 21
(Conflict of interests)

A real estate company must notify the client clearly and in writing about potential conflicts between the interests of the client and the interests of the real estate company or other clients for whom the real estate company performs real estate brokerage services.

Article 22
(Exclusive brokerage)

(1) If a real estate company and a client agree, the real estate company may transfer brokerage services to other real estate companies.

(2) In the case referred to in the preceding paragraph, the client remains in a contractual relationship solely with the real estate company with which the brokerage contract was concluded, and the real

estate company must turn over to the client the list of real estate companies to which the contract is transferred.

Article 23
(Checking the condition of the property)

(1) Before the conclusion of the contract that was the subject of brokerage, the real estate company must verify the legal and actual state of the property and warn the contracting parties clearly and understandably in writing of possible legal or factual errors of the property.

(2) While examining the legal and actual state of the property in the context of real estate brokerage, the real estate company must, in particular:

1. based on data from the land registry or, if the property is not entered in the land register, based on documents that serve as the basis for registration, verify whether the seller or the lessor is the owner of the property that is the subject of brokerage and whether rights in rem or other rights of third parties which could restrict or exclude the rights of the client apply to the real estate;
2. examine diligently whether the property has apparent defects or shortcomings that affect the usefulness or price of the property;
3. when the subject of brokerage is land: based on the certificate (location information) of the competent administrative body, verify the purpose of the land determined by the spatial regulatory acts.

(3) The real estate company shall be liable to the client or to a third party with whom it has put the client in contact for damages caused to the client or to the third party due to legal or factual defects of the property, that the real estate company did not draw to their attention, if the real estate company was aware of the defect or if it could have ascertained it through a diligent verification of the state of the property.

Article 24
(Drawing up of legal documents)

(1) Where real estate company's brokerage activities involve the composition of documents containing a record of the contract, when the real estate company has concluded the contract, or the documents relating to other legal transactions involving brokering transactions, the real estate company must ensure that, that these documents are drawn up by a university graduate lawyer, which is confirmed by the surname and the name and signature on the document that he composes.

(2) When a real estate company, in the provision of a brokerage service, draws up a document of legal transaction, it shall also be liable to the client or to a third party for damages arising from an incorrectly compiled document of legal transaction.

Article 25
(Brokerage commission)

(1) A real estate company acquires the right to brokerage commission when the contract for which it brokered is concluded.

(2) A real estate company may not claim even a part of the brokerage commission prior to the conclusion of the contract for which it is brokering. A real estate company is entitled to payment for additional services in the amount of the actual costs and not exceeding the amount which must be

determined in the general conditions of business and in the real estate brokerage contract concluded between the real estate company and the client and only if the payment of additional services is agreed in writing between the parties.

(3) A real estate company is also entitled to brokerage commission if the contractual parties subsequently withdraw from the concluded contract.

(4) A real estate company is also entitled to brokerage commission in cases where the client or his immediate family member concludes a contract relating to the real estate that was the subject of brokerage with a third party with whom the client established contact through the real estate agent and the contract itself was concluded within six months of the termination of the real estate brokerage contract.

(5) Notwithstanding the first paragraph of this Article, a real estate company and a client may agree that the real estate company shall have the right to brokerage commission even when the client himself finds a third party with whom he concludes the contract that was the subject of brokerage. The brokerage commission referred to in the preceding sentence must be based on activities already performed and may not exceed one-fourth of the agreed brokerage commission. In the event that the third party is an immediate family member, the client is obliged to pay the contractually agreed brokerage commission in full.

(6) Notwithstanding the first paragraph of this Article, the real estate company does not have the right to brokerage commission if it concludes the contract for which it brokered as a contracting party itself, or if such a contract with the client is concluded by the real estate agent who was performing brokerage activities for the real estate company.

Article 26

(Duration and termination of the contract)

(1) The real estate brokerage contract is concluded for a fixed period of not more than nine months.

