

**Full wording
ACT No.
129/2010 Coll.**

of 9 March 2010

**on Consumer Credits and Other Credits and Loans for Consumers and on amendments
to certain laws as amended by Act No. 394/2011 Coll.**

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

**Section I
GENERAL PROVISIONS**

**Article 1
Subject of the Amendment**

(1) This Act amends rights and obligations related to the provision of consumer credits on the basis of consumer credit contracts; conditions of providing consumer credits; details to be included in consumer credit contracts; a method of calculating total consumer costs related to the provision of consumer credits as well as other consumer protection measures.

(2) For the purposes of this Act ‘consumer credit’ shall mean a temporary provision of financial means, on the basis of a consumer credit contract, in the form of a loan, credit, deferred payment or other similar financial help provided to the consumer by the creditor.

(3) The following shall not be understood as a consumer credit:

- a) mortgage loan or municipal loan as stated in a special regulation 1);
- b) credit secured by a real-estate lien, the purpose of which is to acquire or retain property rights related to real estate or to construct real estate property;
- c) credit secured by a real-estate lien with a term of repayment longer than ten years;
- d) credit the purpose of which is to acquire or retain property rights related to real estate property or to construct real estate property;
- e) credit secured by a real-estate lien, the purpose of which is to repay credits resulting from contracts as stated in (a) through (d);
- f) credit with a value of less than EUR 100 and more than EUR 75,000; if more credit contracts are concluded between the same creditor and consumer for the same or similar purpose within the period of 12 months, the total of all credit contracts shall be considered as the only consumer credit by this Act;
- g) rent as laid down in Civil Code 2), if the rental contract does not stipulate an obligation to purchase the subject of the contract after the lapse of a certain time period;
- h) credit in the form of an overdraft facility payable within one month, if not stated otherwise in Article 4 (14);
- i) interest-free credit or credit free of any other fees;
- j) credit provided by employers to their employees from their own resources, not available to the general public; such credit is interest-free or its annual costs percentage is lower than that prevailing in the financial market;

- k) credit provided on the basis of a contract concluded following a court decision or a decision of other authorities as a result of a dispute settled in court or before other authorities;
- l) credit payable within a period not exceeding three months;
- m) credit based on a special regulation 3);
- n) free-of-charge credit for a deferred payment of an existing debt;
- o) credit which, in order to be secured, requires the consumer to deposit a real estate property with the creditor as a collateral, while the consumer's liability is limited to this deposited real estate exclusively;
- p) credit provided for purposes as laid down in special regulations 4) for a limited group of people in the public interest and for interest rates lower than those prevailing on the financial market; or interest-free credit; or credit provided under different conditions which are of greater advantage to the consumer than those prevailing on the financial market; or credit with interest rates lower than interest rates prevailing on the financial market;
- q) credit the purpose of which is to finance a constant provision of services or supply of the same kind of goods which the consumer redeems in the form of instalments during the time period when services are provided or goods delivered.

(4) The following provisions shall apply to consumer credits which have the form of overdraft facilities payable on request or within a three months' period: Article 1, Article 2, Article 3 (1) (a) through (d), Article 3 (3), Article 4 (14), Articles 5 through 8, Article 9 (1), (4), (6) through (8), Article 10, Article 11, Article 12 (2), Article 15, Article 17, Articles 20 through 23 and Articles 25 through 27.

(5) The following provisions shall apply to consumer credits which have the form of overdrafts: Article 1, Article 2, Article 9 (6), (7) and (8), Article 11, Article 15 (1) and (2), Article 18, Article 20, Article 21 and Articles 23, 25 through 27.

(6) If the consumer and the creditor conclude a new consumer credit contract, as a result of the consumer's failure to meet their obligations resulting from the original consumer credit contract, with the new contract deferring instalments or changing the repayment system, with the purpose to prevent potential judicial proceedings for creditor's claims, while repayment conditions resulting from the new consumer credit contract are not less favourable for the consumer than the repayment conditions resulting from the original consumer credit contract, the following provisions shall apply to the new consumer credit contract: Articles 1 through 3, Article 4 (5), Article 5, Article 6, Article 8, Article 9 (1) and (2) (a) through (l) and (o) and (t), (4) and (6) through (8), Article 11, Article 12, Article 14, Article 16, Article 18 through 23 and Article 25 through 27.

