

# Legislation





## 10 Legislation

In 2007, Národná banka Slovenska continued to exercise its legislative and approximation competences in the monetary area and in the areas of currency in circulation, foreign exchange management and banking, capital market, insurance and retirement pension saving.

### **Legislative amendments prepared and implemented in 2007 to laws on matters within the competence of Národná banka Slovenska:**

Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic and on amendments to certain acts, as amended (the so called General Act). This Act provided for basic legal prerequisites in the Slovak Republic for smooth and successful introduction of the euro in Slovakia and integration of the Slovak Republic into the euro area.

In 2007, Slovak National Council Act No. 566/1992 Coll. on Národná banka Slovenska, as amended, was amended by Act No. 659/2007 Coll. in its Section II. This Act modified in particular the provisions related to monetary policy, monetary policy instruments and issuance of banknotes and coins, and also to the regulations of provisions on transactions, financial management, accounting and other activities of NBS in a manner ensuring the compliance of the Act on NBS with the European Commission legislation on the legal framework for the single European currency and for central banks in the euro area.

Act No. 483/2001 Coll. on banks and on amendments to certain acts, as amended, was amended in 2007 by Act No. 209/2007 Coll. and by Act No. 659/2007 Coll. An alteration made by Act No. 209/2007 Coll. followed the amendment to the Securities Act, which, in a new manner, defined investment services, and also investment activities and auxiliary services in the area of financial instruments. The most important changes, however, were made under Act No. 659/2007 Coll., in particular concerning regulations related to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro currency.

Act No. 566/2001 Coll. on securities and investment services and on amendments to certain acts (the

Securities Act), as amended, was amended in 2007 by Act No. 209/2007 Coll. and Act No. 659/2007 Coll. Act No. 209/2007 Coll. made an alteration of the Securities Act in particular in relation to new regulations on organizational requirements and conditions for the performance of activities of investment companies within the single financial market in the European Union. For securities dealers and for branches of foreign securities dealers also the rules of activities in relation to clients were modified. Act No. 659/2007 Coll. made alterations relative to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro currency.

Act No. 510/2002 Coll. on the payment system and on amendments to certain acts, as amended, was amended in 2007 by Act No. 659/2007 Coll. This amendment contains regulations relative to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro. By virtue of this amendment, mandatory use of constant symbols was abolished in the payment system as well, and from the introduction of the euro on, it will be possible to use constant symbols in the payment system.

Act No. 747/2004 Coll. on financial market supervision and on amendments to certain acts, as amended, was amended in 2007 by Act No. 659/2007 Coll. Under this Act modifications were made to the Act on financial market supervision related in particular to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro.

Slovak National Council Act No. 202/1995 Coll., the Foreign Exchange Act, and act under which the Slovak National Council Act No. 372/1990 Coll. on misdemeanours, as amended, was amended and supplemented in 2007 by Act No. 209/2007 Coll. and Act No. 659/2007 Coll. Under Act No. 209/2007 Coll. financial derivatives were exempted from the term "foreign assets". Under Act No. 659/2007 Coll. modifications were made related in particular to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro currency.



Act No. 95/2002 Coll. on the insurance and on amendments to certain acts, as amended, was amended in 2007 by Act No. 110/2007 Coll. Under Act No. 110/2007 Coll. modifications were made following the adjustment of technical provision for the payment of liabilities against the Slovak Insurers' Bureau resulting from activities under Act No. 381/2001 Coll. on compulsory contractual third-party liability insurance for motor vehicles, as amended.

Act No. 594/2003 Coll. on collective investment and on amendments to certain acts, as amended, was amended in 2007 by Act No. 209/2007 Coll. and Act No. 659/2007 Coll. Under Act No. 209/2007 Coll. EU requirements were modified for the harmonization of requirements for transparency in relation to information on issuers whose securities were accepted for trading in the regulated market, and also organizational requirements and conditions of the performance of management companies' activity. Under Act No. 659/2007 Coll. modifications were made in relation to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro currency.

Act No. 43/2004 Coll. on retirement pension saving and on amendments to certain acts, as amended, was amended in 2007 by Act No. 209/2007 Coll., Act No. 555/2007 Coll. and Act No. 659/2007 Coll. A notable change was made by Act No. 555/2007 Coll., which introduced material changes regulating pillar I and II of old-age pension scheme. Act No. 659/2007 Coll. introduced changes relative to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro currency.

Act No. 650/2004 Coll. on supplementary pension saving and on amendments to certain acts, as amended, was amended in 2007 by Act No. 555/2007 Coll. and Act No. 659/2007 Coll. Under Act No. 555/2007 Coll., certain accounting rules and rules for the performance of transactions by a supplementary pension company were modified. Act No. 659/2007 Coll. modified in particular changes relative to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro currency.

Act No. 340/2005 on insurance mediation and re-insurance mediation and on amendments to certain acts was amended in 2007 by Act No. 330/2007 Coll. Under this Act, certain competences of the Ministry of Finance of the SR were transferred to Národná banka Slovenska.

Act No. 381/2001 Coll. on compulsory contractual third-party liability insurance for motor vehicles and on amendments to certain acts, as amended, was amended in 2007 by Act No. 110/2007 Coll. Under

this Act, for instance, a limit of insurance benefit from an insured event was introduced; an obligation was modified for the Slovak Insurers' Bureau to create technical provisions, and provisions on supervision of the Bureau's activity were modified.

