

THE STOCK EXCHANGE ACT

Complete wording of the Act on the Stock Exchange of 18 June 2002 No 429/2002 Coll. as results from amendments made by Act No 594/2003 Coll., Act No 635/2004 Coll., Act No 43/2004 Coll., Act No 747/2004 Coll., Act No 336/2005 Coll., Act No 209/2007 Coll. and Act No 8/2008 Coll.

The National Council of the Slovak Republic has adopted this Act:

PART ONE

GENERAL PROVISIONS

Article 1

Scope

This Act governs: the conditions for the establishment, role, operation and termination of operation of a stock exchange; trading in financial instruments ¹⁾ on a regulated stock exchange market or multilateral trading system; and the exercise of supervision over the operation of a stock exchange and the operation of a multilateral trading facility.

Article 2

Stock exchange

(1) A stock exchange shall be a joint-stock company with its registered office in the territory of the Slovak Republic which operates a regulated market (including conditional trading prior to the issuance of a security) and ensures related activities, and which is authorized to perform these activities under a licence for the incorporation and operation of a stock exchange issued in accordance with this Act (hereinafter a 'licence').

(2) Besides the activities under paragraph 1 a stock exchange may perform the following activities provided they are stated in the licence:

- a) operate a multilateral trading facility,
- b) organise at a set place and at a set time a primary market, whereby an issuer concurrently with the issue of securities or other investment instruments requests their admission to a stock exchange market,
- c) ensure activities connected with activities under points a) and b) and activities set out in a separate law. ^{1a)}

(3) In performing activity under the paragraphs 1 and 2 the stock exchange shall also acquire the power of adjudication in cases laid down by this Act.

(4) A stock exchange shall be a juristic person and shall be recorded in the companies register.

(5) A stock exchange may perform activities other than those mentioned in paragraph (1) and (2) only if they are related to the scope of its activities as defined in paragraphs (1) and (2), they do not undermine the performance of those activities and the National Bank of Slovakia has granted approval to their performance. Such other activities are not to be entered in the Commercial Register. A stock exchange may not deal in securities or perform activities other than the activities mentioned in paragraphs (1) and (2) and activities under the first sentence.

(6) Only a stock exchange may carry out the activities mentioned in paragraph (1) unless otherwise provided in this Act or a separate law.

(7) The trade name of a stock exchange must contain the designation “stock exchange”; other juristic persons not incorporated under this Act, or natural persons may not use in their trade name this designation or a designation interchangeable with it in the Slovak language or a foreign language.

(8) A stock exchange may be founded by at minimum ten founders.

(9) A founder of a stock exchange may be only a stockbroker³⁾, a fund management company,⁴⁾ an insurance company,⁵⁾ a bank⁶⁾ or another stock exchange or juristic persons incorporated aboard with a similar line of business.

(10) A stock exchange may issue shares only as registered non-bearer securities. It shall be prohibited

a) to change the kind and form of a stock exchange's shares,

b) for the stock exchange to issue preference shares⁷⁾,

c) to change the legal form of a stock exchange,

d) to sell the business of the stock exchange or a part of it.⁸⁾

(11) A shareholder of a stock exchange may be only a juristic person who may be a founder of a stock exchange, the National Property Fund of the Slovak Republic or the Central Securities Depository.⁹⁾

(12) The registered capital of a stock exchange shall be at least 100 000 000 SKK.

(13) A stock exchange shall be governed by the provisions of the Commercial Code, unless stated otherwise in this Act.

(14) A foreign stock exchange incorporated in a Member State or an organiser of a another foreign regulated market incorporated in a Member State whose activity is in accordance with European Union regulations governing securities trading and which performs activity without the need for the physical presence of members in trading may provide a stockbroker in the territory of the Slovak Republic with the essentially necessary facilities in order for the stockbroker incorporated in the Slovak Republic to have access to trading on such a foreign stock exchange or on this foreign regulated market; this shall apply only if the stockbroker provides investment services on the basis of the right to the free provision of investment services in a Member State in which the respective foreign stock exchange or organiser of another foreign regulated market is incorporated, and if the stockbroker has requested membership or access to trading on this foreign stock exchange or on this foreign regulated market.

(15) The National Bank of Slovakia, after receiving from the competent authority of the regulated market's home Member State the notification regarding the matter mentioned in paragraph (14), shall request that competent authority to provide information on participants from the Slovak Republic.

Article 3 **Definitions**

(1) 'Regulated market' means a multilateral system operated by a regulated market operator which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules or system, and which functions regularly and in accordance with the provisions of this Act.

(2) A listed security means a security admitted to the listed securities market of a stock exchange (Article 25).

(3) The European Economic Area means the Member States of the European Communities and the member states of the European Free Trade Agreement who signed the European Economic Area Agreement.

(4) For the purposes of this Act

- a) a stock exchange transaction means the purchase or sale of securities or other investment instruments on a regulated stock exchange market,
- b) an average price means the weighted arithmetic average of the prices of securities or prices of other investment instruments determined by a stock exchange in accordance with stock exchange rules,
- c) a trading day means every day in which stock exchange transactions may be concluded on a market organised by a stock exchange,
- d) a trading hour means each hour during which stock exchange transactions may be concluded on the market organised by a stock exchange,
- e) a primary market means the organising of the supply of and demand for securities or other investment instruments upon their issue,
- f) a financial institution means a stockbroker, ³⁾ a branch of a foreign stockbroker, ³⁾ a bank, ⁶⁾ a branch of a foreign bank ⁶⁾, a fund management company⁴⁾, an organisational unit of a foreign fund management company⁴⁾, an insurance company ⁵⁾, a branch of a foreign insurance company ⁵⁾, an insurance company from another Member State ⁵⁾, a supplementary pension insurance company ¹¹⁾, the central securities depository ⁹⁾ and subjects incorporated outside the Slovak Republic with a similar line of business and a pension fund management company, ^{11a)}
- g) a qualified stake means a direct or indirect share or the sum of them that represents at least 5% of the registered capital of a juristic person or of the voting rights in a juristic person or the possibility of exercising influence in the management of this juristic person comparable with the influence corresponding to this share,
- h) an indirect share means the share held via an intermediary, and this by means of a juristic person or juristic persons over which the juristic person exercises control,
- i) control under point h) means

1. a direct or indirect share of at least 50% of the registered capital of a juristic person or of the voting rights of a juristic person,
 2. the right to appoint or recall the statutory body, the majority of members of the statutory body, of the supervisory board or director of a juristic person,
 3. the possibility to exercise influence in the management of a juristic person comparable with the influence corresponding to a share under point 1 above (hereinafter simply “decisive influence”), in which another natural person is a company partner, a shareholder or member, and this on the basis of a contract with a juristic person, on the basis of the articles of association of a juristic person or on the basis of an agreement with other company partners, shareholders or members of a juristic person, or
 4. the possibility to exercise directly or indirectly a decisive influence in another manner,
- j) a person means a juristic person or natural person, unless solely a juristic person or natural person is stated in the individual provisions of this Act.
- k) 'regulated market's home Member State' means the Member State in which the regulated market is registered or, if under the law of that Member State it has no registered office, the Member State in which the head office of the regulated market is situated;
- l) 'regulated market's host Member State' means the Member State in which the regulated market provides arrangements so as to facilitate access to trading on its system by members from another Member State or participants established in that same Member State;
- m) 'debt securities' means bonds or other forms of transferable securitized debts, with the exception of securities which are equivalent to shares in companies or which, if converted or if the rights conferred by them are exercised, give rise to a right to acquire shares or securities equivalent to shares;
- n) 'issuer' means a legal entity whose securities are admitted to trading on a regulated market, the issuer being, in the case of depository receipts,^{11b)} the issuer of the securities represented;
- o) 'central counterparty' means an entity that interposes itself between buyers and sellers, becoming the buyer to every seller and the seller to every buyer;
- p) 'issuer's home Member State' means:
1. in the case of an issuer of debt securities the denomination per unit of which is less than EUR 1 000, or if denominated in a currency other than the euro, the denomination per unit of which is at the date of issue less than EUR 1 000, or an issuer of shares:
 - 1a. where the issuer is incorporated in a Member State, the Member in which it has its registered office;
 - 1b. where the issuer is incorporated in a non-Member State, the Member State in which it is required to file the annual information with the competent authority in accordance with Article 37d(5);
 2. for any issuer not covered by point one, the Member State chosen by the issuer in which:
 - 2a. it has its registered office; or
 - 2b. its securities are admitted to trading on a regulated market;
- r) 'issuer's host Member State' means the Member State in which the securities are admitted to trading on a regulated market, if different from the home Member State.

Licence for the establishment and activity of a stock exchange

Article 4

(1) A licence shall be necessary for the establishment and activity of a stock exchange. The decision to grant a licence shall be made ¹²⁾ by the National Bank of Slovakia on the basis of a written request of the stock exchange's founders .

(2) The fulfilment of these conditions must be proven for a licence to be granted:

- a) paid-up registered capital of at least SKK 100 000 000,
- b) the transparent and trustworthy origin of the registered capital and of other financial resources of the stock exchange,
- c) the suitability of persons having a qualified stake in the stock exchange and the transparency of the relations of these persons with other persons, in particular the transparency of shares in the registered capital and in voting rights,
- d) the professional competence and trustworthiness of natural persons proposed as members of the board of directors, as members of the supervisory board, as the general manager of the stock exchange and as the head of the inspection unit for stock exchange transactions,
- e) the transparency of a group with close links ¹³⁾ including also a shareholder with a qualified stake in the stock exchange,
- f) the performance of supervision is not hindered by close links within a group under point e) above,
- g) the performance of supervision is not hindered by the legal code and manner of its application in a state in which a group under point e) above has close links,
- h) where the stock exchange is to operate a multilateral trading facility, fulfilment of the conditions regarding operation and management, as defined in a separate law, ^{13a)} insofar as they concern the requested activities,.
- i) the ability of shareholders of the stock exchange to bridge any adverse financial situation of the stock exchange,
- j) the technical and organisational readiness for the performance of the activities of a stock exchange.

(3) A licence application shall state

- a) the trade name and registered office of the future stock exchange,
- b) the identification number of the future stock exchange, if already assigned to it,
- c) the level of the registered capital of the future stock exchange,
- d) the trade name, registered office and identification number of juristic persons having a share in the registered capital of the future stock exchange,
- e) a proposal as to the scope in which the stock exchange will perform its activities, in particular, which regulated market it will operate and whether it will also operate a multilateral trading facility;
- f) the material, staffing and organisational prerequisites for the performance of stock exchange activities,
- g) a list of founders,
- h) the name and surname, address of permanent residence and birth identification number of natural persons proposed as members of the board of directors, as members of the supervisory board, as managing director and as head of the inspection unit for stock exchange transactions, and data on their professional competence and trustworthiness,
- i) the signatures of and the declaration by the applicants that the submitted data are current, complete and true.

- (4) The licence application shall contain
- a) the articles of incorporation,
 - b) the draft articles of association of the stock exchange,
 - c) the draft stock exchange rules,
 - d) a brief professional curriculum vitae, document on education achieved and professional practice of natural persons proposed as members of the board of directors, as members of the supervisory board, as general manager and as head of the inspection unit for stock exchange transactions,
 - e) an excerpt from the criminal register not older than three months for natural persons under paragraph 3(h) and their solemn declarations on their fulfilment of all the requirements laid down by this Act,
 - f) a written declaration by the founders that bankruptcy has not been declared on their assets nor a settlement order permitted ¹⁴⁾,
 - g) a document on the payment of registered capital.

(5) The National Bank of Slovakia shall refuse a licence application if the applicant does not fulfil any of the conditions under paragraph 2. Economic needs of the market may not constitute a reason for the refusal of a licence application.

(6) Conditions under paragraph 2 must be fulfilled constantly throughout the life of the licence.

(7) Details on the conditions under paragraph 2 and the manner of proving the fulfilment of these conditions shall be laid down by a decree to be issued by the National Bank of Slovakia, the full text of which is to be published in the Collection of Laws.

(8) A professionally competent natural person proposed as a member of the board of directors of a stock exchange and as the head of an inspection unit for stock exchange transactions shall mean a natural person with completed university education, who has performed professional activities in the field of the financial market for at minimum three years.

(9) A professionally competent natural person proposed as general manager shall mean a person with completed university education, who has performed professional activities in the field of the capital market or banking for at least five years and who has at least three years' managerial experience in the field of the capital market or banking.

(10) A professionally competent natural persons proposed as a member of the supervisory board of a stock exchange shall mean a person with completed university education and who has performed professional activities in the financial field for at least three years.

(11) A trustworthy person for the purposes of this Act shall mean a natural person of integrity who in the past ten years

- a) has not held a function under paragraph 3 (h) in a stock exchange, has not been a managerial employee ¹⁵⁾ or has not held the function of a member of the statutory body or of the supervisory board in a financial institution whose licence for establishment or activity was withdrawn, and this at any time in the period of one year prior to the withdrawal of the licence for establishment or activity,

- b) has not held a function under paragraph 3(h) in a stock exchange, has not been a managerial employee ¹⁵⁾ or has not held a function of a member of the statutory body or of the supervisory board in a financial institution in which administration was ordered, and this at any time in the period of one year prior to the introduction of the administration order,
- c) has not held a function under paragraph 3(h) in a stock exchange, has not been a managerial employee ¹⁵⁾ or has not held the function of a member of the statutory body or of the supervisory board in a financial institution on which bankruptcy was declared ¹⁴⁾. settlement permitted, or a petition for the declaration of bankruptcy was rejected for lack of assets, or which entered liquidation, and this at any time in the period of one year prior to the declaration of bankruptcy, the permission for settlement, or the refusal of a petition for the declaration of bankruptcy for lack of assets, or prior to entering liquidation,
- d) has not had a fine lawfully imposed greater than 50% of the sum that could be imposed on this person under this Act or a special act. ¹⁶⁾

(12) A person of integrity shall mean a natural person who has not been lawfully convicted of an intentional criminal act or of a criminal act committed in connection with the performance of a managerial function; integrity shall be proven by an extract from the criminal register not older than three months or, where this concerns a foreign national, by an analogous confirmation on the good moral character issued by the respective body of the state of his permanent residence or by a body of the state where he usually resides.

(13) A natural person under paragraph 11 (a), (b) and (c) may be acknowledged by the National Bank of Slovakia in licensing proceedings as trustworthy if from the nature of the matter it results that from the aspect of operation in functions under paragraph 11 (a), (b) and (c) this natural person could not have influenced the activity of a stock exchange or financial institution and could not have caused consequences under paragraph 11 (a), (b) and (c). In its licensing decision the National Bank of Slovakia shall state the reasons for acknowledging a natural person under the first sentence of this paragraph as trustworthy

(14) In assessing the conditions under paragraph 2(c) a suitable person shall mean a person who faithfully proves the transparent and trustworthy origin of its registered capital and other financial resources and from all circumstances it is clear that this person shall not be an impediment to the due performance of a stock exchange's activities.

Article 5

(1) A licence shall be granted for an indefinite period and may not be transferred to another person. A licence shall not pass to a legal successor of the stock exchange; this shall not apply where the legal successor of the stock exchange has been established on the basis of prior consent under Article 6 (1)(c) and fulfilled the conditions under Article 4 (2).

(2) At the request of a stock exchange a licence may be changed by a decision of the National Bank of Slovakia. The National Bank of Slovakia shall proceed in the case of assessing a request for a change of licence *mutatis mutandis* according to Article 4.

(3) A stock exchange shall be bound to submit to the respective registry court a proposal for the entry of the licensed activities in the companies register on the basis of the licence or of a change to it within 30 days from the date when this licence or a change to it

entered into effect, and to submit an excerpt from the companies register to the National Bank of Slovakia within 30 days from the date of the legally valid decision of the registry court on making the entry in the companies register or making the change to the entry in the companies register.

(4) A stock exchange shall be bound to inform the National Bank of Slovakia forthwith of a change in the facts stated in Article 4(3)(a) to (d); a stock exchange shall be bound to inform also of changes in the facts stated in Article 4(3)(f), if these may influence the competence of the stock exchange to perform activity in the licensed scope.

(5) The National Bank of Slovakia shall forward to the European Commission (hereinafter referred to as 'the Commission') and Member States a list of the regulated markets for which the Slovak Republic is the home Member State. A similar communication shall be effected in respect of each change to that list.

Article 6

Prior consent of the National Bank of Slovakia

(1) Prior consent of the National Bank of Slovakia shall be a condition for

- a) the acquisition of a holding in the share capital of a stock exchange or voting rights in a stock exchange, or an increase in such holding or voting rights so that the proportion thereof exceeds 20%, 33% or 50%, whether through a single transaction or through several transactions, made directly or acting in concert,¹⁰⁾
- b) the election of members of the board of directors and of the supervisory board of the stock exchange, for the appointment of the general manager and head of the inspection unit for stock exchange transactions,
- c) the merger, amalgamation or division of a stock exchange, including the merger of another juristic person with the stock exchange,
- d) the return of a licence,
- e) an acquisition by a stock exchange of an asset stake in the registered capital of juristic persons which exceeds 33% of the registered capital of the juristic person.

(2) The issuing of prior consent

- a) under paragraph 1(a) shall be governed equally by the conditions under Article 4(2)(c), (e), (f), (g) and (h) and the transparent and trustworthy origin, sufficient volume and suitable composition of financial resources for performing this act must be also proven,
- b) under paragraph 1(b) shall be governed equally by the conditions under Article 4(2)(d),
- c) under paragraph 1 (c) shall be governed equally by the conditions under Article 4 (2) if through the merger, amalgamation or division of the stock exchange a stock exchange is to be established, and by the condition under Article 6(2)(d) where through the merger, combination or division of a stock exchange a juristic person other than a stock exchange is to be established; the merger, combination or division of a stock exchange, including the merger of another juristic person with a stock exchange may not be to the harm of the stock exchange's creditors,
- d) under paragraph 1(d) a stock exchange must prove that as at the day of terminating the activity of a stock exchange all deals concluded on it will be settled,
- e) under paragraph 1(e) shall be governed equally by the conditions under Article 4(2)(f) and (g) and the transparent and trustworthy origin, sufficient volume and suitable composition of the financial resources of a stock exchange for performing this act must be proven.

