



## **PROSPECTUS (Summary)**

# **Listing Prospectus for Zavarovalnica Triglav Bonds (with the ticker symbol ZTo2 to be traded in the official market)**

Ljubljana, May 2010

*This translation of summary of the prospectus is not an official version and is only for information purposes. More information: [ir@triglav.si](mailto:ir@triglav.si).*

## **SUMMARY LISTING PROSPECTUS FOR ZAVAROVALNICA TRIGLAV BONDS (TICKER SYMBOL ZTo2 TO BE TRADED IN THE OFFICIAL MARKET)**

The Summary is an introduction to the Listing Prospectus for Zavarovalnica Triglav Ljubljana Bonds to be traded in the Official Market (hereinafter: the Prospectus). Any decision on buying Zavarovalnica Triglav bonds listed for trading in the official market should be based on the investor's thorough examination of the Prospectus in its entirety. The authors of the Summary, who requested its notification, shall be held responsible for damages, only in the case of misleading, inaccurate or internally incoherent information contained in the Prospectus. Before filing a lawsuit because of the information in the Prospectus, claimants will have to provide a translation of the Prospectus into the tribunal's official language at their own expenses.

### **1. Information on Bonds**

#### **1.1. Issuer**

Zavarovalnica Triglav, d.d., Miklošičeva cesta 19, 1000 Ljubljana (hereinafter: 'Zavarovalnica Triglav' or 'the Issuer').

#### **1.2. Type of Bonds**

Subordinate bonds, denominated in euros, issued as dematerialised registered securities with an invariable interest rate.

#### **1.3. Scope of the Bond Issue**

The total nominal value of this bond issue is EUR 30,000,000.00. The nominal value of each bond is EUR 1,000.00. The total issue is composed of 30,000 bonds, each with a face value of EUR 1,000.00.

#### **1.4. Related Rights**

No special guarantees are given for the bonds. The Issuer shall vouch for all the related obligations with all its assets.

Bond holders are entitled to claim the principal and interests, the right to dispose of the bonds and/or to pledge them, as well as to other rights pursuant to applicable regulations on securities. The bonds do not give their holders other rights, such as the right to swap them for other types of securities. The bonds do not give the right to participate in the Issuer's distribution of profits. The bonds do not include clauses reserving the Issuer the right to recall them before maturity. Bond holders do not have the right to early redemption of bonds, i.e. before the dates set out in the payment schedule.

### 1.5. Applicable currency

The bonds have been paid in euros.

### 1.6. Classification of Bonds

In the event of winding-up or liquidation, liabilities from the above-mentioned bond issue are subordinated to net debt instruments and only payable after all non-subordinated liabilities towards ordinary creditors have been paid.

The liabilities related to the bonds offered will be paid out together with the payment of the Issuer's other subordinate bonds with the symbol ZTo1, ISIN Code SLo022102063.

### 1.7. Rights to Amend Terms and Conditions and Assembly of Bond Holders

The terms and conditions for the bonds may only be amended at the Issuer's request, if at least three quarters of all bondholder votes are cast in favour of the changes with the previous approval by the Insurance Supervision Agency.

Each bond with a EUR 1,000.00 face value shall give its holder one vote at the Assembly of Bond Holders.

The Assembly of Bond Holders shall be convened by the Issuer by written notice sent by land mail to all bondholders, whose details are recorded in the Central Register of Dematerialised Securities at the Central Securities Clearing Corporation, and by a notice published on SEOnet of the Ljubljana Stock Exchange. Bond holders convened in the Assembly shall vote by technical means or by show of hands, as decided by the Issuer.

The convening and the notice period for convening the Assembly of Bond Holders, the cut-off date for registering for the participation and voting at the Assembly, the organisation of the Assembly of Bond Holders, the participation of proxies and the voting of bond holders shall be subject to the Financial Instruments Market Act and—as applicable—to the provisions of the Companies Act regulating Annual General Meetings of Shareholders of public-limited companies.

The minutes of the Assembly of Bond Holders shall be kept by a notary public.

All resolutions by bond holders regarding any changes to the rights and obligations that have been approved by the Insurance Supervision Agency shall be binding upon all bond holders and upon the Issuer, which shall promptly arrange for the amended rights and obligations to be registered with the Central Securities Clearing Corporation. The Issuer shall inform all bond holders about the resolutions adopted by the Assembly of Bond Holders within 14 days following the Assembly by written notice sent by land mail to all bond holders, whose details are recorded in the Central Register of Dematerialised Securities at the Central Securities Clearing Corporation, and by a notice published on SEOnet of the Ljubljana Stock Exchange. Bond holders undertake to submit to the Issuer all the documents needed for registering the amended rights and obligations with the Central Securities Clearing Corporation in line with the applicable Slovenian laws, even if the national laws require the existing bonds to be cancelled from the Central Securities Clearing Corporation and re-entered in bond-holder accounts with the amended rights and obligations.

## 1.8. Nominal interest rate and interest obligations

The total nominal value of this bond issue is EUR 30,000,000.00 bearing an invariable 5.95% annual interest rate. The interest rate has been fixed at 250 basis point above the ten-year mid swap rate as published on 15 December 2009 at 11 a.m. on Bloomberg's site for EIISDA10 (10-year ISDAFIX at 10 a.m. LDN time, EURIBOR fixed), i.e. at 3.448%.

The interest falling due on individual maturity dates shall be accounted for the interest period starting on the last preceding maturity date (with the exception of the first interest period starting on 21 December 2009) and ending on the maturity date, without including the maturity date itself in the calculation of interest.