(2) Clients may terminate the contract at any time if this is not contrary to good faith and honesty.

IV. PUBLIC RECORDS ON REAL ESTATE BROKERAGE

(deleted)

Article 27

(deleted)

Article 28

(ceased to effect)

Article 29

(ceased to effect)

V. INDIVIDUAL APPRAISAL OF THE MARKET VALUE OF REAL ESTATE

(deleted)

Article 30

(deleted)

VI. JURISDICTION OF THE MINISTRY RESPONSIBLE FOR REAL ESTATE BROKERAGE

Article 31 (Jurisdiction of the ministry)

(1) The competent Ministry:

1. carries out professional examinations for obtaining a license for performing brokerage activities and verifies the fulfillment of the condition of supplementary training for the real estate agent referred to in Article 8 of this Act;
2. issues and revokes the license for performing brokerage activities;
3. keeps the real estate agents directory;
4. establishes, runs and maintains public records on real estate brokerage.

(2) The competent minister, with the consent of the minister responsible for justice, issues a directive that prescribes the content and form of the license for performing brokerage activities and the real estate agent's card, as well as the detailed contents and format of the real estate agents directory and the way of entering records in it.

Article 32 (Carrying out professional examinations, examining the knowledge and the program council)

(1) Professional examinations referred to in point 1 of the first paragraph of the preceding Article and the examination of knowledge referred to in the second paragraph of Article 8 of this Act shall be carried out in accordance with the regulations governing national vocational qualifications.

(2) For purpose of monitoring the results of professional examinations, for counseling and participation in designing the program and the contents of the course materials and the professional examination program as well as for preparation of a catalog of standards of professional knowledge and skills in accordance with the law governing national vocational qualifications, the minister responsible for special planning, appoints a consultative working body – the program council.

VII. INSPECTION SUPERVISION

Article 33 (Jurisdiction)

Inspection of the provision of brokerage services is carried out by inspectors of the Market Inspectorate of the Republic of Slovenia.

VIII. PENAL PROVISIONS

Article 34 (Violations by real estate companies)

(1) A real estate company shall be fined between EUR 12.500 and EUR 250.000 if:

1. it performs real estate brokerage services in violation of Article 3 of this Act;
2. it charges a brokerage commission contrary to Article 5 of this Act;
3. it does not insure liability for damages in accordance with Article 6 of this Act;
4. the written real estate brokerage contract does not contain all the elements referred to in the fourth paragraph of Article 13 of this Act;

5. it does not define the general conditions of business and does not comply with Article 15 of this Act;
6. it advertises contrary to Article 16 of this Act;
7. it does not ensure the protection of the client's interests in accordance with Article 17 of this Act;
8. it does not provide impartiality in real estate brokerage in accordance with Article 20 of this Act;
9. it does not inform the client about a conflict of interests in accordance to Article 21 of this Act;
10. it does not identify possible factual and legal errors of the property, it does not determine the actual and legal state of the property and it does not warn the client in writing about any detected or potential errors under Article 23 of this Act;
11. the document referred to in the first paragraph of Article 24 of this Act is not compiled by a university graduate lawyer;
12. it requests a brokerage commission in violation of Article 25 of this Act.

(2) A fine referred to in the preceding paragraph shall also be imposed on an investor who builds for the market if he does not have a real estate agent perform brokerage activities for him in accordance with Article 6a of this Act or does not advertise the real estate in accordance with Article 16 of this Act.

(3) A fine between EUR 1.000 and EUR 10.000 shall be imposed on the responsible person of the real estate company for the offense referred to in the first paragraph of this article and on the responsible person of the investor for the offense referred to in the second paragraph of this article.