Slovak National Council Act No. 310/1992 Coll., the Home Savings Act, as amended, was amended in 2007 by Act No. 658/2007 Coll. and Act No. 659/2007 Coll. Under Act No. 658/2007 Coll. in particular provisions on activity a building society may perform were modified, and provisions on purpose for which a building credit can be used, and provisions on certain rules of home savings were introduced. Under Act No. 659/2007 Coll. in particular modifications were made related to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro.

Slovak National Council Act No. 118/1996 Coll. on deposits protection and on amendments to certain acts, as amended, was amended in 2007 by Act No. 659/2007 Coll. Under this Act, modifications were made in the Deposits Protection Act related to the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro.

Act No. 530/1990 Coll. on bonds, as amended, was amended in 2007 by Act No. 209/2007 Coll. and Act No. 659/2007 Coll. A notable change was made by Act No. 659/2007 Coll. following the preparation for the euro introduction in the SR and for the changeover from the present Slovak currency to the euro.

Act No. 429/2002 Coll. on the Stock Exchange, as amended was amended in 2007 by Act No. 209/2007 Coll. This amendment modified in particular provisions on the position and activity of the securities exchange in relation to alterations made by Act No. 209/2007 Coll. in the Securities Act.

### **Decrees and provisions issued by Národná banka Slovenska in 2007 under its legislative competences to issue implementing, generally binding legal regulations**

Decree No. 100/2007 Coll. laying down the details on entries into the Register of Supplementary Pension Saving Mediators.

NBS Decree No. 183/2007 Coll. on the issue of silver commemorative coins of a nominal value of 500 SKK at the 450<sup>th</sup> anniversary of the completion of the Old Fortress in Komarno.

NBS Decree No. 271/2007 Coll. on the second issue of 1 000 SKK banknotes model 1999 into circulation.



NBS Decree No. 285/2007 Coll. executing certain provisions of Act No. 340/2005 Coll. on insurance mediation and reinsurance mediation and on amendments to certain acts.

NBS Decree No. 425/2007 Coll. amending Decree of the Ministry of Finance of the Slovak Republic No. 166/2005 Coll. on the own funds of a financial conglomerate and on how to calculate the adequacy of the own funds of a financial conglomerate and on amendments to certain decrees as amended by Decree of Národná banka Slovenska No. 657/2006 Coll.

NBS Decree No. 498/2007 Coll. on the issue of silver commemorative coins of a nominal value of 200 SKK at the 100<sup>th</sup> anniversary of the death of Andrej Kmeť.

NBS Provision No. 1/2007 on information provided by banks and branches of foreign banks (Notification No. 41/2007 Coll.).

NBS Provision No. 2/2007 on the submission of reports, statements and other notices by banks, branches of foreign banks, securities dealers and branches of foreign securities dealers for supervision and statistical purposes (Notification No. 42/2007 Coll.).

NBS Provision No. 3/2007 on the submission of reports by entities ensuring the distribution of securities issued by foreign management companies and foreign investment companies on the basis of a public offer by an investor on the territory of the Slovak Republic for statistical purposes (Notification No. 61/2007 Coll.).

NBS Provision No. 4/2007 on the own funds of financing of banks and requirements for own funds of financing of banks and on the own funds of financing of securities dealers and requirements for own funds of financing of securities dealers (Notification No. 121/2007 Coll.) as amended by NBS Provision No. 10/2007 (Notification No. 420/2007 Coll.).

NBS Provision No. 5/2007 amending and supplementing Provision of Národná banka Slovenska No. 15/2004 on the own funds of a financial conglomerate and on the proprietary involvement of a financial conglomerate as amended by Provision of Národná banka Slovenska No. 13/2006 (Notification No. 352/2007 Coll.).

NBS Provision No. 6/2007 on the record of assets and liabilities of banks and branches of foreign banks (Notification No. 385/2007 Coll.).

NBS Provision No. 7/2007 on reporting on a consolidated unit (Notification No. 379/2007 Coll.).

NBS Provision No. 8/2007 on the own funds of a financial conglomerate and on how to calculate the adequacy of the own funds of a financial conglomerate in accordance with the Securities Act (Notification No. 386/2007 Coll.).

Provision No. 9/2006 on information provided by securities dealers and branches of foreign securities dealers and on amendment to Provision of Národná banka Slovenska No. 1/2007 on information provided by banks and branches of foreign banks (Notification No. 421/2007 Coll.).

NBS Provision No. 10/2007 amending and supplementing Provision of Národná banka Slovenska No. 4/2007 on the own funds of financing of banks and requirements for own funds of financing of banks and on the own funds of financing of securities dealers and requirements for own funds of financing of securities dealers (Notification No. 420/2007 Coll.).

NBS Provision No. 11/2007 on the submission of reports, statements and other notices by banks, branches of foreign banks, securities dealers and branches of foreign securities dealers for supervision and statistical purposes (Notification No. 496/2007 Coll.).

NBS Provision No. 12/2006 on the submission of reports by banks and branches of foreign banks for statistical purposes (Notification No. 505/2007 Coll.).

NBS Provision No. 13/2007 on reporting by management companies in respect of mutual funds for statistical purposes (Notification No. 506/2007 Coll.).

NBS Provision No. 14/2007 on reporting by factoring companies, instalment credit companies and leasing companies for statistical purposes (Notification No. 507/2007 Coll.).

NBS Provision No. 15/2007 on the submission of reports, statements, notices and other information by the Slovak Insurers' Bureau (Notification No. 650/2007 Coll.).

NBS Provision No. 16/2007 on reporting by the Stock Exchange and the Central Securities Depository for the purposes of financial market supervision (Notification No. 651/2007 Coll.).

NBS Provision No. 17/2007 on reporting by management companies and depositories of mutual funds for the purposes of financial market supervision (Notification No. 652/2007 Coll.).