(3) The provisions of a special act ¹⁷⁾ shall not be prejudiced by the provisions of paragraph 1 (a), (c) and (e).

(4) An application for prior consent shall be submitted

- a) under paragraph 1 (a) by juristic persons intending to acquire a share in the registered capital of a stock exchange as laid down in paragraph 1(a),
- b) under paragraph 1(b) by a stock exchange or a shareholder of a stock exchange,
- c) under paragraph 1 (c) by a stock exchange where this concerns the merger or amalgamation jointly by the stock exchange and juristic person with which the stock exchange is merging or with which the stock exchange is amalgamating,
- d) under paragraph 1 (d) and (e) by the stock exchange.

(5) The particulars of an application for prior consent under paragraph 1 shall be laid down by a decree to be issued by the National Bank of Slovakia, the full text of which is to be published in the Collection of Laws.

(6) If the National Bank of Slovakia within 15 days of receiving an application under paragraph 1(b) fulfilling all the particulars, does not issue a decision, it shall apply that prior consent under paragraph 1(b) has been granted.

(7) The natural person whose appointment or election was approved by the National Bank of Slovakia in accordance with paragraph (1)(b) shall take up his position within six months from when the decision to grant the approval takes effect or from when the period for making that decision ended in accordance with paragraph (6), or else the approval shall expire.

(8) In the decision on prior approval mentioned in paragraph (1)(a), (c) and (e), the National Bank of Slovakia shall also stipulate the period after which the prior approval shall expire if the act for which it was granted has not been carried out. This period must not extend for less than three months or more than one year from when the approval was granted, unless the National Bank of Slovakia has set a different period in order to protect investors.

(9) Through the return of a licence on the basis of prior consent under Article 6(1)(d) the licence lapses.

(10) Without the prior consent of the National Bank of Slovakia each legal act for which prior consent is required shall be invalid. Also each legal act done on the basis of a decision granting prior consent issued on the basis of untrue information shall also be invalid.

PART TWO

STOCK EXCHANGE BODIES, ORGANISATION AND RULES

Article 7 Stock exchange bodies

The bodies of a stock exchange shall be

- a) the general assembly,
- b) the board of directors,
- c) the supervisory board,
- d) the general manager.

Article 8 General assembly

(1) The general assembly shall be the supreme body of a stock exchange, and which shall be composed of all shareholders of the stock exchange present.

(2) The general manager and an authorised representative of the National Bank of Slovakia may also attend a meeting of the general assembly.

(3) A general assembly shall

- a) approve the articles of association of a stock exchange and changes to them,
- b) decide on an increase or decrease in the registered capital of the stock exchange,
- c) elect and recall members of the board of directors and determine the remuneration for their activity,
- d) determine which of the members of the board of directors is chairman of the board of directors and deputy chairman of the board of directors,
- e) elect and recall members of the supervisory board and determine the remuneration for their activity,
- f) approve the ordinary, extraordinary or consolidated closing of accounts, decide on the distribution of profit and determine the level of directors fees,
- g) decide on the termination of activity of the stock exchange,
- h) fulfil other tasks entrusted by this Act, the Commercial Code, or the stock exchange's articles of association to the competence of the general assembly.

(4) Repealed as of 1 December 2004.

Article 9 Board of directors

(1) The board of directors shall be the statutory body of a stock exchange.

(2) .The board of directors shall have at least three members.

(3) Members of the board of directors shall be elected for a period set by the articles of association, which, though, may not be longer than five years. Re-election is allowed.

(4) The board of directors shall meet according to need, however, at least every three months.

(5) An authorised representative of the National Bank of Slovakia shall also be entitled to attend meetings of the board of directors.

Article 10

Rights and obligations of the board of directors

- (1) The board of directors shall
- a) approve draft stock exchange rules and a proposal for changes to them,
 - b) appoint and recall the general manager,
 - c) appoint and recall at the proposal of the general manager the head of the inspection unit for stock exchange transactions,
 - d) decide on confirming a suspension of stock exchange business (Article 12 (3)),
 - e) decide on the admission of securities to the respective market of the stock exchange, on the suspension of trading in securities, on the reassignment of a security to a different market of the stock exchange and on the exclusion of a security from the respective market of the stock exchange; the board of directors shall be entitled to entrust the general manager with decision-making on the admission of securities under Article 25 (4) to a stock exchange market, and power to decide on the admission of a security to conditional trading in accordance with Article 26(6) and Article 28.
 - f) decide on the admission of investment instruments other than securities for trading on the stock exchange and on the termination of trading in these investment instruments on the stock exchange,
 - g) grant and withdraw authorisation to trade on the stock exchange,
 - h) perform other activities under this Act and activities listed in the stock exchange's articles of association and in the stock exchange rules.

(2) The manner of performing the rights and obligations of the board of directors shall be regulated by the stock exchange's articles of association and stock exchange rules.

(3) The board of directors shall have quorum, if at least half its members are present. The board of directors shall decide by a majority of the votes of members present, in the case of an equality of votes the chairman shall have the deciding vote. In the case of discussing the stock exchange rules and changes to them at least two thirds of the members of the board of directors must be present and a decision must be approved by at least a two-thirds majority of the votes of members present, otherwise the decision shall be invalid.

(4) The activity of the board of directors shall be governed by the chairman of the board of directors. The chairman of the board of directors shall sign resolutions of the board of directors and fulfil other tasks stated in the stock exchange's articles of association and in the stock exchange rule.

(5) The chairman of the board of directors shall be represented during his absence by the deputy chairman of the board of directors.

Article 11

Supervisory board

(1) The supervisory board shall be the review body of a stock exchange, which oversees the financial management of the stock exchange, the performance of the competences of the board of directors, and compliance with generally binding legal regulations, the stock exchange's articles of association and its stock exchange rules.

(2) Members of the supervisory board shall be elected for a period set by the articles of association, which however may not be longer than five years. Re-election shall be allowed.

(3) Members of the supervisory board may not be employees of the stock exchange

(4) An authorised representative of the National Bank of Slovakia, too, shall be entitled to participate at meetings of the supervisory board.

Article 12

General manager

(1) The general manager shall be the executive body of a stock exchange and manage the activity of the stock exchange.

(2) The general manager shall be an employee of the stock exchange. The general manager upon appointment shall become the company secretary of the stock exchange. The stock exchange shall be bound to submit forthwith following the appointment of the general manager a proposal for the registration of the procuracy in the Companies' Register.

(3) The general manager shall be entitled to suspend the stock exchange business if the interests of financial market participants are threatened, or in accordance with Article 38 (2) suspend trading in a security on the stock exchange; in the case of suspending stock exchange business instructions for the registration of the transfer of registered securities under a special act¹⁸) may validly be revoked only up until the moment of their acceptance by the Central Securities Depository. The suspension of stock exchange business or trading in a security may be made for at most 30 days. The general manager shall be bound to inform forthwith the chairman of the board of directors and the National Bank of Slovakia on the suspension of the stock exchange business or trading in a security. A decision of the general manager to suspend stock exchange business or trading in a security must be discussed at the next meeting of the board of directors. If the board of directors does not confirm the general manager's decision to suspend stock exchange business or trading in a security, this measure shall lose force.

(4) The general manager shall be bound to cancel a stock exchange transaction, if

- a) through the conclusion of a stock exchange transaction a generally binding legal regulation has been violated,
- b) the stock exchange transaction was concluded on the account of the same person on the side of the buyer and seller,

c) through the conclusion of a stock exchange transaction market manipulation has occurred.^{17a)}

(5) The general manager may cancel a stock exchange transaction, if

- a) the stock exchange learns of facts that could, in the case of the stock exchange transaction not being cancelled, lead to investors being harmed,
- b) stock exchange rules were violated through the conclusion of the stock exchange transaction,
- c) the stock exchange has a reasonable suspicion that market manipulation has occurred,^{17a)}
- d) an error has occurred in the inputting of instructions into the stock exchange's trading system, or a fault has occurred in the stock exchange's trading system,
- e) all participants of the stock exchange transaction request its cancellation; this shall not apply if in the case of anonymous trades¹⁹⁾ the stock exchange's trading system does not make it possible to determine who submitted the instructions for concluding the respective stock exchange transaction.

(6) A decision of the general manager under paragraphs 4 and 5 may be performed only up until the moment of accepting the instructions for the registration of the transfer of registered securities¹⁹⁾ that are the subject of the stock exchange transaction under paragraphs 4 and 5 by the Central Securities Depository.

(7) At the request of other bodies of the stock exchange the general manager shall be bound to participate at their meetings.

Article 13

Inspection unit for stock exchange transactions

(1) A stock exchange shall be bound to establish an inspection unit for stock exchange transactions.

(2) An inspection unit for stock exchange transactions shall be bound to monitor and record data on stock exchange transactions, systematically and constantly record and evaluate data on the stock exchange transactions necessary for drawing up documentation for fulfilling tasks of the inspection unit for stock exchange transactions and in the scope and under the conditions laid down by this Act stock exchange to check transactions and provide cooperation to the National of Bank Slovakia.²⁰⁾

(3) A stock exchange shall be bound to ensure the material, technical, organisational and staffing conditions necessary for the activity of the inspection unit for stock exchange transactions. Technical conditions shall mean in particular the creation of a technical system for the systematic and constant recording and evaluation of data on stock exchange transactions enabling the drawing up of the necessary documentation for fulfilling tasks of the inspection unit for stock exchange transactions.

(4) The inspection unit for stock exchange transactions shall be managed by a head of the inspection unit for stock exchange transactions. The head of the inspection unit for stock exchange transactions and persons entrusted with performing the activity of the inspection unit for stock exchange transactions shall be employees of the stock exchange.

(5) The head of the inspection unit for stock exchange transactions shall be appointed and recalled at the proposal of the general manager by the board of directors following prior consent of the National Bank of Slovakia.

(6) In connection with the performance of control the inspection unit for stock exchange transactions shall be entitled to require the provision of information and submission of documents from bodies and other units of the stock exchange, from issuers of securities and juristic persons or natural persons who have issued other investment instruments admitted for trading to the stock exchange, and from the members of the stock exchange.

(7) The inspection unit for stock exchange transactions shall be bound to comply forthwith with a request of the National Bank of Slovakia for cooperation ²⁰⁾ in performing a control of stock exchange transactions and the head of the inspection unit for stock exchange transactions shall be bound to submit within the period set by the National Bank of Slovakia a report on the result of a control performed by the stock exchange.

(8) If the inspection unit for stock exchange transactions in performing its activity acquires information on the basis of which it can justifiably be presumed that a violation of this Act, of a special act ³⁾, of stock exchange rules has occurred or that matters have occurred which could disrupt the course of a stock exchange transaction, it shall be bound to inform the National Bank of Slovakia, the board of directors and the general manager thereof forthwith.

(9) The inspection unit for stock exchange transactions shall submit to the National Bank of Slovakia not later than within 30 days following the end of a calendar quarter a report on the result of its activity for the preceding calendar quarter and a report on measures adopted for remedying shortcomings found.

(10) An employee of the inspection unit for stock exchange transactions may not be a member of the stock exchange's board of directors, a member of its supervisory board nor its general manager.

(11) Where a stock exchange operates a multilateral trading facility, the duties and powers of the inspection department for stock exchange transactions shall extend to transactions made on that multilateral trading facility. Where a securities dealer operates a multilateral trading facility it shall include in its administrative structure an employee or employees responsible for the performance of the activities set out in paragraphs (2) to (10) in regard to transactions carried out on that multilateral trading facility.

Article 14

Organisation and management of a stock exchange

(1) A stock exchange shall be bound to regulate in its articles of association the relations and cooperation between the board of directors, supervisory board, general manager and head of the inspection unit for stock exchange transactions and the defining of conflicts of interest between the stock exchange and its shareholders or between the stock exchange and the sound functioning of the regulated market, and the management of potential adverse consequence of any such conflicts of interest for the operation of the regulated market or its participants.

A stock exchange shall also be bound to separate and regulate in its articles of association the powers and responsibility at the stock exchange for preventing the legalisation of incomes from criminal activity.²¹⁾

(2) The organisational structure and system of management of the stock exchange must ensure the proper and safe performance of activities stated in its licence. The inspection unit for stock exchange transactions must be included in the organisational structure of a stock exchange as an organisational unit.

(3) A stock exchange shall be bound to provide the National Bank of Slovakia an officially attested copy of its applicable articles of association and organisational structure forthwith following each change to them.

(4) A stock exchange shall be bound to regulate legal relations with members of the board of directors by way of a contract, which shall be governed by a special regulation.²²⁾

(5) A stock exchange shall:

- a) implement and maintain appropriate arrangements and systems to identify all significant risks to its operation and put in place effective measures to mitigate those risks;
- b) have arrangements for the sound management of the technical operation of the trading system, including the establishment of effective contingency arrangements to cope with risks of disruptions to or the failure of its trading system;
- c) have transparent and non-discretionary rules and procedures that provide for fair and orderly trading and establish objective criteria for the efficient execution of orders.

Article 15

Notification duty of a stock exchange

(1) A stock exchange shall be bound to submit forthwith following the approval of its annual report on its financial management by the general assembly to the Ministry of Finance of the Slovak republic (hereinafter simply “the Ministry”) and to the National Bank of Slovakia its annual report on its financial management (hereinafter simply “annual report”).

(2) An annual report shall contain

- a) audited financial statements,
- b) information on the distribution of profit,
- c) information on the expected economic and financial situation in the following calendar year.

(3) If financial statements have not been verified by an auditor within the term under paragraph 1, the stock exchange shall be bound to submit to the Ministry and the National Bank of Slovakia the auditor’s report forthwith after getting this report.

(4) The stock exchange shall be bound to submit to the Ministry and the National Bank of Slovakia by 31 March of each calendar year a current list of its shareholders and members of the stock exchange.

(5) A stock exchange shall, after any change in its share capital that involves an increase or decrease in holdings in accordance with Article 6(1)(a), notify the National Bank

of Slovakia of this fact without delay after becoming aware of it, and shall make public this information.

Article 16

Conflict of interests

(1) An employee of a stock exchange may not concurrently be an employee of a bank or branch of a foreign bank, an employee of a stockbroker or branch of a foreign stockbroker, an employee of a fund management company, of a foreign fund management company, of an insurance company or branch of an insurance company, of the central depository or of another stock exchange, nor of juristic persons exercising control [Article 3(6)(i)] over stockbrokers or over another stock exchange.

(2) A member of the bodies of the National Bank of Slovakia or an employee of the National Bank of Slovakia may not be a member of the board of directors, a member of the supervisory board or employee of a stock exchange.

Article 17

Duty to secrecy

(1) Natural persons who are members of the bodies of a stock exchange, members of the bodies of members of a stock exchange, employees of a stock exchange and employees of members of a stock exchange shall be bound to keep secret on matters of which they learn on the basis of their position or in fulfilling their work duties and which are of importance for the development of the financial market or affect the interests of participants to stock exchange transactions.

(2) The duty to secrecy under paragraph 1 above shall last also following the end of a labour relation or other legal relationship.

(3) A violation of the duty to secrecy under paragraph 1 above shall not be deemed the provision of information

- a) to the National Bank of Slovakia for the purposes of performing supervision,¹²⁾
- b) to the inspection unit for stock exchange transactions,
- c) to a court for the purpose of civil court proceedings,²³⁾
- d) to a body active in criminal proceedings for the purpose of criminal proceedings,²⁴⁾
- e) to the National Bank of Slovakia for purposes of supervision performed by it,^{24a)}
- f) to the criminal police service or the financial police service of the Police Corps for the purposes of fulfilling tasks laid down by a special act,²⁵⁾
- g) to a tax body or customs body in matters of tax proceedings²⁶⁾ or customs proceedings,²⁶⁾
- h) to the administrator of a financial control in the performance of a financial control under a special regulation,²⁷⁾
- i) to the Ministry in the performance of a control laid down by a special regulation,²⁸⁾
- j) to a central government body for the purpose of implementing a decision under a special regulation,²⁹⁾
- k) to an executor if execution is to be performed through the sale of a security.³⁰⁾

(4) The provision of information to the inspection unit for stock exchange transactions by employees and members of bodies of a stock exchange and by employees and members of bodies of members of a stock exchange shall not constitute a breach of the duty to secrecy under a special act,³¹⁾ if this information is provided in connection with the performance of a control of a stock exchange transaction in which the inspection unit for stock exchange transactions has requested the National Bank of Slovakia for cooperation under Article 13 (7).

Article 18

Stock exchange rules

(1) Stock exchange rules shall regulate the procedure in organising the demand and supply of securities and other investment instruments and the conditions of trading on the stock exchange. Stock exchange rules shall contain in particular

- a) the details on the conditions for admitting securities to the respective market of the stock exchange, details of the conditions of conditional trading in securities on the respective stock exchange market, details on the conditions of suspending and terminating trading in a security on the respective market of a stock exchange,
- b) the conditions for trading, in particular the definition of parties to a stock exchange transaction, the time and place of a stock exchange transaction, the particulars and manner of inputting instructions for the purchase and instructions for the sale of a security, the manner of concluding stock exchange transactions, the manner of realising an offer for acceptance³²⁾ and a compulsory offer for acceptance³³⁾, the manner of determining and publishing the prices of securities, the conditions for suspending trading on a stock exchange, detailed conditions for the cancellation of stock exchange transactions in accordance with Article 10, and the manner of resolving disputes from stock exchange transactions in accordance with Article 24,
- c) rules for the granting, suspending and withdrawing membership on the stock exchange,
- d) rules for participation of the stock exchange and its members in ensuring the clearing and settlement of stock exchange transactions,
- e) the definition of the sphere of persons to whom with regard to their employment or position on the stock exchange apply special conditions, laid down by stock exchange rules, in the conclusion of a stock exchange transaction,
- f) rules for securing the payables and receivables of stock exchange members resulting from stock exchange transactions,
- g) the manner of assessing the professional competence of persons by means of whom a stock exchange member concludes stock exchange transactions (Article 20 (3)),
- h) the manner of fulfilling the stock exchange's duties as a compulsory person under a special act,²¹⁾
- i) rules determining what is meant by an unusually significant change in the price of a security,
- j) a delimitation of activities deemed market manipulation on the respective market of a stock exchange,
- k) conditions and rules under points (a) to (j), if the stock exchange organises also trades in investment instruments other than securities, and this for the individual types of investment instruments *mutatis mutandis*.