Article 35
(deleted)

Article 36
(Violations of real estate agents)

Individuals shall be fined between EUR 650 and EUR 5.000 if:

1. they accept cash contrary to the third paragraph of Article 6 of this Act;
2. they perform real estate brokerage activities:
 - a Slovenian national contrary to Article 7 of this Act,
 - a national of a Contracting State or a third country contrary to Article 7a of this Act,
 - a national of a Contracting State or a third country national contrary to Article 7b of this Act;
3. they falsify their mentor's information or submit a counterfeit declaration contrary to the third paragraph of Article 7a of this Act;
4. they fail to notify the competent ministry of changes in the data entered in the real estate agents directory in accordance with the third paragraph of Article 7c of this Act;
5. contrary to the provision of Article 10 of this Act:
 - they give unlawful, incomplete, wrong, misleading or false information about the property for which they broker,
 - they provide false or incomplete information about themselves or about the real estate company for which they perform brokerage activities,
 - they violate the rules of safe and diligent real estate brokerage,
 - they do not deposit the real estate agent's card within the period specified in the decision to revoke the license;
6. they fail to act with due diligence of a good expert or encourage or recommend the conclusion of a particular contract solely for the purpose of obtaining a brokerage commission as defined in Article 14 of this Act;

7. they do not inform the client in an appropriate manner about all the circumstances that are important for the conclusion of the contract in accordance with Article 17 of this Act.

IX. TRANSITIONAL AND FINAL PROVISIONS

Article 37

(Alignment with the law when performing mediation operations)

(1) Real estate agents who, upon the entry into force of this Act, perform brokerage activities for real estate companies and have completed an education program within the Chamber of Commerce and Industry of Slovenia (GZS), Real Estate Chambers (NZ) in cooperation with the Information Exchange of Real Estates d.o.o. (IBN), the Slovenian Real Estate Exchange (SBN), the Economic Interest Association of Real Estate Companies and the Institute of Commercial Law at the Faculty of Law of the University of Maribor, must pass a professional examination for obtaining a license to perform brokerage activities and for entering the real estate agents directory within three years after the entry into force of the regulation referred to in the second paragraph of Article 31 of this Act, while they are exempted from re-examination of already successfully acquired basic knowledge of the profession, which is evident from the content of education programs and personal evidence of knowledge testing.

(2) Real estate agents who have not completed the training program referred to in the preceding paragraph must pass a professional examination within one year after the entry into force of the regulation referred to in the second paragraph of Article 31 of this Act.

(3) Real estate agents who fail to fulfill the conditions referred to in the first or second paragraph of this article, may no longer perform brokerage activities.

(4) A real estate agent who has graduated from at least a general secondary school, a secondary technical or another secondary school in a program for acquiring a secondary technical education or an education corresponding to this according to previous regulations and has at least three years of experience in real estate business activity on the day this Act enters into force shall be deemed to fulfill the educational condition for a real estate agent.

(5) Real estate agents who, on the day this Act enters into force, do not have the appropriate post-secondary vocational education and do not have the necessary work experience referred to in the preceding paragraph must obtain the necessary education within four years of this Act entering into force, in order to obtain a license to perform brokerage activities.

(6) In cases referred to in the first, second and fifth paragraphs of this Article, the competent ministry shall issue a conditional license to the real estate agent.

(7) Real estate companies that provide brokerage services upon the entry into force of this Act must fulfill the condition referred to in point 2 of Article 3 of this Act within the deadline referred to in the second paragraph of this article, and the condition referred to in point 3 of Article 3 of this Act within six months of the entry into force of this Act.

Article 38

(Deadline for issuing regulations)

(1) The regulation referred to in the second paragraph of Article 30 must be issued within three months of the entry into force of this Act.

(2) The regulation referred to in the second paragraph of Article 31 must be issued within six months of the entry into force of this Act.

Article 39

(The beginning of the application of the amount of the fine referred to in Articles 34 and 35)

(1) The amount of the fine referred to in the first and second paragraphs of Article 34 and Article 35 of this Act shall begin to apply on 1 January 2005.