(7) The following provisions shall not apply to financial leasing: Article 9 (2) (w) and Article 13.

(8) Provisions of this Act shall be without prejudice to the provisions of the Civil Code or of special regulations 5).

Article 2 Definitions

For the purposes of this Act the following definitions shall apply:

- a) 'consumer' means a natural person which does not act within the scope of its enterprise or occupation,^{5a)};
- b) 'creditor' means a natural or legal person offering or providing a consumer credit as a part of their business activity;
- c) 'other creditor' means a natural or legal person offering or providing credits or loans other than consumer credit as part of their business activity; with the exception of a bank, branch office of a foreign bank or financial institution, as stated in special regulation⁶⁾, with the exception of any financial institution, which has not been granted the license to operate by the National Bank of Slovakia,
- d) 'consumer credit contract' means a contract obliging the creditor to provide a consumer credit to the consumer, while obliging the consumer to redeem the provided financial means and pay the total consumer costs related to the consumer credit;
- e) 'overdraft facility' means a form of consumer credit enabling the consumer to dispose of financial means beyond the limit of the current balance of their account with the creditor;
- f) 'overrunning' means an automatically accepted overdraft with the creditor enabling the consumer to dispose of financial means beyond the limit of the current balance of their account or beyond the limit of an agreed overdraft facility;
- g) 'total consumer costs related to consumer credit' means all costs, including interests, commissions, taxes and all kinds of fees which the consumer is obliged to pay in relation to the consumer credit contract and which the creditor is familiar with, except for notarial fees; total costs shall also include costs of additional services related to the consumer credit contract, insurance costs in particular, in the case that the consumer has to conclude an extra contract for the provision of such additional service in order to obtain a consumer credit or in order to obtain it under the conditions marketed;
- h) 'total sum payable by the consumer' means a sum of the total amount of the consumer credit and of total consumer costs related to the consumer credit;
- i) 'annual costs percentage' means total consumer costs related to the consumer credit expressed as annual percentage of the total amount of the consumer credit as stated in Article 19;
- j) 'consumer credit interest rate' means an interest rate expressed as a fixed or variable percentage applied on an annual basis based on the amount by which the consumer credit is drawn down;
- k) 'fixed consumer credit interest rate' means one particular interest rate of the consumer credit agreed between the creditor and the consumer in the consumer credit contract for the whole period of consumer credit contract duration; or more interest rates of the consumer credit agreed between the creditor and the consumer in the consumer credit contract for partial periods with the exclusive application of a particular fixed percentage; if the consumer credit contract does not lay down all interest rates of the consumer credit, the interest rate of the consumer credit shall be considered as fixed only for those partial periods for which interest rates of the consumer credit are determined in the form of a particular fixed percentage to be applied exclusively, agreed upon when concluding the consumer credit contract;
- l) 'total amount of the consumer credit' means a maximum value or a total of all financial means provided on the basis of the consumer credit contract;

- m) 'durable medium' means every medium enabling the storage of information in such a way as to make it available for future use, for a time period appropriate for the purpose of the information stored, and also enabling a faithful reproduction of the information stored.

Practices and Information Preliminary to the Conclusion of the Consumer Credit Contract

Article 3 Information to be Included in Advertising

(1) Any form of advertising 7) or any offer regarding the consumer credit indicating the consumer credit interest rate or any figure concerning total consumer costs related with the consumer credit shall contain the following information stated in a clear, concise and prominent way, in the form of a representative example:

- a) consumer credit interest rate – fixed or variable or both;
- b) details about fees included in total consumer costs related to the consumer credit
- c) total amount of the consumer credit;
- d) annual costs percentage;
- e) consumer credit due date
- f) in the case of a consumer credit which has the form of a deferred payment of particular goods or services, the purchase price of the goods or services and the amount of any advance payment;
- g) total amount payable by the consumer, the amount and number of instalments.