(2) The General Manager shall be bound to submit to the National Bank of Slovakia draft stock exchange rules and changes to them approved by the board of directors.

(3) Stock exchange rules and changes to them shall enter into effect at earliest on the day of a legally valid decision of the National Bank of Slovakia on their approval, not later, however, than on the date set in the decision by the National Bank of Slovakia approving them. If the National Bank of Slovakia does not issue a decision within 30 days from the date of receiving the draft stock exchange rules or changes to them, or from the day of supplementing the submission, the stock exchange rules and changes to them shall be deemed approved, provided they are in accordance with generally binding legal regulations.

(4) A stock exchange shall be bound to harmonise its stock exchange rules with generally binding legal regulations within 30 days of their effective date, unless the respective generally binding legal regulation sets a different period for their harmonisation. If a stock exchange does not harmonise its stock exchange rules with generally binding legal regulations within the term under the first sentence, the National Bank of Slovakia shall order a change or supplementing of the stock exchange's stock exchange rules and shall set the stock exchange an additional term for their harmonisation.

(5) The National Bank of Slovakia shall not approve stock exchange rules and changes to them if they are at variance with the provisions of this Act and other generally binding legal regulations. The National Bank of Slovakia shall neither approve stock exchange rules and changes to them when they are at variance with the European Union regulations governing securities trading on stock exchanges.

(6) A stock exchange shall be bound to make stock exchange rules, including changes and supplements to them available forthwith to the public in written form at the registered office of the stock exchange and to publish a notice thereon in the nationwide press publishing stock exchange news.

(7) Stock exchange rules shall be binding for stock exchange members, issuers of securities admitted to a stock exchange market, juristic persons and natural persons who have issued other investment instruments admitted for trading to the stock exchange and for the National Bank of Slovakia in trading on the stock exchange.

Article 18a

Rules of a multilateral trading facility

(1) The rules of a multilateral trading facility shall govern:

- a) the procedure for bringing together buying and selling interests in securities and other financial instruments on the multilateral trading facility;
- b) details of the conditions under which securities and other financial instruments may be placed on the multilateral trading facility;
- c) conditions and rules of trading in these securities and other financial instruments, as appropriate, in accordance with Article 18(1)(a) to (k).

(2) Where a stock exchange operates a multilateral trading facility, the rules of the multilateral trading facility may, at the discretion of the stock exchange, be included in the rules of the stock exchange or in a separate document. Where a securities dealer operates a multilateral trading facility, the provisions of Article 18(2) to (7) shall apply as appropriate.

PART THREE

A STOCK EXCHANGE TRANSACTION, PUBLICATION OF SECURITIES PRICES AND DISPUTES FROM A STOCK EXCHANGE TRANSACTION

Article 19

Authorisation to trade on a stock exchange

Only stock exchange members and the National Bank of Slovakia may trade on a stock exchange, unless otherwise provided in this Act.

Article 20

A stock exchange member

(1) A member of a stock exchange must be a securities dealer, foreign securities dealer, bank, foreign bank or another person who:

- a) is professionally qualified to trade on a stock exchange in accordance with the requirements laid down by the stock exchange in the stock exchange rules;
- b) meets the organizational requirements laid down by the stock exchange in the stock exchange rules;
- c) has sufficient funds for the duties attached to membership, including the financial requirements stipulated by the stock exchange for ensuring the settlement of stock exchange transactions.

(2) Membership shall be granted by a stock exchange at the request of a person under paragraph 1. If all conditions under paragraph 1 are fulfilled and if no facts are known that in the case of membership being granted could lead to investors being harmed or to a serious threat to their interests, or to a threat to an important public interest, the stock exchange shall be bound to grant the applicant membership.

(3) A stock exchange shall facilitate access by remote members to trading on the market that it operates under the conditions laid down in the stock exchange rules. For this purpose, the stock exchange may provide appropriate arrangements to its members.

(4) A stock exchange shall communicate in writing to the National Bank of Slovakia the Member State in which it intends to provide the arrangements mentioned in paragraph (3). The National Bank of Slovakia shall communicate, within 30 days, this information to the competent authority of the Member State in which these arrangements are to be provided. The National Bank of Slovakia shall, at the request of that competent authority and without undue delay, communicate details of the members from that Member State.

(5) A stock exchange member may conclude stock exchange transactions only by means of a natural person who is trustworthy, is able to operate the stock exchange's trading system proficiently, knows the stock exchange rules and whose competence to conclude stock exchange transactions has been attested by the stock exchange in the manner laid down in the stock exchange rules.

(6) If a stock exchange member ceases to be authorised to provide investment services under a special act ³⁴⁾, the stock exchange shall withdraw his authorisation to trade on the

stock exchange. If a stock exchange member ceases to fulfil the conditions stated in the stock exchange rules or seriously breaches stock exchange rules, the stock exchange may temporarily or permanently withdraw his authorisation to trade on the stock exchange. The stock exchange membership of a juristic person whose authorisation to trade on the stock exchange has been permanently withdrawn shall lapse.

(7) A stock exchange may temporarily withdraw the authorisation to trade on the stock exchange from a stock exchange member for a longest one year.

Article 21

Rights and obligations of parties to a stock exchange transaction

(1) In a stock exchange transaction the parties to the trade shall have equal rights. The same information on matters important for the development of securities prices must be available at the same time to all parties to a stock exchange transaction. Stock exchange transactions concluded between members of the stock exchange shall be subject to the provisions of a separate law ^{35aa)} only in relation to the clients of these members. Transactions concluded between participants of a multilateral trading facility that are securities dealers shall be subject to the provisions of a separate law ^{35a)} only in relation to the clients of these participants.

(2) Parties to a stock exchange transaction may not conclude stock exchange transactions harming third parties.

(3) A stock exchange member shall be bound to refuse to perform an instruction the apparent purpose of which is manipulation of the price of a security or other investment instrument, and to inform the inspection unit for stock exchange transactions and the National Bank of Slovakia thereof forthwith .

(4) A stock exchange member shall be bound to refuse to perform an instruction the apparent purpose of which is the violation of third-party rights or market manipulation, and to inform the inspection unit for a stock exchange transactions thereof forthwith; the duty to perform an make a notice under a special act ^{35a)} shall not be hereby prejudiced.

(5) A stock exchange shall be bound to adopt procedures and measures for limiting the violation of third-party rights and for averting and revealing market manipulation on the respective market of the stock exchange.

Article 22

(1) A stock exchange shall be bound to publish on each security or other investment instrument admitted to a market organised and regulated by it following the end of each trading day in the stock exchange's daily price list in particular

- a) the lowest price and the highest price,
- b) the average price,
- c) the volume of stock exchange transactions concluded.

(2) A stock exchange shall be bound to publish data under paragraph 1 in the manner set in its stock exchange rules not later than at the start of the first trading hour of the following trading day.

(3) A stock exchange shall be bound to publish for each trading day also the prices and volumes of stock exchange transactions that were not concluded as anonymous trades ¹⁹⁾. The manner of publishing data under the first sentence shall be regulated by the stock exchange in its stock exchange rules.

(4) A remonstrance against the declared prices of securities may be lodged at a stock exchange, and this within three days of the day following their publication. A remonstrance must contain in particular a designation of the security and the price that the objection concerns, and the scope of the requested correction.

(5) The general manager shall decide on an objection within three days of its receipt. Should the general manager not decide within this term, it shall be held that the remonstrance is accepted. No remonstrance may be lodged against the general manager's decision.

(6) If the general manager decides to accept a remonstrance against declared prices of securities, the stock exchange shall be bound to perform a correction of the respective stock prices forthwith and to publish this fact in the manner stated in Article 27(2)(a).

Article 22a

(1) A stock exchange shall make public in the manner specified in a separate regulation ^{35b)} the information required under a separate regulation, ^{35c)} in particular, current bid and offer prices and the depth of trading interests at these prices which are advertised through its systems in respect of shares admitted to trading on a regulated market. This information shall be made available to the public on reasonable commercial terms and on a continuous basis during normal trading hours. ^{35d)}

(2) The National Bank of Slovakia may waive the obligation to make public the information mentioned in paragraph (1). Such waiver shall be based on the market model or the type and size of orders under the conditions set out in a separate regulation. ^{35e)} In particular, the National Bank of Slovakia shall be able to waive the obligation in respect of transactions that are large in scale compared with normal market size ^{35f)} for the share or type of share in question.

(3) A stock exchange shall make public in the manner specified in a separate regulation ^{35b)} the information required under a separate regulation, ^{35g)} in particular, the price, volume and time of the transactions executed under its systems in respect of shares which are admitted to trading on a regulated market. This information shall be made public as close to real-time as possible, on a reasonable commercial basis, in a manner that is readily accessible to other market participants. ^{35h)}

(4) The National Bank of Slovakia may, on request, grant a stock exchange prior approval to defer publication of the details of transactions mentioned in paragraph (3) based on their type or size. In particular, the National Bank of Slovakia may authorize the deferred publication in respect of transactions that are large in scale compared with the normal market

size for that share or that class of shares.³⁵ⁱ⁾ The stock exchange shall disclose the fact of such deferral and its extent to market participants and investors.

(5) A stock exchange may give access, on reasonable commercial terms and on a non-discriminatory basis, to the arrangements it employs for making public the information under paragraphs (1) and (3) to a securities dealer, in order to ensure that the securities dealer fulfils its obligation to publish its quotes in shares and details of concluded transactions in accordance with a separate regulation.^{35j)}

(6) Where a stock exchange operates a multilateral trading facility, it shall also make public the information referred to paragraphs (1) and (3) in respect of shares which are traded on that multilateral trading facility and are at the same time admitted to trading on a regulated market. In that case, the provisions of paragraphs (2) and (4) shall apply. A securities dealer that operates a multilateral trading facility shall also make public the information referred to in paragraphs (1) and (3) in respect of shares which are traded on that multilateral trading facility and are at the same time admitted to trading on a regulated market. In that case, the provisions of paragraphs (2) and (4) shall apply. The obligation to make public the information mentioned in paragraph (3) shall not apply to details of transactions carried out on a multilateral trading facility that are disclosed through the systems of a regulated market.

(7) The provisions of paragraphs (1) to (6) shall apply, as appropriate, to bonds admitted to trading on a stock exchange. The rules of a stock exchange or multilateral trading facility may prescribe a different method for making public the information mentioned in paragraphs (1) and (3) insofar as it concerns bonds, as well as the time limits and deferral option mentioned in paragraphs (2) and (4).

Article 23

(1) Clearing and settlement of stock exchange transactions shall be regulated by a special act.³⁶⁾

(2) A stock exchange may enter into an agreement with a central counterparty or clearing house and a settlement system of another Member State with a view to providing for the clearing or settlement of transactions concluded by market participants on the regulated market that the stock exchange operates. The operator of a multilateral trading facility may enter into an agreement with a central counterparty or clearing house and a settlement system of another Member State with a view to providing for the clearing or settlement of transactions concluded by market participants on the market that the operator operates.

(3) The National Bank of Slovakia may not prohibit a stock exchange or the operator of a multilateral trading facility from using a central counterparty, clearing house or settlement system in another Member State except where this is necessary in order to maintain the orderly functioning of that stock exchange or multilateral trading facility.

(4) A stock exchange shall offer its members the right to designate, under conditions laid down in the stock exchange rules, the system for the settlement of transactions undertaken on the stock exchange, where:

- a) such links and arrangements between the designated settlement system and any other system or facility are necessary to ensure the efficient and economic settlement of the transaction in question; and
- b) the National Bank of Slovakia has granted prior approval for the use of that system; the granting of the approval shall be conditional on whether the technical conditions for the settlement of transactions concluded on the stock exchange through a settlement system other than that designated by the stock exchange are such as to allow the smooth and orderly functioning of financial markets.

(5) The provision of paragraph (4) shall be without prejudice to right of the central counterparty, clearing system or settlement system to refuse on legitimate commercial grounds to make the requested services available.

Article 24

(1) Disputes from a stock exchange transaction shall be decided by a court, unless parties agree in a written contract that disputes shall be resolved by an arbitration court.³⁷⁾ A stock exchange may establish a standing stock exchange arbitration court.³⁸⁾

(2) In disputes from a stock exchange transaction the objection that the transaction was only a bet or a game shall be inadmissible.

PART FOUR

STOCK EXCHANGE MARKET, CONDITIONS FOR ADMITTING A SECURITY TO A STOCK EXCHANGE MARKET, DUTIES OF AN ISSUER OF LISTED SECURITIES

TITLE I

STOCK EXCHANGE MARKET, CONDITIONS FOR ADMITTING A SECURITY TO A STOCK EXCHANGE MARKET AND DUTIES OF AN ISSUER OF LISTED SECURITIES

Article 25

(1) A stock exchange shall operate a market in securities on a listed securities market and on a regulated free market. The listed securities market and regulated free market shall constitute the regulated stock exchange market.

(2) The listed securities market shall be a market of a stock exchange on which traded securities and their issuers fulfil conditions for admission under Articles 29 to 32. A regulated public market of a stock exchange shall be a market of the stock exchange on which traded securities and their issuers fulfil the conditions for admission under Article 29.

(3) A security may be admitted to the respective market of a stock exchange only if this security and its issuer fulfil the conditions under this Act, a special act ³⁹⁾ and the stock exchange rules.

(4) The admission of government securities ⁴⁰⁾, securities issued by the National Bank of Slovakia and securities issued by a Member State and its bodies or by regional authority bodies to a stock exchange market shall not be governed by the provisions of Article 26(4), Article 27(1), Article 29(1)(b), (d), (f) to (i), Article 29(4) and (5), Articles 30 and 31, Article 37b(2) and (4), Article 37d(2) and (5). Bonds issued by international organisations shall not be governed by the provisions of Article 28, Article 29(1)(b), (d), (f) and (h) and Article 31.

(5) A stock exchange may organise trading in investment instruments other than the securities only under the conditions under Article 40. An investment instrument other than securities may be admitted for trading to a stock exchange only if this investment instrument fulfils the conditions under this Act, a special act ³⁹⁾ and the stock exchange rules and the proper price-setting for derivative contracts and effective conditions of settlement for transactions in financial instruments are ensured.

Admission of a security to a stock exchange market

Article 26

(1) The admission of a security to a listed securities market shall be requested by its issuer or by a stock exchange member by virtue of its issuer. The admission of a security to a

regulated public market of a stock exchange shall be requested by its issuer or a stock exchange member, unless stated otherwise by this Act.

(2) A request for the admission of a security to a listed securities market (hereinafter simply “listing application”) shall contain

- a) the trade name, registered office and identification number of the issuer; if the issuer is not the applicant, also the trade name and registered office of the applicant,
- b) the type, form, kind, number and total nominal value of the securities for which admission is requested, where this information is known as at the submission date of the application,
- c) the name of any other stock exchange or foreign stock exchange on which a listing application for the same securities has been submitted over the preceding 60 days prior to the submission of the listing application, or the name of any other stock exchange or foreign stock exchange on which such an application will be submitted within the following 60 days,
- d) the name of any stock exchange or foreign stock exchange on a market of which the securities were admitted prior to the submission of the listing application,
- e) the prospectus for the security (hereinafter simply “the prospectus”), unless this Act stated otherwise in this Act, and a decision on its approval under a special Act,⁴²⁾
- f) written consent of the share issuer to the submission of the request, if the admission of a security representing shares is requested,
- g) other particulars laid down by the stock exchange in its stock exchange rules.

(3) An application for admission of a security to a regulated public market shall contain

- a) trade name, registered office and identification number of the issuer; if the issuer is not the applicant, also the trade name and registered office of the applicant,
- b) the type, form, kind, number and total nominal value of the securities for which admission is requested, where this information is known as at the submission date of the application,
- c) the name of any stock exchange or foreign stock exchange to a market of which the securities were admitted prior to the submission of the application,
- d) the prospectus and decision on its approval under a special act⁴²⁾ and a document on the publication of the prospectus, if the prospectus was published prior to the submission of the request; in the case of securities issued abroad, the decision of the respective body authorised to approve a prospectus in the state in which the prospectus was first approved,
- e) further particulars stipulated by the stock exchange in its stock exchange rules.

(4) If the subject of a listing application are securities issued in connection with the transformation⁴⁴⁾ of an issuer, the issuer shall be bound to make available to the public documents describing the conditions and circumstances under which the transformation has been made, including the initial balance sheet, if the issuer has not yet compiled financial statements.

(5) A listing application and an application for the admission of a security to a regulated public market shall relate to all the securities of the same issue and in the case of shares to all shares of the same type⁴⁶⁾ issued by the one issuer. However, shares may be exempted from the application that are held in assets for the purpose of controlling the issuer⁴⁶⁾ or such shares that may not, on the basis of a validly concluded agreement, be traded in for a certain period of time, provided the stock exchange under the conditions laid down by its stock exchange rules recognises that this will not threaten the interests of the owners of

shares for which the application is submitted. An exemption from an application in the manner under the second sentence shall apply to all shares having the same ISIN code.

(6) If the conditions under Article 25 (3) are satisfied, the stock exchange shall decide on the application under paragraph 1 within 60 days of its delivery or supplementing; if also Articles 33 apply to the assessment of the listing application, the stock exchange may extend the term for a decision to six months from delivery or supplementing of the application, if the procedure under Articles 33 requires so. The stock exchange may decide on the application mentioned in paragraph (1) even before the security has been issued. In that case the decision shall be given as a condition precedent and this condition shall not affect the submission of the prospectus.