Interest shall be calculated on the bonds' face value using the linear method by multiplying the interest rate with the bonds' face value and taking into account the actual number of days in the interest period and the actual number of days in the year, as detailed below. The interest shall be rounded off to two decimal places and shall be counted from 21 December 2009.

The following formula shall be used for calculating interest in a given period:

$$o = \frac{5,95}{100} * \frac{d}{D} * G$$

- o* interest for a given period of interest, rounded off to two decimal places;  
*G* bond's face value;  
*d* actual number of days in the interest period including the first day of the period up until the last day of the period (which shall be excluded);  
*D* actual number of days in the interest period, for which the interest is being calculated.

## 1.9. Dividend Pay-out and Periodicity

The Issuer will pay out dividends in line with the payment schedule. Interests shall fall due for the preceding year, i.e. on 21 March 2011 for the first time and then on each 21 March up until 21 March 2020 along with the settlement of the entire principal in one instalment.

All liabilities related to the bonds shall be paid out in euros.

### Payment schedule for the ZTo2 bond with a EUR 1,000.00 face value:

No.	Obligation due date	Obligation payment in EUR		
		Interest	Capital	Total
1	21 March, 2011	74.17	0	74.17
2	21 March, 2012	59.50	0	59.50
3	21 March, 2013	59.50	0	59.50
4	21 March, 2014	59.50	0	59.50
5	21 March, 2015	59.50	0	59.50
6	21 March, 2016	59.50	0	59.50
7	21 March, 2017	59.50	0	59.50
8	21 March, 2018	59.50	0	59.50
9	21 March, 2019	59.50	0	59.50
10	21 March, 2020	59.50	1,000	59.50
	<b>Total</b>	<b>609.67</b>	<b>1,000</b>	<b>1,609.67</b>

The interests and the principal (bond liabilities) shall be paid into the bank account indicated by the bond holder in line with the applicable regulations, as well as the terms and conditions of the Central Securities Clearing Corporation.

The Issuer shall pay out the liabilities on the basis of the ownership register of the Central Securities Clearing Corporation into the bond-holders' or their proxies' bank accounts at each liability's maturity date.

Bond holders as of the individual liability's maturity date shall be the person registered as beneficiary at the Central Securities Clearing Corporation three days before the individual liability's maturity date or in line with the rules of the Ljubljana Stock Exchange.

As the bonds have not been issued in a material form, but as dematerialised securities at the Central Securities Clearing Corporation, each bond holder shall make sure the bank account for the payment of matured liabilities has been registered with the Central Securities Clearing Corporation. The data and information about bond holders at the Central Securities Clearing Corporation shall contain all the elements allowing the Issuer to pay the matured liabilities to the right bank and the right bank account or to another suitable account held by the bond holder.

Should bond holders fail to receive the funds on their accounts on an individual liability's maturity date, they shall promptly inform the Issuer thereof and submit the correct bank-account number and all the other information that is needed to allow the Issuer to pay the funds to the bond-holder's account. If the Issuer is unable to pay the matured bond liabilities as set out in the Prospectus or in any other way laid down by the Issuer in line with the applicable rules, the bonds shall bear no interest from the relevant date of maturity onwards.

If the bonds' maturity date is a banking holiday in the Republic of Slovenia or a holiday in Europe, on which the TARGET system is not operative while being a working day in the Republic of Slovenia, payments shall be carried out on the first working day following the maturity date of that liability. In such case, bond holders may not be entitled to interest for the period between the maturity date and the first following working day. Days on which payments can be made in the national currency in ordinary working hours, with the exception of Saturdays, Sundays, national holidays or other non-working days, shall be considered working days.

Claims regarding the payment of bond principals shall expire within five years and interests within three years from their maturity date in line with articles 346 and/or 347 of the Obligations Code.

#### 1.10. Bond Yield

The profitability of matured bonds or their internal rate of return may be calculated by using the tables below or a financial calculator. The rate of return represents the bond's profitability on an annual basis using the following formula:

$$PC = \frac{Obr_1}{(1 + I_{letna})} + \frac{Obr_2}{(1 + I_{letna})^2} + \dots + \frac{Obr_{n-1}}{(1 + I_{letna})^{n-1}} + \frac{Obr_n + 100}{(1 + I_{letna})^n}$$

*PC*                      bond's selling price;  
*Obr<sub>n</sub>*                    interest paid out in period n;

*I<sub>letna</sub>* annual rate of return up until the bond's maturity date; If multiplied by 100, it is expressed as a percentage.

#### 1.11. Representing bond holders

No representative of bond holders before the issuer has been appointed.

#### 1.12. Issuing Method

The Resolution on Issuing Zavarovalnica Triglav Subordinate Bonds with the ticker symbol ZTo2 has been passed at the Meeting of Zavarovalnica Triglav's Management Board on 30 November 2009.

On 30 December 2009, the bonds have been issued as dematerialised securities and entered in the accounts of holders at the Central Securities Clearing Corporation in line with CSCC's rules.

#### 1.13. Assignment

Bonds may be freely assigned in line with the applicable laws and the terms and conditions of the Central Securities Clearing Corporation. The person, whose name is entered in the account of securities, held by the Central Securities Clearing Corporation, shall be considered the lawful holder of that dematerialised bond in line with the Book Entry Securities Act (Official Gazette of the Republic of Slovenia, No. 2/2007, 67/2007 and 58/2009).