(2) Where conclusion of a contract for additional service related to the consumer credit contract, especially an insurance contract, is a precondition for obtaining a consumer credit or for obtaining it under the conditions marketed, and where costs related to such service cannot be determined in advance, the information on the obligation to conclude also the contract for additional service shall be stated in the advertising also in a clear, concise and prominent way.

(3) Provisions of paragraphs 1 and 2 shall be without prejudice to special regulation8).

Article 4 Information to be Provided prior to Concluding Consumer Credit Contract

(1) In line with contractual conditions offered by the creditor or in line with consumer's request, the creditor to a financial agent 9) shall, well in advance of concluding the consumer credit contract or of accepting a consumer credit offer, provide to the consumer information regarding:

- a) the types of consumer credit;
- b) the creditor or financial agent of the consumer credit; namely their commercial name, registered office and identification number, in case of a legal person; or their name, surname, place of business or permanent residence, and identification number in case of a natural person;
- c) the total amount, the particular currency of the consumer credit offered and the conditions of its drawdown;
- d) the consumer credit contract duration and the consumer credit due date;

- e) the product or service which the consumer credit contract applies to; and, with the consumer credit in the form of a deferred payment for a product or a service provided, or with the contract for a bound consumer credit, the price of the product or service provided;
- f) consumer credit interest rate, conditions laying down its application, index or reference interest rate which the consumer credit interest rate is bound to, as well as time periods when the consumer credit interest rate changes, conditions and form of performing such change; if different interest rates of the consumer credit apply under different conditions, information on all applicable consumer credit interest rates shall be provided;
- g) total amount to be paid by the consumer and annual costs percentage illustrated in a representative example which shall include all assumptions used to calculate the annual costs percentage; when providing such information the creditor shall take into account the following:
 1. conditions for providing a consumer credit suggested to the creditor by the consumer, including the preferred consumer credit contract duration and the total consumer credit amount;
 2. if the consumer credit contract allows different kinds of consumer credit drawdown with different consumer credit fees or interest rates; and if the creditor uses the assumption stated in Annex 2, section II (b); in that case the creditor shall state that other forms of consumer credit drawdown may lead to a higher costs percentage;
- h) the amount, number and dates of instalments of principal, interests and other fees; and where appropriate, the sequence in which the instalments shall be allocated to individual outstanding balances with different consumer credit interest rates for the purposes of credit redemption;
- i) the management fees for one or several accounts in which payment operations and drawdowns are recorded; if opening of an account is obligatory, the fees for using means of payment for payment operations and drawdowns; other fees resulting from the consumer credit contract; and the conditions allowing these fees to change;
- j) the amount of fees paid by the consumer for notarial acts performed at the concluding of the consumer credit contract, if the creditor is aware of such acts;
- k) the obligation to conclude a contract for an additional service related to the consumer credit contract, especially an insurance contract, if concluding such contract is a precondition for obtaining a consumer credit or for obtaining it under conditions marketed;
- l) the interest rate applicable when the consumer is delayed with paying their instalments, as well as the form of its modification and potential charges for non-performance of the consumer credit contract;
- m) the consequences of non-payment of consumer credit;
- n) the security or insurance required by the contractor;
- o) the right to withdraw from the consumer credit contract;
- p) the right of early repayment of the consumer credit, the process used when the consumer credit is repaid in such way, the creditor's right to have the costs related to the early repayment of the consumer credit refunded, and the method of determining their value;
- q) the consumer's right to obtain immediate and free information on the result of creditor's looking in the respective database for the purpose of assessing consumer's abilities to repay the consumer credit;
- r) the consumer's right to have one copy of a consumer credit contract draft made on request and free of charge;

- s) the time period during which the creditor is bound by information provided prior to the conclusion of the consumer credit contract;
- t) the average annual percentage of costs for respective consumer credit published in line with Article 21 (2) for the respective quarter.

(2) The creditor or financial agent shall provide the information as stated in Paragraph 1 by means of a “Standard Consumer Credit Information” form found in Annexes No. 3 and 4, in a paper form or recorded on other durable media available to the consumer. All additional information other than that stated in Paragraph 1 shall be provided by the creditor or financial agent to the consumer in a separate document.