(7) A stock exchange shall be bound to issue a written decision on an application under paragraph 1 and to inform the applicant of the decision forthwith once it has decided. Should a stock exchange not issue a decision within the period under paragraph 6, its issuance may be enforced at court.

(8) A stock exchange shall be entitled to admit a security to a regulated public market of a stock exchange even without an application; in such a case the stock exchange shall be bound to notify the issuer thereof not later than 30 days prior to the planned admission of the security.

(9) If admission of a security to the regulated public market of a stock exchange is requested by a stock exchange member, he must prove to the stock exchange that he has informed the issuer of the planned trading in its securities on the stock exchange.

(10) The issuer of a security who has not requested its admission to a regulated free market may within 30 days after the decision to admit the security to the regulated free market prohibit trading in this security by giving the stock exchange written notice. This shall not apply if the security has already been admitted to another regulated market. Where trading in the security is not prohibited by the issuer within the time limit mentioned in the first sentence, that trading may commence on the regulated free market of the stock exchange. Where a security is admitted to trading on a regulated free market without the consent of the issuer, the issuer shall not be subject to any disclosure obligations arising from that admission.

(11) A stock exchange shall be bound to publish an announcement in a nationwide press publishing stock exchange news on the admission of the security to the listed securities market, whereby it is necessary to state at least the designation of the security, the trade name of the issuer, the day of admission to the listed securities market and the day of commencement of trading.

Article 27

(1) Trading in a security on a stock exchange market may commence at earliest on the day following the publication date of the prospectus.

(2) The provision of Article 26(2)(e), Article 26(3)(d), and of paragraph (1) and the duty to publish a prospectus shall not apply to

- a) shares representing less than 10% of the number of shares of the same type already admitted for trading to the same stock exchange for the period of 12 months,
- b) shares issued as a replacement for shares of the same type already issued, provided the issue of these new shares is not connected with an increase in the issuer's registered capital, provided the shares they are replacing are already admitted for trading to the same stock exchange,
- c) securities offered in an offer for acceptance by exchange for other securities, provided a document containing information that the National Bank of Slovakia deems equivalent with data in a prospectus has been made available,
- d) securities offered in connection with a merger or amalgamation, provided a document containing information that the National Bank of Slovakia deems equivalent to data in a prospectus has been made available,
- e) shares offered free of charge to present shareholders, or shares allocated in the form of a dividend payment, provided these shares are of the same type as the shares in respect of which these dividends are being paid out, provided these shares are of the same type as shares already admitted for trading to the same stock exchange, and provided a document containing information on the number, type of shares, reasons for and details of the offer has been made available,
- f) securities offered to present or former members of the statutory, supervisory or managing bodies or employees by their employer or by an affiliated business, provided the securities are of the same type as securities already admitted for trading to the same stock exchange, provided a document containing information on the number, type of securities, reasons for and details of the offer of the public offering of securities has been made available,
- g) shares acquired in exchange for other securities or from the exercising of rights connected with these securities, providing these shares are of the same type as shares already admitted for trading to the same stock exchange,
- h) the securities already admitted for trading to a different regulated market under the following conditions:
 1. these securities or securities of the same type were admitted for trading to this other regulated market more than 18 months earlier,
 2. in the case of securities admitted for the first time for trading to a regulated market after 31 December 2003 the admission for trading to this other regulated market was connected with the approval of a prospectus published under a special act,³⁾
 3. in the case of securities admitted for the first time to a listed securities market after 30 June 1983 prospectuses were approved in accordance with the requirements of this or a special act³⁾ or other legal regulations of a Member State regulating the composition of prospectuses and the admission of securities to a regulated market, with the exception of securities under the second point,
 4. these securities continue to satisfy the conditions for trading on this other regulated market,
 5. the person requesting admission of the security for trading to the regulated market publishes a summary of the prospectus in the Slovak language in the manner under a special act³⁾ in the Member State of the regulated market in which admission for trading is requested, the content of the summary shall be in accordance with a special act³⁾ and shall state where it is possible to obtain the latest prospectus and where information which the issuer is bound to publish is available.
- i) securities to which provisions on a public offering under a special act^{46a)} do not apply, other than securities in the case of which the entitlement to voluntary compilation of a prospectus under a special act^{46b)} was used.

(3) repealed as of 1 August 2005.

(4) repealed as of 1 August 2005.

(5) repealed as of 1 August 2005.

(6) repealed as of 1 August 2005.

Article 28

Conditional trading in a security

(1) A stock exchange may admit a security that is still to be issued to conditional trading on a market that it operates, even before the condition precedent stated in the decision under Article 26(6) has been met. This is without prejudice to the provision of Article 27(1).

(2) The settlement of transactions concluded under conditional trading shall be carried out no later than the commencement date of trading proper in that security.

(3) Where trading proper in the security does not commence, transactions concluded under conditional trading shall be deemed null and void.

(4) Transactions concluded under conditional trading shall be treated as stock exchange transactions from the commencement date of trading proper in the given security.

Article 29

Conditions for admission of securities to a stock exchange market

- (1) A security may be admitted to the regulated market of a stock exchange only if
- a) this security is an investment instrument,¹⁾
 - b) it is a fungible security,
 - c) its negotiability is not limited,
 - d) it is a registered security; this shall not apply if the security is issued by an issuer incorporated in a Member State that accepts the admission of letter securities to a listed securities market, and if the stock exchange has published this fact,
 - e) it is issued in accordance with the law of the state in which it was issued, and its issuer satisfies the requirements for issuing securities under the law of the state in which the issuer is incorporated,
 - f) no facts are known to the stock exchange of the securities that could in the case of the admission of the security for trading to the regulated market lead to harm to investors or to a serious threat to their interests, or to a threat to an important public interest,
 - g) a prospectus has been approved and published, unless stated otherwise in this Act,
 - h) the issue price of the security has been fully paid-up,⁴⁸⁾
 - i) subscription of the security on the basis of a public offering has been successfully completed or if the term during which it was possible to accept subscription requests for the security has elapsed; this shall not apply to bonds issued on an ongoing basis, where no closing date for subscription is set,
 - j) other requirements placed on the security or its issuer by this Act or a special act³⁹⁾ are satisfied.

(2) Under the conditions laid down in its stock exchange rules a stock exchange shall be entitled to provide an exception from the conditions under paragraph 1(i), where trading in a security the issue price of which is not fully paid-up will not be in conflict with investors' interests and if the prospectus contains data on the incomplete paying-up of the issue price together with a statement of measures adopted for ensuring problem-free trading in the security.

(3) In the case of non-bearer shares whose transfer is conditional upon the consent of bodies of the issuer, the condition under paragraph 1(c) shall be deemed satisfied if the requirement for the consent of bodies of the issuer⁵¹⁾ does not constitute a barrier in trading in the shares on the respective market of the stock exchange.

(4) If more than 12 months pass between a prospectus publication date and admission to the regulated public market, the applicant shall be bound to republish the prospectus and data from the prospectus in the case of which changes have occurred since the last publication of the prospectus under a special act^{51a)}, and this is not later than within 30 days of the decision to admit the security to the regulated public market; this duty shall apply also to a stock exchange if it has decided to admit a security to a regulated public market without an application.

(5) If a listing application concerns securities that were admitted to a listed securities market of another stock exchange incorporated in the Slovak Republic in the period of two months prior to the submission of the listing application, the stock exchange shall release the issuer from the duty to compile a new prospectus, provided a statement of this other stock exchange has been delivered to it, stating that the prospect approved by it was compiled in accordance with this Act. The provision of Article 57 shall hereby not be prejudiced.

(6) A stock exchange shall be entitled to lay down in its stock exchange rules further conditions for admitting a security to the respective market of the stock exchange, provided these further conditions are applied equally to all issuers or to issuers of the same type of security. A condition for the admission of securities issued by an issuer incorporated in a Member State may not be the requirement for their prior admission to a listed securities market of a stock exchange incorporated in a Member State. A stock exchange shall, however, be entitled to waive the application of additional conditions under the first sentence should they constitute a barrier to the procedure in assessing a listing application in the case under Article 33.

Article 30

Conditions for admitting shares to a listed securities market

(1) A share may be admitted to a listed securities market only if this share and its issuer satisfy the conditions under Article 29 and if

- a) the issuer has compiled and published financial statements in accordance with a special act⁵²⁾ for at least three years preceding the year in which the application is submitted,
- b) the product of the share price or the forecast share price and the number of shares for which admission is requested is at least EUR 1 000 000; if the forecast share price cannot be estimated, this condition shall apply to the issuer's equity,

c) shares representing at minimum 25% of the nominal value of the shares for which the listing application is submitted are distributed among the public, or if with regard to the large number of these shares or the large number of shareholders problem-three trading in this share will be guaranteed even in the case of a lower distribution percentage.

(2) Under the conditions laid down in its stock exchange rules a stock exchange shall be entitled to provide an exception under paragraph 1(a), if this is in the interest of the issuer and investors and if the stock exchange concludes that investors will have, despite the exception granted, sufficient information for accurately and correctly assessing the security, the assets and payables of the issuer and its financial situation.

(3) The provision of paragraph 1(b) shall not apply if shares of the same type issued by the same issuer have already been admitted to the listed securities market of the stock exchange for which the application is submitted.

(4) Under the conditions laid down in its stock exchange rules a stock exchange shall be entitled to provide an exception for the condition under paragraph 1(b), if it is expected that sufficiently liquid trading will be ensured for the shares even without fulfilment of the stated condition. The exception under the first sentence may not be granted if the number of shares for which the application is submitted is lower than 10 000.

(5) Under the conditions laid down in its stock exchange rules a stock exchange shall be entitled to provide an exception from the condition under paragraph 1(c), if

- a) sufficient distribution of the shares should be ensured through their sale on the stock exchange following their issuance and the stock exchange has concluded that the condition under paragraph 6 will be satisfied within a short time following the admission of the shares to the listed securities market,
- b) other shares of the same type of the same issuer are already admitted to the listed securities market of a stock exchange or a stock exchange incorporated abroad, on which these shares fulfil the condition of sufficient distribution.

(6) Shares distributed among the public shall be deemed to mean shares that are in the ownership of persons holding a share of in the given issue of less than 5% and concurrently are not in the ownership of the issuer, members of the statutory bodies and supervisory bodies and subsidiaries of the issuer.

(7) Shares issued by an issuer incorporated in a state that is not a Member State and that are not admitted to a listed securities market of a stock exchange in the state in which the issuer is incorporated or in the state in which most of these shares are distributed among the public, may be admitted by a stock exchange to a listed securities market only if the applicant proves that the non- admission of these shares to the listed securities market of the stock exchange in these states is not caused by the need to protect investors in these states.

Article 31

Conditions for admitting bonds to a listed securities market

(1) A stock exchange may admit a bond to a listed securities market only if this bond and its issuer satisfy the conditions under Article 29 and if the value of its issue as determined by the issue price of the bonds is at least EUR 200 000.

(2) Under the conditions laid down in its stock exchange rules a stock exchange shall be entitled to provide an exception from the condition under paragraph 1 if there is a justified expectation that sufficiently liquid trading will be ensured for the bonds even without fulfilment of this condition.

(3) A bond with which a right to exchange the bond for shares in a company or a pre-emptive right in a subscription of the company's shares⁵³⁾ (hereinafter simply "convertible bond") is connected may be admitted to a listed securities market only if the issuer's shares for which the convertible bonds are to be exchanged are already admitted to the stock exchange's market, or if these shares will be admitted concurrently with the convertible bonds.

Article 32

Conditions for the admission of securities representing shares to a listed securities market

(1) A substitute share security may be admitted to a listed securities market only if the issuer of the shares and the shares fulfil the conditions under Articles 29 and 30 and if the issuer of the shares publishes information under Article 37 and if this security satisfies the conditions under Article 30.

(2) A stock exchange may accept a listing application under paragraph 1 only if it is of the opinion that the issuer of the substitute share security provides a sufficient guarantee of investor protection.

(3) A substitute share security issued by an issuer incorporated in a state that is not a Member State may not be admitted to a listed securities market if the substitute shares are not admitted to a listed securities market of a stock exchange incorporated in the state in which the issuer of the shares is incorporated.

Cooperation and free movement within the European Economic Area

Article 33

(1) If an application has been submitted for the listing of the same security concurrently to a stock exchange and to a foreign stock exchange incorporated in a Member State or if the listing applications are being decided on concurrently at these stock exchanges, a stock exchange shall coordinate its activity with the respective body in this Member State and shall adopt measures necessary for quickening and simplifying the procedures of admission, in particular as regards the assessment, or waiver of the fulfilment of additional admission conditions laid down by the stock exchange or the respective body of the Member State above the minimum scope set by European Union regulations on the admission of securities to a listed securities market.

(2) The provision of paragraph 1 shall apply also to the assessment of a listing application of a security already admitted to a listed securities market of a foreign stock exchange incorporated in a Member State. A stock exchange shall be entitled to reject an

application for the admission of such a security if the issuer does not fulfil obligations resulting from the listing of its securities in this Member State.

Article 34 **Annual financial report**

(1) The issuer of a security admitted to trading on a regulated market shall make public its annual financial report at the latest four months after the end of each financial year and shall ensure that it remains publicly available for at least five years.

(2) The annual financial report shall comprise:

- a) the annual report produced in accordance with a separate regulation,^{53a)}
- b) the audited financial statements,^{53b)} if they are not included in the annual report;
- c) a statement made by the persons responsible within the issuer, whose forenames, surnames and functions are clearly indicated, to the effect that, to the best of their knowledge, the financial statements prepared in accordance with separate regulations give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole and that the annual report includes a true and fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

(3) Where the issuer is required to prepare consolidated financial statements according to a separate regulation,^{53c)} the audited financial statements shall comprise such consolidated financial statements drawn up in accordance with a separate regulation^{53d)} and the annual financial statements of the parent undertaking drawn up in accordance with the national law of the Member State in which the parent undertaking is incorporated.

(4) Where the issuer is not required to prepare consolidated financial statements, the annual financial report shall comprise the financial statements prepared in accordance with the national law of the Member State in which the company is incorporated.

(5) Financial statements and consolidated financial statements must be audited.

(6) The audit report, signed by the person or persons responsible for auditing the financial statements in accordance with paragraph (5), shall be disclosed in full to the public together with the annual financial report.

Article 35 **Half-yearly financial report**

(1) The issuer of shares or debt securities admitted to trading on a regulated market shall make public a half-yearly financial report covering the first six months of the financial year no later than two months after the end of the respective period and shall ensure that it remains available to the public for at least five years.

(2) The half-yearly financial report shall comprise:

- a) the interim management report produced in accordance with a separate regulation;^{53a)}
- b) the condensed interim financial statements, if they are not included in the interim management report;
- c) a statement made by the persons responsible within the issuer, whose forenames, surnames and functions are clearly indicated, that to the best of their knowledge, the interim financial statements prepared in accordance with separate regulations give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, and the undertakings included in the consolidation as a whole as required under paragraphs (3) and (4), and the interim management report includes a fair review of the information under paragraph (9).

(3) Where the issuer is required to prepare consolidated financial statements in accordance with a separate regulation,^{53c)} the condensed interim financial statements shall be prepared in accordance with a separate regulation.^{53d)}

(4) Where the issuer is not required to prepare consolidated financial statements, the half-yearly financial report shall contain the condensed interim financial statements comprising a condensed balance sheet, a condensed profit and loss account and notes to the financial statements. In preparing the condensed balance sheet and the condensed profit and loss account, the issuer shall follow the same principles for recognizing and measuring as when preparing annual financial reports.

(5) Where the condensed interim financial statements are not prepared in accordance with a separate regulation,^{53d)} they shall be prepared in accordance with paragraphs (6) and (7), which lay down the minimum scope of their contents.

(6) The condensed balance sheet and the condensed profit and loss account shall show each of the headings and subtotals included in the most recent annual financial statements of the issuer. Additional line items shall be included if, as a result of their omission, the interim financial statements would not give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer.

(7) In addition to the information mentioned in paragraph (6), the following comparative information shall be included:

- a) the balance sheet as at the end of the first six months of the current financial year and comparative balance sheet as at the end of the immediate preceding financial year;
- b) the profit and loss account for the first six months of the current financial year with comparative information for the comparable period for the preceding financial year.

(8) The notes to the financial statements shall include sufficient information to demonstrate the comparability between the condensed interim financial statements and the annual financial statements, and they shall include information and explanatory notes which ensure that the user duly understands any material changes in the amounts and developments which were made during the six months in question and which are reflected in the balance sheet and in the profit and loss account.

(9) The interim management report shall include at least an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed interim financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year. For issuers of shares, the

interim management report shall also include the following information as major related parties' transactions:

- a) transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the issuer in this period; and
- b) any changes in such transactions described in the most recent annual report that could have a material effect on the financial position or performance of the issuer in the first six months of the financial year.

(10) Where the issuer is not required to prepare consolidated financial statements, the interim management report shall disclose, as a minimum, the related parties' transactions.

(11) If the half-yearly financial report has been audited, the audit report shall be reproduced in full. The same shall apply in the case of an auditor's review. If the half-yearly financial report has not been audited or reviewed by an auditor, the issuer shall make a statement to that effect in its report.

Article 36 **Interim statement**

(1) An issuer of securities whose shares are admitted to trading on a regulated market shall make public a first interim statement by its management during the first six-month period of the financial year and another statement by its management during the second six-month period of the financial year. The issuer shall make such interim statement in the period between ten weeks after the beginning and six weeks before the end of the relevant six-month period. This interim management statement shall contain information covering the period between the beginning of the relevant six-month period and the date of the publication of the statement. Such a statement shall provide:

- a) an explanation of material events and transactions that have taken place during the relevant period and their impact on the financial position of the issuer and its controlled undertakings; and
- b) a general description of the financial position and performance of the issuer and its controlled undertakings during the relevant period.

(2) The provision of paragraph (1) shall be without prejudice to the provisions of a separate regulation.^{53e)}

(3) An issuer which, under the rules of the regulated market or at its own initiative, publishes quarterly financial reports shall not be required to make public interim management statements in accordance with paragraph (1).