(2) Until the deadline referred to in the preceding paragraph a fine shall be imposed:

1. for the offense referred to in Article 34 of this Act:
 - to a legal person between 3.000.000 and 10.000.000 tolaras,
 - to an individual entrepreneur between 1.500 and 5.000.000 tolaras,
 - to a responsible person of a legal entity between 250.000 and 500.000 tolaras.
2. for the offense referred to in Article 35 of this Act:
 - to a legal entity between 2.000.000 and 10.000.000 tolaras,
 - to an individual entrepreneur between 1.000.000 and 5.000.000 tolaras.

Article 40

(Cessation and application of another regulation)

On the day of the entry into force of this Act, the Regulation on the uniform methodology for calculating the market value of residential houses and apartments as well as other real estate (Official Gazette of SRS, Nos. 8/87 and 16/87-corr.) shall cease to apply.

Article 41

(Entry into force of this Act)

This Act shall enter into force on the fifteenth day after its publication in the Official Gazette of the Republic of Slovenia.

The Act Amending the Real Estate Mediation Act - ZNPosr-A (Official Gazette of the Republic of Slovenia, No. 47/06) contains the following transitional and final provisions:

TRANSITIONAL AND FINAL PROVISIONS

Article 22

(Harmonization with the law when performing brokerage activities)

It is considered that an individual performing the sale of real estate for an investor and has completed at least a general secondary school, a secondary technical or other secondary vocational school under a program for obtaining secondary professional education or appropriate education according to the previous regulations and has at least three years of sales experience in real estate, on the day of entry into force of this Act, fulfills the educational condition for a real estate agent.

Article 23

(Harmonization with the law governing national vocational qualifications)

Until the adoption of a catalog setting out the standards of professional knowledge and skills necessary for obtaining a national vocational qualification in the field of real estate brokerage in accordance with the National professional qualifications Act (Official Gazette of the Republic of Slovenia, No. 83/03), for the conduct of professional examinations and the examination of the knowledge referred to in the first paragraph of Article 32 of this Act for the contents of the professional examination, the method and procedure for examining and assessing the knowledge as well as for the content and the manner of supplementary training of real estate agents provisions of the Regulation on professional examination, licenses and the management of the real estate agents directory (Official Gazette of the Republic of Slovenia, no. 14/04) shall be applied.

Article 24
(Expiry)

On the day this Act enters into force, the provisions of Chapters 2 and 3 and subsections 6.1 and 6.2 of the Regulation on professional examination, licenses and the management of the real estate agents directory (Official Gazette of the Republic of Slovenia, No. 14/04) shall cease to apply but shall continue to be used until the catalog referred to in the preceding Article is adopted.

Article 25
(Deadline for issuing the regulation)

The minister responsible for spatial planning issues the regulation referred to in Article 17 of this Act within one year after the entry into force of this Act.

Article 26

This Act shall enter into force on the fifteenth day after its publication in the Official Gazette of the Republic of Slovenia.

The Mass Real Estate Valuation Act - ZMVN (Official Gazette of the Republic of Slovenia, No. 50/06) contains the following final provision:

32. Article
(Entry into force and use)

This Act shall enter into force on the fifteenth day after its publication in the Official Gazette of the Republic of Slovenia.

The Act Amending the Real Estate Mediation Act - ZNPosr-B (Official Gazette of the Republic of Slovenia, No. 49/11) contains the following transitional and final provision:

TRANSITIONAL AND FINAL PROVISIONS

Article 13
(Running procedures)

Procedures regarding the requirements for recognition of the status of a real estate agent commenced before the entry into force of this Act shall be completed in accordance with the Real estate brokerage

Act (Official Gazette of the Republic of Slovenia, No. 72/06 - official consolidated text and 50/06 - ZMVN).

Article 14
(Entry into force)

This Act shall enter into force on the fifteenth day after its publication in the Official Gazette of the Republic of Slovenia.