(3) If, on the consumer’s request, the consumer credit contract has been concluded by remote communication means 10) which make it impossible to provide information as stated in Paragraph 1 in a way as stated in Paragraph 2, the creditor shall provide this information to the consumer immediately after concluding the consumer credit contract.

(4) If the consumer credit is offered to the consumer by remote communication means, such as the telephone, the creditor or financial agent shall provide the consumer with information on the character of the provided financial service within the range as stated in Paragraph 1 (c) through (f) and (h), on the annual costs percentage expressed in the form of a representative example; and on the total amount to be paid by the consumer; provisions of the special regulation on informing the consumer before concluding a remote contract shall be without prejudice.11).

(5) On their request, the consumer has the right to have one copy of a consumer credit contract draft made by the creditor free of charge. This provision shall not be applied if, at the time of the consumer submitting the request, the creditor is not willing to conclude the consumer credit contract with the consumer.

(6) The creditor or financial agent shall provide an appropriate explanation to the consumer so that the consumer can consider if the offered consumer credit contract meets their needs and corresponds to their financial situation. The creditor shall also clarify the information provided prior to the conclusion of the contract as stated in Paragraph 1, basic characteristics of the credit products offered, as well as the particular impact they may have on the consumer, including the consequences of the consumer’s not performing the consumer credit contract.

(7) When providing consumer credits, the creditor can use the financial intermediation of independent financial agents and bound financial agents in line with special legislation. 9). The creditor has the right to use the persons stated in the first sentence only when these are registered in the register of financial agents, financial advisers or financial intermediaries from other EU Member states within the sector of insurance or reinsurance and of bound investment agents. 12).

(8) When providing consumer credits, the creditor can use financial intermediation only of the persons authorized for performing such activity.

(9) The creditor shall ensure that all their employees who deal with non-professional clients have the specialized skills. 13).

(10) ‘Specialized skills’ of the creditor’s employees as stated in Paragraph 9 is the basic level of specialized skills laid down in special legislation 14).

(11) The creditor shall ensure the examination of the specialized skills of their employees as stated in Paragraph 10 following a process stated in special legislation 15).

(12) The creditor shall keep a record of their employees as stated in Paragraph 9.

(13) If the consumer credit contract is of such nature that the consumer’s instalments do not lead to an immediate and corresponding decrease in the total consumer credit amount, but are used for making capital instead, in the period and under the conditions stipulated in the consumer credit contract or in a different contract, the creditor shall, in the information as stated in Paragraph 1, clearly and briefly say if using the capital made in such a way is a guarantee that the total consumer credit drawn down on its basis be repaid.

(14) If the credit has the form of an overdraft facility which is to be repaid within one month, the minimum information, as stated in Paragraph 1 (c), (f) and (g) and Article 5 (1) (b) and (c), shall be provided.

Article 5
Special Provisions on Information
Provided prior to the Conclusion of some of the Consumer
Credit Contracts

(1) With the consumer credit in the form of an overdraft facility which is to be repaid within three months’ time or on request, the consumer shall be provided with information prior to the conclusion of the consumer credit contract in such a way and such extent as stated in Article 4 (1) (a) through (d), (f), (l), (q) and (s); on top of that, the creditor or financial agent shall provide the information on:

- a) the conditions and process of termination of the consumer credit contract which has the form of an overdraft facility;
- b) consumer’s obligation to pay such consumer credit anytime on creditor’s request and in its full amount;
- c) the fees related to the consumer credit, beginning with the conclusion of such consumer credit contract and conditions under which such fees can be changed.

(2) With the consumer credit as stated in Article 1 (5) the creditor or financial agent shall provide the consumer with information as stated in Article 4 (1) (a) through (d), (f), (g), (l), (q) and (s); on top of that, the creditor or financial agent shall provide information on:

- a) the amount, number and dates of the consumer’s instalments; where applicable also on the sequence in which the instalments shall be allocated to individual outstanding balances with different consumer credit interest rates for the purposes of the credit redemption;
- b) the right of early repayment of the consumer credit, the process used when the consumer credit is repaid in such a way, the creditor’s right to have the costs related to the early repayment of the consumer credit refunded, and the method of determining their value; and
- c) the conditions and process of termination of the consumer credit contract.