Article 37

Responsibility for the information to be drawn up and made public in accordance with Articles 34 to 36 and Article 37b(1) to (3) shall lie with the issuer or its statutory, management or supervisory bodies, or the natural persons responsible within the issuer. This shall be without prejudice to the responsibility of these persons under other generally binding legal regulations."

Article 37a

(1) Unless otherwise provided in this Act, the provisions of Articles 34 to 36 shall not apply to the following:

- a) shares in open-end mutual funds and units in foreign collective investment undertakings;
- b) a State, a regional or municipal authority, a public international body of which at least one Member State is a member, the European Central Bank, and Member States' national central bank whether or not they issue shares or other securities; and
- c) an issuer exclusively of debt securities admitted to trading on a regulated market, the denomination per unit of which is at least EUR 50 000 or, in the case of debt securities denominated in a currency other than the euro, the value of such denomination per unit is, at the date of the issue, equivalent to at least EUR 50 000.

(2) The provisions of Article 35 shall not apply to credit institutions or foreign credit institutions whose shares are not admitted to trading on a regulated market and which have, in a continuous or repeated manner, only issued debt securities, provided that the total nominal amount of all such debt securities remains below EUR 50 000 000 and that they have not published a prospectus.

Article 37b **Additional information**

(1) An issuer of shares admitted to trading on a regulated market shall make public without delay any change in the rights attaching to the various classes of shares, including changes in the rights attaching to derivative securities issued by the issuer itself and giving access to the shares of that issuer.

(2) An issuer of securities other than shares admitted to trading on a regulated market shall make public without delay any changes in the rights of holders of securities, including changes in the terms and conditions of these securities which could indirectly affect those rights, resulting in particular from a change in loan terms or in interest rates.

(3) An issuer of securities admitted to trading on a regulated market shall make public without delay information on loan issues and on any security in respect thereof. This obligation shall not apply to a public international body of which at least one Member State is a member.

(4) Where an issuer of securities admitted to trading on a regulated market proposes to amend its instrument of incorporation or articles of association, it shall communicate the draft amendment to the National Bank of Slovakia and to the stock exchange to which its securities have been admitted to trading. Such communication of the draft amendment shall be effected without delay, but at the latest on the date of calling the general meeting which is to vote on, or be informed of, the amendment.

Article 37c

(1) An issuer of shares admitted to trading on a regulated market shall ensure equal treatment for all holders of shares who are in the same position.

(2) An issuer of shares admitted to trading on a regulated market shall ensure that all the facilities and information necessary to enable holders of shares to exercise their rights are available in the home Member State and that the integrity of data is preserved. Shareholders may exercise their rights by proxy, subject to the law of the country in which the issuer is incorporated. In particular, the issuer shall:

- a) provide information on the place, time and agenda of general meetings, the total number of shares and voting rights, and on the rights of shareholders to participate in general meetings;
- b) make available a proxy form, on paper or by electronic means, to each person entitled to vote at a general meeting, together with the notice concerning the general meeting or, on request, after an announcement of the general meeting;
- c) publish notices or distribute documents concerning the allocation and payment of dividends and the issue of new shares, including information on any arrangements for allotment, subscription, cancellation or conversion.

(3) For the purposes of conveying the information mentioned in paragraph (2), the issuer may use electronic means – which is understood to comprise electronic equipment for the processing (including digital compression), storage and transmission of data, employing wires, radio, optical technologies, or any other electromagnetic means – provided that the decision on their use is taken in a general meeting and meets the following conditions:

- a) the use of electronic means shall not depend upon the location of the registered office or permanent residence of the shareholder or the registered office or permanent residence of the persons mentioned in Article 41(9);
- b) arrangements shall be put in place so that the shareholders, or the natural or legal persons entitled to exercise or to direct the exercise of voting rights, are kept informed;
- c) shareholders or the persons mentioned in Article 41(9) shall be contacted in writing by the issuer to request their consent for the use of electronic means for conveying information and, if they do not object within a reasonable period of time, their consent shall be deemed to be given. They shall be able to request, at any time, that information be conveyed in writing; and
- d) any apportionment of the costs entailed in the conveyance of such information by electronic means shall be determined by the issuer in compliance with the principle of equal treatment laid down in paragraph (1).

(4) An issuer of debt securities admitted to trading on a regulated market shall ensure that all holders of debt securities that are in the same position are given equal treatment in respect of the rights attaching to those debt securities; this shall be without prejudice to the issuer's right to make an offer of early repayment to the holders of the debt securities, provided that any such offer is made in accordance with the national law and with the legitimate interests of the holders of the debt securities.

(5) An issuer of securities admitted to trading on a regulated market shall ensure that all facilities and information necessary to enable holders of debt securities to exercise their rights are publicly available in the issuer's home Member State and that the integrity of data is preserved.

Article 37d

(1) An issuer of securities admitted to trading on a regulated market shall submit to the stock exchange such information that the stock exchange, in the stock exchange rules, stipulates as required to verify that the issuer complies with the conditions laid down in this Act in regard to the protection of investors and to ensuring the smooth functioning of the regulated market, and shall make this information public where required to do so by the stock exchange. If the issuer fails to comply with this requirement, the stock exchange itself may, after consulting with the issuer, make the information public.

(2) Where an issuer of shares admitted to trading on a listed securities market issues new shares of the same type, it shall submit an application for the admission of these shares to official listing within six months after the date of issue, unless otherwise provided in this Act.

(3) Where an issuer of securities admitted to trading on a regulated market does not itself redeem or pay returns on the bonds or other securities that it has issued, these activities shall be performed exclusively through a securities dealer, foreign securities dealer or another legal person that is authorized to perform this activity.⁵⁵⁾ The issuer shall notify the stock exchange of the business name of this securities dealer, foreign securities dealer or other legal person.

(4) An issuer of listed securities shall apply the principal of equal treatment to the owners of the securities admitted to trading on a listed securities market. This shall not prevent the issuer from making an offer of early repayment of certain debt securities to their owners, provided that any such offer is made in accordance with the law and with the legitimate interests of the holders of the debt securities.

(5) An issuer of securities admitted to trading on a regulated market shall, at least annually, draw up a document containing or referring to all the information that it has made public or made publicly accessible over the previous 12 months in the Slovak Republic, in another Member State or in a non-Member State in accordance with its obligations under this Act or a separate law and under the national law of that Member State or non-Member State in regard to the regulation of securities, issuers of securities and markets in securities, the laws of such countries that apply to firms and the admission of securities to regulated markets, and a separate regulation governing the use of international accounting standards.^{55a)}

(6) The document mentioned in paragraph (5) shall be submitted to the National Bank of Slovakia and made public following the publication of the issuer's financial statements. Where the document refers to information, it shall state where this information may be obtained.

(7) The provisions of paragraphs (5) and (6) shall not apply to the issuers of non-equity securities the denomination per unit of which is less than EUR 50 000.

Article 38

(1) A stock exchange shall be bound to suspend trading forthwith in a security on a market it organises if the security or issuer ceased to satisfy the conditions for the admission of the security to the respective stock exchange market laid down by this Act or by the stock

exchange rules, or if the issuer does not fulfil duties laid down by this Act, and shall be bound to challenge the issuer to remove the shortcomings; where it is not possible to deliver a written challenge to the issuer, the stock exchange may challenge the issuer also by publication in the nationwide press or in another suitable manner set in the stock exchange rules. The stock exchange shall also be bound to suspend trading forthwith in a security if it has found market manipulation in connection with this security or if an unusually significant change in the security price occurred within a short time. A stock exchange shall be bound to lay down in its stock exchange rules criteria for suspending trading in a security on the basis of unusually significant price changes. The stock exchange shall not be required to suspend trading in a security if such a step would cause significant damage to investors' interests or the orderly functioning of the market.

(2) In accordance with its stock exchange rules a stock exchange shall be entitled to suspend trading in a security on a market it organises if

- a) the issuer of the securities has notified the stock exchange of facts under Article 37(3) and (5) and the suspension of trading in this security is in the interest of investor protection,
- b) it learns of facts that in the case of the non-suspension of trading could lead to harm to investors or a threat to the public interest,
- c) an order for the registration of the suspension of the exercising of the right to handle the security has been submitted according to a special regulation,⁵⁶⁾
- d) it has a reasonable suspicion of market manipulation.

(3) A stock exchange may suspend trading in the security for at most three months. The inspection unit for stock exchange transactions shall be bound to examine the facts that led to the suspension of trading under paragraph 1, second sentence or under paragraph 2(b), and to submit a report to the National Bank of Slovakia, the board of directors and the general manager; the report shall state in particular whether law or stock exchange rules were violated, the scope of this violation and the persons responsible for this violation. If trading was suspended under paragraph 1 and the issuer of the security does not at the stock exchange's demand remove the shortcomings, the stock exchange shall exclude the security from the respective market or reclassify it to a different market of the stock exchange whose conditions the security fulfils.

(4) A stock exchange shall be bound to inform the National Bank of Slovakia forthwith of the termination of trading in a security, a suspension of trading in a security or the exclusion of a security from the respective market, and to publish this in the nationwide press. A stock exchange shall be entitled to publish also the fact that the issuer does not fulfil or is unable to fulfil duties resulting from the admission of securities issued by it to the stock exchange market.

(5) If an issuer or its legal successor requests a stock exchange to terminate trading in the case of the lapsing of securities admitted to the respective stock exchange market, the stock exchange shall be bound to terminate trading in these securities within the requested term; if the term is not stated, within five days of the delivery of the request.

(6) If a stock exchange is requested to terminate trading on a respective stock exchange market by an issuer of shares bound by the duty under Article 39 or under a special act³⁷⁾, the issuer shall be bound to submit to the stock exchange documents on the fulfilment of this duty or the decision of all the issuer's shareholders to terminate trading on the respective stock exchange market. The stock exchange shall be bound to terminate trading in

these shares within five days of the issuer informing it of the fulfilment of obligations from a compulsory offer for acceptance ³²⁾, or forthwith following the acceptance of the issuer's announcement on the decision of all the issuer's shareholders to terminate trading on the respective stock exchange market.

(7) The issuer of a security admitted to a listed securities market or the issuer of a security admitted to a regulated public market stating in its prospectus that it will be possible to trade in the security on the stock exchange or that the issuer will request admission of the security to the stock exchange market shall be liable to owners of the securities and investors for damage incurred by them in consequence of a suspension of trading in a security under paragraph 1 or in consequence of the exclusion of the security from the market due to a reason under paragraph 3, second sentence.

(8) The issuer of shares admitted to a listed securities market or the issuer of shares admitted to a regulated public market stating in its prospectus that it will be possible to trade in the shares on the stock exchange or that the issuer will request admission of the shares to the respective market of the stock exchange, shall be bound to declare a compulsory offer ³³⁾ for the purchase of all shares in which following exclusion from a stock exchange market under paragraph 3 it would no longer be possible to trade on any stock exchange, foreign stock exchange or foreign regulated market ⁵⁸⁾; the provision of Article 39 and a special act ⁵⁷⁾ shall not be hereby prejudiced.

(9) The obligation laid down in paragraph (1) shall be deemed to be met where the stock exchange has assigned the security to the market the conditions of which are met by the security or the issuer thereof.

(10) A stock exchange shall without delay notify the National Bank of Slovakia of any steps it has taken under paragraphs (1) to (9) and shall make public that notification. The National Bank of Slovakia shall subsequently communicate this information to the competent authorities of the Member States.

(11) The provisions of paragraphs (1) to (10) shall also apply, as appropriate, to financial instruments.

Article 39

The issuer of shares admitted to a regulated public market stating in its prospectus that it will be possible to trade in the share on the stock exchange or that the issuer will request admission of the share to the respective stock exchange market may decide as to whether the share will cease to be traded on the stock exchange only under the conditions and procedure under a special act ⁵⁷⁾; this shall not apply if the termination of trading in this share does not concern all stock exchanges, foreign stock exchanges or foreign regulated markets ⁵⁸⁾ on which this share is traded.

Article 39a **Multilateral trading facility**

(1) A multilateral trading facility shall be a system operated by securities dealer or stock exchange which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in the conclusion of a transaction in financial instruments.

(2) Securities and other financial instruments shall be tradable on a multilateral trading facility only if they are listed on that multilateral trading facility.

(3) An application for the listing of securities or other financial instruments on a multilateral trading facility may only be made by a member of a stock exchange, an issuer or a participant of a multilateral trading facility unless otherwise provided in this Act.

(4) An application for the listing of a security or other financial instrument on a multilateral trading facility shall include the particulars set out in Article 26(3)(a) to (c) and any additional particulars laid down in the rules of the multilateral trading facility.

(5) The operator of a multilateral trading facility may list a security or financial instrument on that facility even if an application for its listing has not been made. Where a security is admitted to trading on a multilateral trading facility without the consent of the issuer, the issuer shall not be subject to any disclosure obligations arising from that admission.

(6) The listing of securities on a multilateral trading facility shall be subject, as appropriate, to the provisions of Article 26(6), (7) in the first sentence, and (11).

(7) A security may not be listed on a multilateral trading facility unless the conditions set out in Article 29(1)(a), (b), (c), (e) and (f) and the additional conditions laid down in the rules of the multilateral trading facility are met.

(8) Dealing on a multilateral trading facility is open to any person who has been registered by the operator of that facility after fulfilling the conditions set out in the rules on the multilateral trading facility. The provisions of Article 20 shall apply as appropriate.

(9) The disclosure obligations laid down in this Act and in a separate law⁵⁴⁾ in regard to the admission of securities to trading on a regulated market shall not apply to securities listed on a multilateral trading facility or to their issuers. This shall be without prejudice to the fulfilment of obligations arising from the admission of these securities and their issuers to trading on a regulated market or to the power of the operator of the multilateral trading facility to stipulate in the rules of that facility disclosure obligations in respect of securities listed on the multilateral trading facility and in respect of their issuers.

Article 39b

(1) A stock exchange or securities dealer operating a multilateral trading facility may provide appropriate arrangements in the territory of a Member State so as to facilitate access to and use of its systems by participants from another Member State or participants whose registered office is situated in that same Member State.

(2) A stock exchange or securities dealer operating a multilateral trading facility shall inform the National Bank of Slovakia in writing of the Member State in which it intends to provide such arrangements. The National Bank of Slovakia shall communicate, within 30 days, this information to the competent authority of the Member State in which these arrangements are to be provided. The National Bank of Slovakia shall, at the request of that competent authority and without undue delay, communicate details of the members or participants of the multilateral trading facility mentioned in the first sentence which come from that Member State.

(3) A foreign securities dealer or market operator which has its registered office in a Member State and operates a multilateral trading facility may provide appropriate arrangements in the territory of the Slovak Republic so as to facilitate access to and use of its systems by remote participants whose registered office is situated in the Slovak Republic.

(4) The National Bank of Slovakia, after receiving from the competent authority of the home Member State of a multilateral trading facility the communication mentioned in paragraph (3), shall request that competent authority to provide information on members or participants of that multilateral trading facility which are from the Slovak Republic.

Article 40

(1) An application for the admission of investment instruments other than securities for trading on a stock exchange shall be submitted by a stock exchange member.

(2) An application for the admission of investment instruments other than securities for trading to a stock exchange shall contain the particulars under Article 26(2)(a), (b) and (g) *mutatis mutandis*.

(3) If an application under paragraph 1 is submitted for options for the purchase or sale of shares, the applicant shall be bound to prove that the issuer of these shares has been notified in writing of the planned submission of the application. The issuer of these shares may within 30 days of the application's submission remonstrate a violation of its legally protected interests. In its objection the issuer must state in particular what legally protected interests of the issuer are threatened, and data on whether there is a threat of harm to it from trading in the respective options on the stock exchange. A stock exchange may not approve an application for admission prior to the expiry of this term. A stock exchange shall be bound to take account of an issuer's objection submitted after the expiry of the 30-day term only if the issuer proves that there is a threat of harm to it from trading in the respective options on the stock exchange.

(4) The provision of paragraph 3 shall not apply to financial market index options.

(5) An option for the purchase or sale of securities may be admitted for trading to a stock exchange only if the nominal value or book value of the securities to which the option relates is at least 1 000 000 EUR.

(6) In the case of the admission of other investment instruments for trading to a stock exchange Article 26 (13) shall apply *mutatis mutandis*.

TITLE II

Article 41

Notification requirement

(1) Where a shareholder acquires or disposes of shares of an issuer whose shares are admitted to trading on a regulated market and to which voting rights are attached, such shareholder shall notify the issuer of the proportion of voting rights of the issuer held by the shareholder as a result of the acquisition or disposal where that proportion reaches, exceeds or falls below the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75%. The voting rights shall be calculated on the basis of all the shares to which voting rights are attached even if the exercise thereof is suspended. Moreover, this information shall also be given in respect of all the shares which are in the same class and to which voting rights are attached.

(2) The shareholder shall also notify the issuer of the proportion of voting rights where that proportion reaches, exceeds or falls below the thresholds provided for in paragraph (1), as a result of events causing a change in the breakdown of voting rights, and on the basis of information disclosed pursuant to Article 44(2). Where the issuer has its registered office in a non-Member State, the notification shall be made as in the case of an issuer whose registered office is in a Member State.

(3) For the purpose of notification and disclosure obligations, 'shareholder' means any person who holds, directly or indirectly:

- a) shares of the issuer in its own name and on its own account;
- b) shares of the issuer in its own name, but on behalf of another person;
- c) depository receipts, in which case the holder of the depository receipt shall be considered as the shareholder of the underlying shares represented by the depository receipts.

(4) Paragraphs (1) and (2) shall not apply to shares acquired for the sole purposes of clearing and settling within the usual short settlement cycle, or to custodians holding shares in their custodian capacity provided such custodians can only exercise the voting rights attached to such shares under instructions given in writing or by electronic means.

(5) For the purposes of paragraph (4), 'usual short settlement cycle' means the settlement of the transaction within three trading days after the transactions was executed.

(6) Paragraphs (1) and (2) shall not apply to the acquisition or disposal of a holding reaching or crossing the 5% threshold by a market maker, provided that:

- a) it is authorized by its home Member State to provide investment services; and
- b) it neither intervenes in the management of the issuer concerned nor exerts any influence on the issuer to buy such shares or back the share price.