(3) If the consumer credit is offered to the consumer by remote communication means, such as the telephone,

- a) and if the consumer, with the consumer credit bearing the form of an overdraft facility as stated in Paragraph 1, is asking for an immediate overdraft permission, the creditor shall provide the consumer with the information as stated in Paragraph 1 (b) and (c) and Article 4 (1) (c), (f) and (g);
- b) with the consumer credit as stated in Article 1 (5) the creditor or financial agent shall provide the consumer with information as stated in Paragraph 1 (b) and Article 4 (1) (c), (d), (f) and (g).

(4) On their request, and apart from the information described in paragraphs 1 through 3, the consumer has the right to have one copy of a consumer credit contract draft made by the creditor free of charge. This provision shall not be applied if, at the time of the consumer submitting the request, the creditor is not willing to conclude the consumer credit contract with the consumer.

(5) Provisions of Article 4 (2) lay down the form and way of providing information as stated in paragraphs 1 and 2.

(6) If the consumer credit contract bearing the form of an overdraft facility as stated in Paragraph 1 or the consumer credit contract as stated in Article 1 (5) was, at the consumer's request, concluded by remote communication means 10) which make it impossible to provide information prior to the conclusion of the consumer credit contract as stated in paragraphs 1 and 2, the creditor's obligation to provide this information is considered to be met by concluding the contract in line with Article 9.

Article 6
Exceptions from Requirements
Related to the Provision of Information
prior to the Conclusion of the Consumer Credit Contract

The obligation to provide information as stated in Articles 4 and 5 shall not be applied to suppliers of goods and providers of services whose acting as financial agents is only one part of their business activities. This is without prejudice to the creditor's obligation to ensure that information as stated in Articles 4 and 5 be provided to the consumer prior to the conclusion of the consumer credit contract; neither to the obligation stipulated by special legislation 16).

Article 7
Assessing the Consumer's Ability
to Repay the Consumer Credit

(1) Prior to the conclusion of the consumer credit contract or its change consisting in increasing the consumer credit, the creditor shall, using their professional skills, assess the consumer's ability to repay the consumer credit, while taking into account particularly the period which the consumer credit is provided for, consumer credit amount, consumer's income, and if appropriate, also the consumer credit purpose. The obligation stated in the first sentence shall be considered as met if repayment of the consumer credit in its total amount is secured by funds or securities; this is without bearing on the provision of Article 17 (3).

(2) The consumer shall provide the creditor, at their request, information necessary to assess the consumer's ability to repay the consumer credit; this is independent of the creditor's right to use information about the consumer from a respective database under the conditions stipulated in special legislation 17).

Article 8 Database Access

(1) The person processing information about consumers in the database for the purpose of assessing their ability to repay the consumer credits 17) and enabling third parties to access information about consumers, shall make the information about consumers available to creditors from other EU Member States under the same and non-discriminatory conditions as to creditors residing in the Slovak Republic. This person shall disclose conditions for creditors to remotely access the information about consumers.

(2) If a consumer credit request is dismissed following a check into the database of information as stated in Paragraph 1 or a similar database in other EU Member States, the creditor shall, without any undue delays and on a free-of-charge basis, inform the consumer of an outcome of said check and shall communicate them the information about the database used.

Information and Rights Related to Consumer Credit Contracts Article 9

Consumer Credit Contract Details

(1) The consumer credit contract shall have a written form. Each contracting party shall receive at least one copy of it in paper form or recorded on other durable media available to the consumer.

(2) Apart from general information as stipulated in Civil Code 18), the consumer credit contract shall include the following information:

- a) the type of consumer credit;
- b) the commercial name, registered office and identification number of the creditor, in the case of a legal person; or the name, surname, place of business or the permanent residence, and identification number of the creditor in the case of a natural person; if the consumer credit is offered or the consumer credit contract is concluded by a financial agent, the consumer credit contract shall also contain information on this agent which corresponds to the scope of information on the creditor, depending on whether the financial agent is a legal or natural person,
- c) the address of the seller at which the consumer can file a claim or complaint;
- d) the consumer's name, surname and permanent residence;
- e) the identification of a person whose ownership right regarding the product or service does not cede to the consumer on the handing over and taking over the product or service; and the conditions of the consumer acquiring the ownership right related to the product or service;
- f) the consumer credit contract duration and the consumer credit due date;