(7) The provision of (6) shall only apply if the market maker notifies the competent authority of the issuer's home Member State within the period laid down in paragraph (12) that it conducts or intends to conduct market making activities on that issuer.

(8) Where the competent authority of the issuer's home Member State requires the market maker referred to in paragraphs (6) and (7) to identify the shares or financial instruments held for market-making activity, the market maker may identify them by any verifiable means. The market maker shall hold these shares or financial instruments in a

separate account only if it is not able to identify them. Where the market maker ceases to conduct market making activities on the issuer concerned, it shall notify the competent authority of the issuer's home Member State accordingly.

(9) Unless otherwise provided in this Act, the notification requirements defined in paragraphs (1) and (2) shall also apply to any person to the extent it is entitled to acquire, to dispose of, or to exercise voting rights:

- a) held by a third party with whom that person has concluded a written agreement, which obliges them to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the issuer in question;
- b) held by a third party under a written agreement providing for the temporary transfer to that person, for consideration, of the voting rights in question;
- c) attached to shares which are lodged as collateral with that person, provided the person controls the voting rights and declares its intention of exercising them;
- d) attached to shares in which that person has the life interest;
- e) which are held or may be exercised within the meaning of subparagraphs (a) to (d), by an undertaking controlled by that person;
- f) attached to shares deposited with that person which the person can exercise at its discretion in the absence of specific instructions from the shareholders;
- g) held by a third party in its own name on behalf of that person;
- h) which that person or entity may exercise as a proxy, at its discretion in the absence of specific instructions from the shareholders.

(10) The notification required under paragraphs (1), (2) and (9) shall include the following information:

- a) the identity of the shareholder, even if that shareholder is not entitled to exercise voting rights under paragraph (9), and the person entitled to exercise voting rights on behalf of that shareholder; this information shall include:
 1. in the case of a legal person, its business name, registered office and identification number;
 2. in the case of a natural person, his forename and surname, address of permanent residence and either his birth registration number or, if he is foreign person, his date of birth;
- b) the resulting holding of the persons mentioned in subparagraph (a) in terms of voting rights;
- c) if applicable, the chain of controlled legal persons through which voting rights are effectively held;
- d) the date on which the threshold mentioned in paragraph (1) was reached or crossed.

(11) The shareholder or person mentioned in paragraph (9) shall communicate the information required under paragraph (1) to the issuer within at the latest four trading days, the first of which shall be the day after the date on which that shareholder or person:

- a) learns of the acquisition or disposal or of the possibility of exercising voting rights, or on which, having regard to the circumstances, should have learned of it, regardless of the date on which the acquisition, disposal or possibility of exercising voting rights takes effect; or
- b) is informed about the event mentioned in paragraph (2).

(12) For the purposes of paragraph (11)(a), the shareholder or person referred to in paragraph (9) shall be deemed to have knowledge of the acquisition, disposal or possibility to exercise voting rights no later than two trading days following the transaction.

(13) The shareholder or person referred to in paragraph (9) shall give the notification under paragraph (11) without delay after the proportion of voting rights held reaches, exceeds or falls below any of the thresholds mentioned in paragraph (1). In the case referred to in paragraph 9(a), the obligation to give the notification will be a joint obligation of all contracting parties.

(14) In the case referred to in paragraph 9(h), if the shareholder gives the proxy in relation to one general meeting, or if the proxy holder receives one or several proxies in relation to one general meeting, notification may be made by a means of a single notification at the moment of giving the proxy provided that it is made clear in the notification what the resulting situation in terms of voting rights will be when the proxy may no longer exercise the voting rights at its discretion.

(15) Where the notification requirement applies to several persons, they may give a single joint notification. The submission of a joint notification shall not be deemed to divest any persons of their responsibilities in regard to the submission of the notification.

(16) For the purposes of paragraph (11), Article 42(12) and Article 44(1), the calendar of trading days of the issuer's home Member State shall be used.

(17) The National Bank of Slovakia shall publish on its website the calendar of trading days of the regulated markets which are situated or operated in the territory of the Slovak Republic.

(18) The obligation to make the notification mentioned in paragraph (10) shall not apply if the notification is made by the parent undertaking or, where the parent undertaking is itself a controlled undertaking, by its own parent undertaking.

(19) Paragraphs (1) to (6) and paragraph 9(c) shall not apply to shares provided to or by the members of the European System of Central Banks (ESCB) in carrying out their functions as monetary authorities, including shares provided to or by members of the ESCB under a pledge or repurchase or similar agreement for liquidity granted for monetary policy purposes or within a payment system. This exemption shall apply to the above transactions lasting for a short period and provided that the voting rights attaching to such shares are not exercised.

Article 42

(1) The parent undertaking of a management company shall not be required to aggregate its shares in the voting rights under Article 41(1), (2) and (9) with the holdings managed by the management company under the conditions laid down in a separate law,⁴⁾ provided such management company exercises its voting rights independently from the parent undertaking.

(2) The provisions of Article 41(1), (2) and (9) shall apply where the parent undertaking of the management company or another subsidiary of the parent undertaking, has invested in holdings managed by such management company and the management company has no discretion to exercise the voting rights attached to such holdings and may only exercise

such voting rights under direct or indirect instructions from the parent or another subsidiary of the parent undertaking.

(3) The parent undertaking of a securities dealer shall not be required to aggregate its shares in the voting rights under Article 41(1), (2) and (9) with the holdings which such securities dealer manages on a client-by-client basis within the provision of portfolio management, provided that:

- a) the securities dealer provides such portfolio management on the basis of an investment services licence;
- b) it may only exercise the voting rights attached to such shares under instruction given in writing or by electronic means or it ensures that portfolio management is conducted independently of any other services in accordance with conditions laid down in a separate law;
- c) the securities dealer exercises its voting rights independently from the parent undertaking.

(4) The provisions of paragraph (3) shall not apply where the parent undertaking or another subsidiary of the parent undertaking, has acquired holdings managed by such securities dealer and the securities dealer has no discretion to exercise the voting rights attached to such holdings and may only exercise such voting rights under direct or indirect instructions from the parent undertaking or another subsidiary of the parent undertaking.

(5) The provisions of paragraphs (1) and (3) shall not apply unless the following conditions are met:

- a) the parent undertaking of the management company or securities dealer does not interfere by giving direct or indirect instructions or in any other way in the exercise of voting rights held by that management company or securities dealer;
- b) that management company or securities dealer is free to exercise, independently of the parent undertaking, the voting rights attached to the assets it manages.

(6) The provisions of paragraphs (1) and (3) shall not apply unless the parent undertaking of the management company or parent undertaking of the securities dealer communicates the following without delay to the competent authority of the home Member State of issuers whose voting rights are attached to holdings managed by the management companies or securities dealers:

- a) a list of the names of those management companies and securities dealers indicating the competent authorities that supervise them, or the information that they are not subject to supervision; this list shall be updated on an ongoing basis;
- b) a statement that, in the case of each such management company or securities dealer, the parent undertaking complies with the conditions laid down in paragraph (5); such statement shall not be required in regard to the financial instruments mentioned in Article 43(1).

(7) The parent undertaking of the management company or securities dealer shall, at the request of the competent authority of the issuer's home Member State, demonstrate that:

- a) the administrative structure of the management company or securities dealer, and that of the parent undertaking itself, is such that they exercise voting rights independently of the parent undertaking;
- b) the person who decides how the voting rights are to be exercised acts independently;
- c) where the parent undertaking is a client of its management company or securities dealer or has an interest in assets managed by the management company or securities dealer, there

is a written document proving that this represents a standard commercial relationship between the parent undertaking and the management company or securities dealer.

(8) The requirement laid down in paragraph (7)(a) shall be deemed to be met where the parent undertaking of the management company or securities dealer and the management company or securities dealer itself have put in place at least such policies and procedures so as to prevent information in regard to the exercise of voting rights from being exchanged between the parent undertaking of the management company or securities dealer and the management company or securities dealer. Such policies and procedures shall be set down in writing.

(9) 'Direct instruction' means any instruction given by the parent undertaking of a management company or securities dealer, or by another subsidiary of the parent undertaking, specifying how the voting rights are to be exercised by the management company or securities dealer in particular cases.

(10) 'Indirect instruction' means any general or particular instruction, regardless of the form, given by the parent undertaking of the management company or securities dealer, or by another subsidiary of the parent undertaking, that limits the discretion of the management company or securities dealer in relation to the exercise of voting rights in order to serve specific business interests of the parent undertaking of the management company or securities dealer or of another subsidiary of the parent undertaking.

(11) Upon receipt of the notification under Article 41(10), but no later than three trading days thereafter, the issuer shall make public the information contained in the notification.

(12) Where the National Bank of Slovakia makes public the information referred to in Article 41(13) no later than three trading days after receiving the notification, and provided that conditions set out in Article 47 are met, the issuer shall be exempted from the obligation under Article 41(10) to make the information public.

(13) The provisions of paragraphs (1) to (12) shall also apply to a foreign management company which has its registered office in a Member State and to a foreign securities dealer whose head office is situated in a Member State. The provisions of paragraphs (1) to (12) shall also apply to a foreign management company or foreign securities dealer from a non-Member State provided that they comply with equivalent conditions of independence as management companies or securities dealers.

Article 43

(1) The provisions of Article 41(1) to (9) shall also apply to a person who holds, directly or indirectly, financial instruments that result in an entitlement to acquire, on such holder's own initiative, under a formal agreement, shares to which voting rights are attached, already issued, of an issuer whose shares are admitted to trading on a regulated market. The holder of the financial instrument shall meet the notification requirement in respect of all financial instruments of that same issuer.

(2) Transferable securities, options, futures, swaps, forward rate agreements and any other derivative contracts, as referred to in a separate regulation,^{58a)} shall be considered to be financial instruments in the meaning of paragraph (1), provided that they result in an entitlement to acquire, on the holder's own initiative, under a formal agreement, shares to which voting rights are attached, already issued, of an issuer whose shares are admitted to trading on a regulated market. The holder of such financial instrument must enjoy, on maturity, either the unconditional right to acquire the underlying shares or the discretion as to his right to acquire such shares or not.

(3) The notification required under paragraph (1) shall include the following information:

- a) the resulting situation in terms of voting rights. The percentage of voting rights shall be calculated by reference to the total number of voting rights and share capital as last disclosed by the issuer under Article 44(2);
- b) if applicable, the chain of subsidiaries through which financial instruments are effectively held;
- c) the date on which the threshold mentioned in Article 41(1) was reached or crossed;
- d) for instruments with an exercise period, an indication of the date or time period where shares will or can be acquired, if applicable;
- e) the date of maturity or expiration of the financial instrument;
- f) the identity of the holder, which information shall include:
 1. in the case of a legal person, its business name registered office and identification number;
 2. in the case of a natural person, his forename and surname, address of permanent residence and either his birth registration number or, if he is foreign person, his date of birth,
- g) the business name, registered office and identification number of the underlying issuer.

(4) The notification under paragraph (3) shall be made to the issuer of the underlying share, within the period laid down in Article 41(13) and to the competent authority of the home Member State of such issuer.

(5) If a financial instrument relates to more than one underlying share, the notification under paragraph (3) shall be made to each issuer of the underlying shares.

Article 44

(1) Where an issuer of shares admitted to trading on a regulated market acquires or disposes of its own shares, either itself or through a person acting in his own name but on the issuer's behalf, the issuer shall make public the proportion of its own shares as soon as possible, but not later than four trading days following such acquisition or disposal where that proportion reaches, exceeds or falls below the thresholds of 5% or 10%. The proportion of the voting rights shall be calculated on the basis of the total number of shares to which voting rights are attached.

(2) For the purpose of calculating the proportion mentioned in Article 41(1), the issuer shall make public at least the total number of voting rights and share capital at the end of each calendar month during which an increase or decrease of such total number has occurred.

Article 45

(1) Whenever an issuer discloses regulated information, it shall at the same time file that information with the National Bank of Slovakia. The National Bank of Slovakia may decide to publish such filed information on its website.

(2) 'Regulated information' means all information which the issuer is required to disclose under this Act or under a separate law.^{58b)}

(3) Information that the shareholder or person are to notify to the issuer in accordance with Article 41 to 43 shall at the same time be filed with the National Bank of Slovakia.

(4) Where an issuer chooses its home Member State, it shall make this information public in the same way as regulated information. The issuer under Article 3(4)(p) may choose only one home Member State, and its choice shall remain valid for at least three years unless its securities are no longer admitted to trading on a regulated market in any Member State.

Article 46

(1) Where securities are admitted to trading on a regulated market only in the home Member State of the issuer, regulated information shall be disclosed in a language accepted by the competent authority in that home Member State. Where the securities of an issuer from the Slovak Republic are admitted to trading on a regulated market only in the Slovak Republic, regulated information shall be disclosed in the Slovak language.

(2) Where securities are admitted to trading on a regulated market both in the issuer's home Member State and in one or more of its host Member States, regulated information shall be disclosed:

- a) in a language accepted by the competent authority in the home Member State; and
- b) depending on the choice of the issuer, either in a language accepted by the competent authorities of those host Member States or in a language customary in the sphere of international finance.

(3) Where securities are admitted to trading on a regulated market in one or more of the issuer's host Member States, but not in its home Member State, regulated information shall, depending on the choice of the issuer, be disclosed either in a language accepted by the competent authorities of those host Member States or in a language customary in the sphere of international finance.

(4) Where the Slovak Republic is the issuer's home Member State, regulated information shall, depending on the choice of the issuer, be disclosed in the Slovak language or in a language customary in the sphere of international finance.

(5) Where securities are admitted to trading on a regulated market without the issuer's consent, the obligations under paragraphs (1) to (3) shall be incumbent not upon the issuer, but upon the person who, without the issuer's consent, has requested such admission.

(6) A shareholder or person may notify information to the issuer in a language customary in the sphere of international finance.

(7) Where securities whose denomination per unit amounts to at least EUR 50 000 or debt securities whose denomination per unit is equivalent to at least EUR 50 000 EUR at the date of the issue are admitted to trading on a regulated market in one or more Member States, regulated information shall be disclosed either in a language accepted by the competent authorities of the issuer's home and host Member States or in a language customary in the sphere of international finance, at the choice of the issuer.

Article 47

(1) An issuer shall, in all Member States in which its securities are admitted to trading on a regulated market, disclose regulated information in a manner ensuring fast access to such information on a non-discriminatory basis. It shall at the same time submit that information to the central register of regulated information. That obligation shall be fulfilled when the issuer submits the regulated information to the National Bank of Slovakia in accordance with Article 45(1).

(2) An issuer shall not charge investors for the provision of regulated information.

(3) The dissemination of regulated information shall be carried out in compliance with the minimum requirements set out in paragraphs (4) to (8).

(4) 'Dissemination of regulated information' means the disclosure of such information by the issuer by means of media for the dissemination of regulated information, in particular:

- a) the website of the issuer;
- b) daily print media with national circulation and an adequate distribution in all the Member States in which the issuer's securities are admitted to trading on a regulated market; or
- c) a generally recognized information system publishing official market prices of securities and money market instruments.

(5) Where regulated information is disclosed on the issuer's website, it shall at the same time be disclosed by one of the methods laid down in paragraph (4)(b) or (c) or in another appropriate manner.

(6) Regulated information shall be disseminated in a manner ensuring its accessibility to as wide a public as possible in the issuer's home Member State, in a Member State mentioned in Article 48(2) and in other Member States.

(7) An issuer shall communicate regulated information to media for the dissemination of regulated information in a manner which ensures the security of the communication, minimizes the risk of data corruption and unauthorized access, and provides certainty as to the source of the regulated information. Any failure or disruption in the communication of regulated information shall be remedied. The issuer shall not be responsible for systemic errors or shortcomings in the media to which the issuer has communicated the regulated information.

(8) An issuer, when communicating regulated information to media for the dissemination of regulated information, shall state that the information is regulated information and identify clearly the issuer concerned, the subject-matter of the regulated information and the time and date of the communication. Upon request, the issuer shall provide the National Bank of Slovakia with the following information in relation to any disclosure of regulated information:

- a) the forename and surname of the person who communicated the regulated information to media for the dissemination of regulated information;
- b) the security validation details in respect of the receipt of regulated information;
- c) the time and date on which the regulated information was communicated to media for the dissemination of regulated information;
- d) the medium for the dissemination of regulated information to which the information was communicated;
- e) if applicable, details of any embargo placed by the issuer on the regulated information.

(9) Media for the dissemination of regulated information shall communicate regulated information in its full and unaltered version. Where the information in question includes an annual financial report, half-yearly report or interim statement, this requirement shall be deemed fulfilled if the announcement related to the regulated information is communicated to the media for the dissemination of regulated information and indicates on which website, in addition to the central register of regulated information, the relevant documents are available.

Article 48

Central register of regulated information

(1) The National Bank of Slovakia shall maintain a central register of regulated information. The central register of regulated information shall:

- a) meet minimum requirements for the security and reliability of the source information;
- b) include a time log for the recording of regulated information;
- c) be readily accessible to end users;
- d) comply with the approach to the provision of information as set out in Article 45(1); and
- e) be established in such a way that allows it to be connected to the central registers of regulated information of other Member States, the stock exchange and the Commercial Register.

(2) The National Bank of Slovakia may delegate the maintenance of the central register of regulated information to another legal person.

(3) Where securities are admitted to trading on a regulated market in only the Slovak Republic and not in the issuer's home Member State, the issuer shall disclose regulated information in accordance with the requirements stated in Article 47.

Article 49

(1) Where the registered office of an issuer is in a non-Member State, the National Bank of Slovakia may exempt the issuer from obligations under Articles 34, Article 35 paragraphs (1) to (4), (9) and (11), Article 36 paragraphs (1) and (3), Article 37, Article 37b paragraphs (1) to (3), Article 37c, Article 37d paragraph (3), Article 42 paragraph (1) to (4)

and (11) and Article 44 paragraphs (1) and (2), provided that the law of that non-Member State lays down equivalent requirements or such an issuer complies with requirements of the law of a non-Member State that the National Bank of Slovakia considers as equivalent.

(2) By a decree to be promulgated in its full text in the Collection of Laws, the National Bank of Slovakia shall stipulate what is meant by 'equivalent requirements' as mentioned in paragraph (1).

(3) The information covered by the requirements laid down in the non-Member State shall be filed in accordance with Article 45 and made public in accordance with Articles 46 to 48.

(4) The National Bank of Slovakia shall ensure that information disclosed in a non-Member State which may be of importance for the public in Member States is disclosed in accordance with Articles 46 and 47, even if such information is not regulated information.

Article 50

(1) The provisions of Articles 34 to 49 which apply to an issuer shall also apply to a person who has requested the admission of securities to trading on a regulated market.

(2) The provisions of Articles 34 to 49 shall not apply to issuers whose securities are not admitted to trading on a regulated market.

Article 51

Repealed as of 1 August 2005

Article 52

Repealed as of 1 August 2005

Article 53

Repealed as of 1 August 2005

Article 54

Repealed as of 1 August 2005

Article 55

Repealed as of 1 August 2005

Article 56

Repealed as of 1 August 2005

Article 57

Repealed as of 1 August 2005

PART V

SUPERVISION

Article 58 **Scope of supervision**

(1) The National Bank of Slovakia shall perform supervision under this Act and a special act ¹²⁾ over the stock exchange, stock exchange members, organiser of a multilateral trade system, over issuers of securities that were accepted for trading in the stock exchange market or within the multilateral trade system or for which an application for acceptance for trading in the stock exchange market or within the multilateral trade system has been submitted, and over persons who have issued other financial instruments accepted for trading in the stock exchange market or within the multilateral trade system or for which an application for acceptance for trading in the stock exchange market or within the multilateral trade system has been submitted; also the activity of persons related to acceptance of securities for trading in the stock exchange market or within the multilateral trade system shall be subject to supervision within the scope stipulated by this Act.

(2) The scope of supervision under paragraph 1 shall be

- a) compliance with the provisions of this Act, other generally binding legal regulations, stock exchange rules with the exception under paragraph 3, and special legal regulations,³⁹⁾
- b) compliance with the conditions laid down in the licence,
- c) compliance with legally binding acts of the European Communities and of the European Union.

(3) The scope of supervision shall not be compliance with the provisions of stock exchange rules governing relations between a stock exchange and its members, with the exception of provisions governing relations connected with the conclusion of the stock exchange transactions.

(4) Relations between the National Bank of Slovakia and persons subject to supervision under paragraph 1 and the procedure of the National Bank of Slovakia in performing this supervision shall be governed by the provisions of a special act. ¹²⁾

(5) Persons subject to supervision shall be bound to submit to the National Bank of Slovakia within the term set by the National Bank of Slovakia data, documents and information requested by it necessary for the due performance of this supervision.

(6) A stock exchange shall be bound to allow persons charged with performing supervision to attend meetings of the general assembly of the stock exchange, the board of directors and supervisory board of the stock exchange and to inform the National Bank of Slovakia of the date of the meetings of these bodies of the stock exchange in advance.

Article 58a

(1) In order to facilitate public access to information to be disclosed under this Act and a separate law, ³⁾ the National Bank of Slovakia shall cooperate with the competent authorities of other Member States.

(2) National Bank of Slovakia shall inform the Commission of the fact that it is responsible for carrying out tasks laid down for competent authorities under European Union law governing the harmonization of transparency requirements insofar as they concern information on issuers whose securities are admitted to trading on a regulated market, and that it is the contact point for the purpose of information exchange and cooperation in the course of exercising supervision in relation to that law.

(3) Where the National Bank of Slovakia finds that the issuer or the holder of shares or other financial instruments, or the person referred to in Article 41(11) whose registered office is in another Member State, has committed irregularities or infringed its obligations under this Act, it shall refer its findings to the competent authority of the issuer's home Member State.

(4) If, despite the measures taken by the competent authority of the issuer's home Member State, or because such measures prove inadequate, the issuer or the holder of the security or other financial instruments whose registered office is in another Member State persists in infringing the relevant legal or regulatory provisions, the National Bank of Slovakia shall, after informing the competent authority of the issuer's home Member State, take measures in order to protect investors. The National Bank of Slovakia shall inform the Commission of such measures without delay.

Article 59

Powers of the National Bank of Slovakia

- (1) The National Bank of Slovakia shall be entitled
- a) to review stock exchange trades,
 - b) to inform the board of directors of the stock exchange of violations of stock exchange rules found,
 - c) to attend by means of its representative meetings of the board of directors with the right to suspend the performance of a decision if it contravenes generally binding legal regulations or stock exchange rules; the performance of a decision of the board of directors may be suspended for at most 30 days; during this period terms laid down by this Act shall not run,
 - d) to require from a stock exchange and from other persons subject to supervision under this Act data, documents and information necessary for the due performance of supervision, in particular accounting statements and other documentation connected with a stock exchange transaction,
 - e) request from the parties to a stock exchange transaction the provision of information on their clients and on persons having payables or receivables from a stock exchange transaction, as well as on changes in the owners of securities and other investment instruments admitted for stock exchange trading in the case that there is a reasonable suspicion of a violation of the provisions of this Act, of special acts ³⁹⁾ or of stock exchange rules, or if other facts have occurred that could disrupt the course of trading.

(2) For the purposes of performing supervision under this Act or a special act ³⁾ the National Bank of Slovakia shall be entitled to request the head of the inspection unit for stock

exchange transactions to allow employees of the National Bank of Slovakia to use a technical system under paragraph 13(3) for the purpose of acquiring data necessary for performing supervision. A stock exchange shall be bound to comply with this request forthwith.

Article 59a

(1) Where the National Bank of Slovakia has grounds for believing that a regulated market or multilateral trading facility operating within the Slovak Republic is in breach of the provisions under this Act, it shall refer those findings to the competent authority of the home Member State of the regulated market or multilateral trading facility.

(2) If, despite the measures taken by the competent authority of the home Member State or because such measures prove inadequate, the regulated market or multilateral trading facility persists in acting as described in paragraph (1) in a manner that is clearly prejudicial to the interests of investors or the orderly functioning of markets in the Slovak Republic, the National Bank of Slovakia, after informing the competent authority of the home Member State, may take the measures needed in order to protect investors and the proper functioning of the markets, which may include preventing further access to the arrangements of that regulated market or multilateral trading facility in the Slovak Republic by remote participants from the Slovak Republic. The National Bank of Slovakia shall without delay notify the Commission of the adoption of such measures.

(3) Where the competent authority of a host Member State notifies the National Bank of Slovakia that regulated market or multilateral trading facility operating in the territory of that Member State is in breach of legal regulations, the National Bank of Slovakia shall take the measures needed to put an end to the irregular situation.

(4) If a regulated market or multilateral trading facility is operating in the territory of a host Member State while in breach of the legal regulations of that Member State, it shall also implement or countenance measures imposed by the competent authority of that Member State.

Penalties

Article 60

(1) If the National Bank of Slovakia finds shortcomings in the activity of a person stated in Article 58 (1) lying in non-compliance with the provisions of this Act, other generally binding legal regulations, legally binding acts of the European Communities and of the European Union, in non-compliance with the conditions laid down in the licence, or in a decision on prior consent, in non-compliance with conditions laid down in Article 4 (2), in non-compliance with the provisions of stock exchange rules in a scope in which stock exchange rules are subject to supervision, the National Bank of Slovakia may according to the nature, severity, degree of culpability, manner, duration of the unlawful action and its consequences

- a) impose measures for removing and remedying the shortcomings found,
- b) cancel a stock exchange transaction,

- c) order a stock exchange or an issuer to publish a correction of incomplete, incorrect or untrue information that the stock exchange or issuer published on the basis of a statutory duty,
- d) order a stock exchange to end unlicensed activity,
- e) impose a fine of up to SKK 20 000 000,
- f) limit its activity or suspend its licence for at most one year,
- g) withdraw a licence.

(2) If the National Bank of Slovakia in performing supervision finds that a person is performing without a licence an activity for which a licence is required under Article 4, it shall prohibit this person from performing this activity, impose upon it a penalty under paragraph 1 (e) and notify a body active in criminal proceedings²⁵⁾ thereof.

(3) The National Bank of Slovakia may impose upon a member of the board of directors, the general manager, a member of the supervisory board of a stock exchange or head of an inspection unit for stock exchange transactions for a violation of duties resulting to them from this Act or from other generally binding legal regulations governing the performance of the activity of a stock exchange, from the articles of association of a stock exchange or for a violation of conditions or duties imposed by a decision issued by the National Bank of Slovakia a fine according to the severity and nature of the violation in an amount of up to twelve times the monthly average of his total income from the stock exchange for the preceding 12 months. A stock exchange shall be bound to recall forthwith from his function a natural person who through the lawful imposition of a penalty has ceased to be a trustworthy person under Article 4(11).

(4) If the National Bank of Slovakia in performing supervision finds that a stock exchange has violated a duty under Article 38 (1), it may, besides imposing a penalty under paragraph 1, suspend trading in this security on the stock exchange market. The provision of Article 63 shall not be hereby prejudiced.

(5) Penalties under paragraphs 1 to 3 may be imposed concurrently and repeatedly. If a repeated violation of duties for which a fine was imposed occurs within one year of a lawful decision imposing a fine, the National Bank of Slovakia may repeatedly impose penalties up to double the sum under paragraph 1(e).

(6) Liability under special regulations⁷⁰⁾ shall remain unprejudiced through the imposition of penalties under the preceding paragraphs.

Article 61

(1) Penalties may be imposed within two years of finding shortcomings, though not later than ten years after their occurrence. A fine under Article 60 (3) may be imposed within one year of finding shortcomings, though not later than three years after their occurrence.

(2) In the case of the withdrawal of a licence and in the case of the imposition of remedial measures and the imposition of fines the National Bank of Slovakia may take account of the fact that the person stated in Article 58 (1) himself found the violation of this Act and removed the unlawful state before the violation of this Act was found by the National Bank of Slovakia.

(3) A fine shall be payable within 30 days of the lawful decision imposing the fine.

(4) Revenues from fines under this Act shall be the income of the state budget.

Article 62

Suspension of shareholder rights

(1) The National Bank of Slovakia may suspend the right to participate and vote at a general meeting of a stock exchange and the right to request the convention of an extraordinary general meeting of a stock exchange of a person who has performed an act whereby a violation of Article 6(1)(a) has occurred and who obtained prior consent under Article 6(1)(a) on the basis of untrue data, or in the case of whom the National Bank of Slovakia has reasonable suspicion of a violation of Article 6(1)(a). The National Bank of Slovakia may suspend these rights also in respect of a person whose operation concerning a stock exchange is to the detriment of the due and prudent business conduct of the stock exchange.

(2) A stock exchange shall be bound five days before the date of holding a general meeting to give an instruction for the registration of the suspension of the right to handle in the case of all registered shares issued by it.

(3) A stock exchange shall be bound to submit to the National Bank of Slovakia excerpt from its register on an issuer and an excerpt from its list of shareholders made on the day when the stock exchange's instruction for the registration of the suspension of a handling right in the case of all registered shares that the stock exchange issued. The excerpt may not be made before this registration has been made. A stock exchange shall be bound to deliver this excerpt to the National Bank of Slovakia forthwith following its preparation. The National Bank of Slovakia shall forthwith indicate on this excerpt the person whose exercising of rights it has suspended under paragraph 1 and deliver it to the stock exchange not later than on the day preceding the general meeting of the stock exchange.

(4) If the National Bank of Slovakia marks in writing on an excerpt under paragraph 3, a person in the case of whom it has also found a reason for the suspension of rights under paragraph 1, proceedings on the suspension of rights under paragraph 1 shall be thereby commenced.

(5) A preliminary measure ⁷¹⁾ in the matter of a suspension of rights under paragraph 1 shall be delivered by the National Bank of Slovakia to this person and the stock exchange not later than on the day of the general meeting. The stock exchange and this person shall be bound by this preliminary measure. Delivery of a preliminary measure to a person authorised to represent this person at the general meeting shall also constitute delivery.

(6) A stock exchange may not admit a person marked by the National Bank of Slovakia under paragraph 3 or paragraph 4, nor persons authorised by these persons to act on their behalf to participate at its general meeting.

(7) Shares connected with rights suspended under paragraph 1 shall not be deemed shares with a voting right during the suspension of these rights. These shares shall not be

taken into account in assessing whether a general meeting has quorum nor in the general meeting's decision-making. Prior consent of the National Bank of Slovakia under Article 6(1)(a) shall not be required for an increase thus arisen in the share of the voting rights of other persons listed in the excerpt submitted by the stock exchange under paragraph 3.

(8) If the reasons for the suspension of rights under paragraph 1 pass away, the National Bank of Slovakia shall cancel their suspension forthwith. Subjects the National Bank of Slovakia requests publish this decision shall be bound to comply with this request.

(9) The National Bank of Slovakia may submit a petition at court for finding the invalidity of a decision of a stock exchange's general meeting due to its contravention with laws or other generally binding legal regulations. This right, however, shall lapse if the National Bank of Slovakia does not exercise it within three months of the general meeting's adoption of the resolution, or if a general meeting has not been duly convened since the day when the National Bank of Slovakia could have learnt of the resolution.

Article 63

(1) The National Bank of Slovakia may suspend or terminate trading in financial instruments on a stock exchange or multilateral trading facility or may suspend a stock exchange transaction.

(2) A decision under paragraph 1 may be issued only in especially justified cases and if it is in the interest of investor protection.

(3) A decision to suspend trading in securities under paragraph 1 must set the period of the suspension which may not be longer than six months, and the scope in which trading in the securities on the stock exchange is suspended. A decision to suspend a stock exchange transaction under paragraph 1 must set the period of the suspension, which may not be longer than 10 working days.

(4) The National Bank of Slovakia may require a stock exchange or the operator of a multilateral trading facility to take measures under paragraph (1) within the scope of its competence. In deciding on the suspension of trading in securities the National Bank of Slovakia shall be entitled to consult with a foreign regulated market on which the respective securities are admitted for trading.

(5) Where the National Bank of Slovakia takes a decision under paragraph (1), it shall without delay make that decision public and communicate it to the competent authorities of Member States.

(6) Where the National Bank of Slovakia is notified by the competent authority of a Member State that this authority has suspended or terminated trading in a financial instrument that is simultaneously admitted to trading on a stock exchange or multilateral trading facility in the Slovak Republic, the National Bank of Slovakia shall take measures in accordance with paragraph (1) unless such a step would cause significant damage to investors' interests or the orderly functioning of the market.

Article 63a

An issuer of securities admitted to a stock exchange market shall be bound to submit to the National Bank Slovakia all information necessary for investor protection and for ensuring the problem-free functioning of an regulated securities market, and to publish this information according to the National Bank of Slovakia's requirements in the same manner as information under Article 37. If an issuer does not comply with a request of the National Bank of Slovakia for publishing the information, the National Bank of Slovakia shall be entitled to publish this information.

Article 64 Withdrawal of a licence

- (1) The National Bank of Slovakia shall withdraw a licence if
- a) the stock exchange obtained the licence on the basis of untrue data stated in the licence application,
 - b) the registered capital of the stock exchange falls below the level under Article 2 (12),
 - c) this is justified by serious changes in circumstances under Article 4(3)(f) that could cardinally influence the due performance of the stock exchange's activity,
 - d) bankruptcy has been declared or settlement permitted on the assets of the stock exchange, or a petition for the declaration of bankruptcy has been rejected for lack of assets,
 - e) the stock exchange has not submitted a proposal for an entry in the companies register under Article 5 (3),
 - f) the stock exchange has not begun to perform the activities stated in the licence within twelve months of the effective date of the licence or if for more than six months it has not performed these activities.

(2) The National Bank of Slovakia may withdraw a licence in the case of serious shortcomings in the activity of a stock exchange, in the case of a violation of duties imposed by this Act or if a stock exchange does not satisfy conditions under Article 4 (2).

PART SIX

COMMON, TRANSITIONAL AND FINAL PROVISIONS

Article 64a

This Act transposes the legal acts of the European Communities and of the European Union listed in the schedule hereto.

Article 65

(1) A stock exchange's decision-making on a listing application, on the suspension of trading in a security on a listed securities market, on the exclusion of a security from a listed securities market, and on the cancellation of a stock exchange transaction shall be governed *mutatis mutandis* by the provisions of a special act.¹²⁾

(2) No legal remedy may be lodged against a stock exchange's decision under paragraph 1.

(3) A stock exchange's decision under paragraph 2 may be reviewed by a court.⁷²⁾

(4) Proceedings before the National Bank of Slovakia under this Act shall be governed by a special act¹²⁾, unless stated otherwise in this Act.

(5) Where the statement of an identification number or birth identification number is required by this Act, these numbers shall not be stated in the case of persons to whom they have not been assigned.

Article 66

Legal relations established prior to the effective date of this Act shall be governed also by the provisions of this Act; the establishment of these legal relations, as well as claims from them arisen prior to the effective date of this Act shall, however, be judged according to previous regulations, unless stated otherwise in this Act.

Article 67

(1) Proceedings commenced and not lawfully terminated prior to the effective date of this Act shall be completed under previous regulations. As of the effective date of this Act shortcomings found in the activity of a stock exchange or other persons that occurred under previous regulations and on which no proceedings had been held under previous regulations, shall be judged and tried under this Act provided this concerns shortcomings that are judged as shortcomings also under this Act. However, as of the effective date of this Act only such a measure for the removal of an unlawful state, remedial measure, a fine or other penalty as is allowed also under this Act may be imposed. Legal effects of acts that happened in proceedings prior to the effective date of this Act shall remain preserved.

(2) Terms that at the effective date of this Act have not yet elapsed shall be governed by the provisions of previous regulations. If these previous regulations did not lay down the terms for the issuance of a decision or for the performance of other acts in proceedings commenced and lawfully not completed prior to the effective date of this Act, the terms under this Act shall apply and shall begin to run on the effective date of this Act.

Article 68

(1) A licence for the establishment of a stock exchange issued under previous regulations that is valid as at the effective date of this Act shall be deemed a licence for the establishment and activity of a stock exchange granted under this Act.

(2) A stock exchange that as at the effective date of this Act was performing activities under previous regulations, shall be bound to submit by 31 December 2002 to the Authority for approval a draft for the amendment of its stock exchange rules for the purpose of harmonising them with the provisions of this Act. If a stock exchange does not submit within this term for approval to the Authority a draft for the amendment of its stock exchange rules, the Authority shall order the stock exchange to submit it within an additionally set term that, however, may not be longer than 60 days. If the stock exchange does not submit for approval to the Authority its draft stock exchange rules within this additionally set term, the Authority shall withdraw the stock exchange's licence.

(3) A stock exchange shall be bound to harmonise its articles of association with the provisions of this Act and to submit an attested copy of them to the Authority by 31 January 2003. If a stock exchange does not harmonise certain provisions of its articles of association with this Act within this period, these provisions shall lose force on the day of this term expiring.

(4) Securities that as at 31 August 2002 had been admitted to a listed securities market of a stock exchange under previous regulations shall be deemed securities admitted to a listed securities market under this Act. Securities that as at 31 August 2002 were admitted to a public market of a stock exchange under previous regulations shall be deemed securities admitted to a regulated public market under this Act.

(5) Issuers of securities under paragraph 4 shall be bound to conform to the provisions of this Act within 90 days of the effective date of an amendment to stock exchange rules under paragraph 2. If an issuer of securities does not conform to the provisions of this Act within this term, the stock exchange shall exclude the security from trading on a market organised by it, or reclassify it to a different market of the stock exchange whose conditions the security fulfils. A decision of a stock exchange to exclude a security from trading on a listed securities market may be reviewed by the courts.

(6) An issuer of shares excluded from a stock exchange market under paragraph 5 shall be bound to declare a compulsory offer³³⁾ for the purchase of all shares in which it would no longer be possible to trade on any stock exchange, foreign stock exchange or foreign regulated market following exclusion from the stock exchange market.

(7) Stock exchange members shall be bound to conform to the provisions of this Act within 30 days following the effective date of an amendment to stock exchange rules under paragraph 2.

(8) Until the effective date of an amendment to the stock exchange rules under paragraph 3 the admission of securities to a stock exchange market shall be governed by previous regulations.

(9) Until the effective date of the first decision granting a licence for the establishment and activity of a central depository under a special act ³⁾, the manner of clearing and settling stock exchange transactions shall be performed under previous regulations.

(10) If a person who as at 31 August 2002 was a shareholder in a stock exchange does not become a person entitled to be a shareholder in a stock exchange under Article 2(11) at latest by 31 January 2003, he shall not be entitled as of 1 February 2003 to exercise voting rights at a general meeting of a stock exchange, unless this right lapsed earlier under previous regulations.

(11) If previous regulations did not lay down prior consent of the Authority as a condition for performing legal acts, legal acts performed up until the effective date of this Act shall be deemed valid under this Act even if prior consent for their performance is required under Article 6 (1).

(12) A natural person who as at 31 August 2002 was a member of the board of directors, supervisory board or was a general manager and who does not fulfil the conditions for performing this function under this Act, the stock exchange shall be bound to recall him from the function not later than by 31 December 2002.

Article 68a

Transitional provisions to enactments effective as of 1 January 2006

(1) Licences, approvals and prior consents issued by the Financial Market Authority prior to 1 January 2006 that are valid as at 1 January 2006 shall be deemed licences, approvals and prior consents issued under this Act. A limitation or suspension of the performance of activities under such a licence and an amendment, or withdrawal or lapsing of such a licence shall be governed by the provisions of this Act; this shall apply analogously to a cancellation or lapsing of approvals or prior consents issued by the Financial Market Authority prior to 1 January 2006.

(2) The issuance of generally binding legal regulations issued prior to 1 January 2006 for the implementation of individual enabling provisions of this Act, shall pass on 1 January 2006 to the competence of the National Bank of Slovakia in the scope laid down by this Act.

Article 68b

Listing prospectuses approved under previous regulations and prospectuses submitted for approval up until the effective date of this Act shall be governed by the previous

regulations; this shall not apply in the case where admission to a regulated market in a Member State is requested.

Article 68c

Transitional provisions for regulations effective as of 1 May 2007

(1) It shall not be required to amend licences that have already been issued. This is without prejudice to the obligation to apply for an amendment to a licence in the event of a change in scope of the services provided thereunder in accordance with Article 4.

(2) An issuer which has its registered office in a non-Member State shall not be required to prepare its financial statements in accordance with Article 34 or Article 35 before the financial period commencing in 2007 or at a date thereafter, provided that the issuer prepares its financial statements in accordance with a separate regulation.^{53d)}

(3) No later than 1 August 2007, a shareholder shall notify the issuer of the holdings of voting rights and share capital in accordance with Article 41(1) to (6) and (12) and Article 43. A shareholder which no later than 20 March 2007 submitted a notification containing equivalent information shall not be required to make the notification mentioned in the first sentence.

(4) No later than 1 September 2007, an issuer shall make public the information contained in notifications given under paragraph (2), regardless of Article 42(12).

(5) Where a shareholder ceases to meet the conditions set out in Article 2(11), it may not exercise voting rights at a general meeting of the stock exchange, if its right to do so has not already expired by 1 September 2002.

Article 68d

Transitional provisions for regulations effective as of 1 November 2007

(1) Persons shall bring their activities into line with the provisions of this Act by no later than six months after its entry into force. It shall not be required to amend licences for the incorporation and operation of a stock exchange which have already been issued, this being without prejudice to the obligation to apply for an amendment to an investment services licence in the event of a change in scope of the services provided thereunder in accordance with Article 4.

(2) The provisions of Article 35 shall not apply to issuers already existing at 1 August 2005 which exclusively issue on a regulated market debt securities unconditionally and irrevocably guaranteed by the home Member State or by one of its regional or local authorities.

Article 69

This Act repeals:

1. Act No 330/2000 Coll. on stock exchange as amended by Act No 566/2001 Coll.,

2. Edict of the Ministry of Finance of the Slovak Republic No 69/2001 Coll. laying down details on the content of a listing prospectus for a security

Article 70

This Act shall enter into effect on 1 September 2002 with the exception of provisions of Article 2(14), Article 18(5) second sentence, Articles 33 to 36, Article 49(11) that shall enter into effect on the day of entering into effect of the Treaty of Accession of the Slovak Republic to the European Communities and the European Union, and with the exception of provisions of Article 37(1) and Article 49(1)(e) to (h) that shall enter into effect on 1 January 2004.

Act No 594/2003 Coll. entered into effect on 1 January 2004.

Act No 635/2004 Coll. entered into effect on 1 December 2004.

Act No 43/2004 Coll. entered into effect on 1 January 2005.

Act No 336/2005 Coll. entered into effect on 1 January 2005.

Act No 747/2004 Coll. entered into effect on 1 January 2006.

Act No. 209/2007 Coll. came into force on 1 November 2007, except for Section 1 points 2, 6, 7, 11 to 14, 16, 18, 23 to 25, 27, 57, 58, 60, 73 to 81, 91, 93 to 96, 100 to 102, 106, 116, 117, 124 to 136, 139, 144 to 151 and 154 to 165, Section II, Section IV points 5 to 8, Section V points 2, 27, 41, 42, 44, 49, 50, 56, 57, 65 and 66, and Section VI points 1, 3, 5 to 8, 10 to 32 and 34 to 39, which came into force on 1 May 2007.

Act No. 8/2008 Coll. came into force on 15 February 2008, except for Section I and Section III which came into force on 1 April 2008.

**SCHEDULE OF TRANSPOSED LEGAL ACTS OF THE EUROPEAN
COMMUNITIES AND THE EUROPEAN UNION**

1. Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities (OJ L 184 of 6 July 2001, OJ Special Edition Chapter 6 Volume 4), as amended by Directive 2003/6/EC of the European Parliament and of the Council (OJ L 96 of 12 April 2003, OJ Special Edition Chapter 6 Volume 4) and Directive 2003/71/EC of the European Parliament and Council of 4 November 2003 (OJ L 345 of 31 December 2003, OJ Special Edition Chapter 6 Volume 6).
2. Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (OJ L 345 of 31 December 2003, OJ Special Edition Chapter 6 Volume 6).
3. Commission Directive 2003/124/EC of 22 December 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards the definition and public disclosure of inside information and the definition of market manipulation (OJ L 339 of 24 December 2003, OJ Special Edition Chapter 6 Volume 6).
4. Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC (OJ L 145 of 30 April 2004, OJ Special Edition Chapter 6 Volume 7).
5. Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390 of 31 December 2004).
6. Directive 2005/1/EC of the European Parliament and of the Council of 9 March 2005 amending Council Directives 73/239/EEC, 85/611/EEC, 91/675/EEC, 92/49/EEC and 93/6/EEC and Directives 94/19/EC, 98/78/EC, 2000/12/EC, 2001/34/EC, 2002/83/EC and 2002/87/EC in order to establish a new organisational structure for financial services committees (OJ L 79 of 24 March 2005).
7. Directive 2006/31/EC of the European Parliament and of the Council of 5 April 2006 amending Directive 2004/39/EC on markets in financial instruments as regards certain deadlines (OJ L 114 of 27 April 2006).

-
- 1) Article 5 of Act No 566/2001 Coll. on securities and investment services and on the amendment of certain acts (Securities Act).
 - 1a) Article 99 of Act No 566/2001 Coll. as amended.
 - 2) Act of the National Council of the Slovak Republic No 566/1992 Coll. on the National Bank of Slovakia as later amended.
 - 3) Act No 566/2001 Coll.
 - 4) Act No 594/2003 Coll. on collective investment and on the amendment of certain acts.
 - 5) Act No 95/2002 Coll. on insurance industry and on the amendment of certain acts.
 - 6) 2 of Act No 483/2001 Coll. on banks and on the amendment of certain acts.
 - 7) Article 159 of the Commercial Code.
 - 8) Articles 476 to 488 of the Commercial Code.
 - 9) Article 99 of Act No 566/2001 Coll.
 - 10) Article 66b of the Commercial Code.
 - 11) Act No 650/2004 Coll. on supplementary pension saving and on the amendment of certain acts as later amended.
 - 11a) Act No 43/2004 Coll. on old-age pension saving and on the amendment of certain acts.
 - 11b) Article 535 of the Civil Code.
 - 12) Act No 747/2004 Coll. on financial market supervision and on the amendment of certain acts.
 - 13) Article 8(e) of Act No 566/2001 Coll.
 - 13a) Articles 71 to 71n of Act no. 566/2001 Coll. as amended.
 - 14) Act No 7/2005 Coll. on bankruptcy and restructuring and on the amendment of certain acts as later amended.
 - 15) Article 9(3) of the Labour Code.
 - 16) Article 144(7) of Act No 566/2001 Coll.
Article 50(2) of Act No 483/2001 Coll.
Article 48(6) of Act No 95/2002 Coll.

- 17) Act No 136/2001 Coll. on economic competition protection and on amendment of Act of the Slovak National Council No 347/1990 Coll. on organisation of ministries and other central government bodies of the Slovak Republic as later amended.
- 17a) Article 131a of Act No 566/2001 Coll. as amended by Act No 635/2004 Coll.
- 18) Articles 22 to 25 of Act No 566/2001 Coll.
- 19) Article 7(10) of Act No 566/2001 Coll.
- 20) Article 47(2) of Act No 96/2002 Coll.
- 21) Act No 367/2000 Coll. on protection against the legalisation of incomes from criminal activity and on the amendment of certain acts as amended by Act No 566/2001 Coll.
- 22) Article 66(3) of the Commercial Code.
- 23) Civil Procedure Code.
- 24) Criminal Code.
- 24a) Act of the National Council of the Slovak Republic No 566/1992 Coll. as later amended.
Act No 747/2004 Coll. Act No 483/2001 Coll. as later amended. Act No 510/2002 Coll. on system of payments and on the amendment of certain acts as later amended.
Act of the National Council of the Slovak Republic No 2002/1995 Coll. Foreign-Exchange Act and act amending Act of the Slovak National Council No 372/1990 Coll. on criminal offences as later amended as later amended.
- 25) Article 2(1)(b), (c) and (d) and Article 4 of Act of the National Council of the Slovak Republic No 171/1993 Coll. on Police Forces as later amended.
Article 10 of Act No 367/2000 Coll.
- 26) Act of the Slovak National Council No 511/1992 Coll. on the administration of taxes and fees and on changes in the system of territorial financial bodies as later amended.
Act No 150/2001 Coll. on tax bodies and amending Act No 440/2000 Coll. on financial audit reports as amended by Act No 182/2002 Coll.
Act No 199/2004 Coll. Customs Act and on the amendment of certain acts as later amended.
- 27) Act No 440/2000 Coll. on financial audit reports as later amended.
- 28) For example Act No 650/2004 Coll. on supplementary pension saving and on the amendment of certain acts as later amended, Act of the Slovak National Council No 310/1992 Coll. on building society saving as later amended.
- 29) Articles 71 to 80 of Act No 71/1967 Coll. on administrative proceedings (administrative code).

- 30) Article 131 of Act of the National Council of the Slovak Republic No 233/1995 Coll. on court executors and execution activity (Execution Code) and on the amendment of other acts as amended by Act No 280/1999 Coll.
- 31) For example Article 134 of Act No 566/2001 Coll.
- 32) Article 114 of Act No 566/2001 Coll.
- 33) Article 118 of Act No 566/2001 Coll.
- 34) Articles 54, 65 and 66 of Act No 566/2001 Coll.
- 35) Article 74 of Act No 566/2001 Coll.
- 35a) Article 132a of Act No. 566/2001 Coll. as amended by Act No. 635/2004 Coll.
- 35aa) Articles 73b to 73m and Articles 73o to 73v of Act no. 566/2001 Coll.
- 35b) Articles 30 and 32 of Commission Regulation (EC) No 1287/2006/EC of 10 August 2006, implementing Directive 2004/39/EC of the European Parliament and of the Council as regards record-keeping obligations for investment firms, transaction reporting, market transparency, admission of financial instruments to trading, and defined terms for the purposes of that Directive (OJ L 241 of 2 September 2006).
- 35c) Article 17 of Commission Regulation (EC) No 1287/2006/EC.
- 35d) Article 29 of Commission Regulation (EC) No 1287/2006/EC.
- 35e) Articles 18 and 19 of Commission Regulation (EC) No 1287/2006/EC.
- 35f) Article 20 of Commission Regulation (EC) No 1287/2006/EC.
- 35g) Article 27 of Commission Regulation (EC) No 1287/2006/EC.
- 35h) Articles 29 and 32 of Commission Regulation (EC) No 1287/2006/EC.
- 35i) Article 28 of Commission Regulation (EC) No 1287/2006/EC.
- 35j) Articles 78 to 78b of Act no. 566/2001 Coll. as amended.
- 36) Article 99(3)(h) and Article 103(2)(k) of Act No 566/2001 Coll.
- 37) Act No 244/2005 Coll. on arbitration proceedings as amended by Act No 521/2005 Coll.
- 38) Act No 244/2005 Coll. as amended by Act No 521/2005 Coll.
- 39) For example, Act no. 530/1990 Coll. on bonds as amended; the Commercial Code; Act no. 566/2001 Coll. as amended; Act no. 594/2003 Coll. as amended; Commission Regulation (EC) No 1287/2006/EC.

- 40) Article 2 of Act No 386/2002 Coll. on public debt and state guarantees and amending Act No 291/2002 Coll. on State Treasury and on the amendment of certain acts.
- 42) Article 125 of Act No 566/2001 Coll. as amended by Act No 336/2005 Coll.
- 44) Article 69 of the Commercial Code.
- 45) Article 155(5) of the Commercial Code.
- 46) Article 66a of the Commercial Code.
- 46a) Article 125h(1)(a) to (h), (j) and (k) of Act No 566/2001 Coll. as amended by Act No 336/2005 Coll.
- 46b) Article 125h(2) of Act No 566/2001 Coll. as amended by Act No 336/2005 Coll.
- 47) Article 107(9) of Act No 566/2001 Coll.
- 48) Article 7(6) of Act No 566/2001 Coll.
- 51) Article 156(8) of the Commercial Code.
- 51a) Article 125a of Act No 566/2001 Coll. as amended by Act No 336/2005 Coll.
- 52) Act No 431/2002 Coll. on accounting as later amended.
- 53) Article 160 of the Commercial Code.
- 53a) Article 20 of Act no. 431/2002 Coll. on accountancy, as amended by Act no. 561/2004 Coll.
- 53b) Article 19 of Act no. 431/2002 Coll., as amended by Act no. 561/2004 Coll.
- 53c) Article 22 of Act no. 431/2002 Coll., as amended by Act no. 561/2004 Coll.
- 53d) Regulation (EC) No 1606/2002 of the European Parliament and of the Council.
Commission Regulation (EC) no. 1725/2003 of 29 September 2003 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 261 of 13 October 2003, OJ Special Edition Chapter 13 Volume 32).
- 53e) Article 132b of Act no. 566/2001 Coll. as amended.
- 54) Article 130 of Act No 566/2001 Coll.
- 55) For example Article 99(4)(a) of Act No 566/2001 Coll.

- 55a) Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (OJ L 243, 11.9.2002).
- 56) Article 28(3)(e) and (f) of Act No 566/2001 Coll.
- 57) Article 119 of Act No 566/2001 Coll.
- 58) Article 5(j) of Act No 594/2003 Coll.
- 58a) Article 5(1)(a), (d) to (j) of Act no. 566/2001 Coll. as amended.
- 58b) Article 132(1) to (3) of Act no. 566/2001 Coll. as amended by Act no. 635/2004 Coll.
- 70) For example the Labour Code, Criminal Code.
- 71) Article 34 of Act No 96/2002 Coll.
- 72) Articles 247 to 250k of the Civil Procedure Code.