- g) the total amount, the particular currency of the consumer credit and the conditions laying down its drawdown;
- h) description of the product or service to which the consumer credit contract applies; and, with the consumer credit in the form of a deferred payment for a product or a service provided, or, with the contract for a bound consumer credit, the price of the product or service provided;
- i) the consumer credit interest rate, conditions laying down its application, index or reference interest rate which the consumer credit interest rate is bound to, as well as time periods when the consumer credit interest rate changes, the conditions and forms of performing such change; if different consumer credit interest rates are applicable under different conditions, the information on all applicable consumer credit interest rates shall be provided;
- j) the annual costs percentage and the total amount to be paid by the consumer, calculated on the basis of information valid at the time of concluding the consumer credit contract; all assumptions used for calculating the annual costs percentage shall be stated;
- k) the amount, number and dates of instalments of principal, interests and other fees; where applicable, also the sequence in which the instalments shall be allocated to individual outstanding balances with different consumer credit interest rates for the purposes of credit redemption;
- l) the consumer's right to require an account statement in the form of an amortization chart as stated in Paragraph 5, if the principal is depreciated on the basis of a consumer credit contract concluded for a limited period of time; this shall be done on a free-of-charge basis anytime during the consumer credit contract duration;
- m) the summary containing dates and conditions of repaying interests and all related regular or irregular fees, if the fees and interests are to be paid without amortization of the principal;
- n) where appropriate, management fees for one or several accounts in which payment operations and drawdowns are recorded, if opening an account is obligatory, together with the fees for using means of payment for payment operations and drawdowns, other fees resulting from the consumer credit contract and the conditions allowing these fees to change;
- o) the interest rate applicable when the consumer is delayed in paying their instalments, as well as the form of its modification and potential charges for non-performance of the consumer credit contract;
- p) notification on the consequences of non-payment of the consumer credit;
- q) the security or insurance required by the contractor;
- r) the sum of fees paid by the consumer for notarial acts performed at the time of concluding the consumer credit contract, if the creditor is aware of such acts;
- s) the information on rights as stated in Article 15 and conditions of their application;
- t) the right of early repayment of the consumer credit, the process used when the consumer credit is repaid in such way, and the method of determining the amount of an early repayment fee as stated in Article 16;
- u) the way of terminating the obligation resulting from the consumer credit contract;
- v) information if there is an out-of-court way of settling disputes arising from the consumer credit contract;
- w) the right to withdraw from the consumer credit contract, the time period when this right is applicable, and other conditions of its exercise, including information on the consumer's obligation to pay the principal being drawn down and a corresponding interest as stated in Article 13 (3); as well as on the interest amount per day or a method of its calculation;
- x) the name and address of a respective supervisory body in line with Article 23;

y) the average annual percentage of costs for the respective consumer credit valid on the day of signing the consumer credit contract, published in line with Article 21 (2) for the respective quarter; the valid average annual percentage of costs for the respective consumer credit – with consumer credit contracts concluded within 15 calendar days after publishing the average annual percentage of costs for the respective quarter – shall be an average annual percentage of costs for the respective consumer credit for the previous calendar quarter.

(3) If the consumer credit contract concluded for a limited period of time contains an agreement regarding amortization of the principal, the creditor shall provide the consumer with an account statement in the form of an amortization chart; this shall be done free of charge anytime during the consumer credit contract duration.

(4) If the consumer credit contract is of such nature that consumer's instalments do not lead to an immediate and corresponding decrease in the total consumer credit amount, but are used for making capital instead, in the period and under conditions stipulated in the consumer credit contract or different contract, the creditor shall clearly and briefly state whether using the capital made in such a way is a guarantee that the total consumer credit drawn down on its basis be repaid.

(5) The amortization chart as stated in Paragraph 3 shall contain instalments to be paid, dates and conditions of their payment including a break-down of each instalment stating the amortization of the principal, interests calculated on the basis of the consumer credit interest rate, and where applicable, also additional costs; if the interest rate is not fixed or if additional costs can change based on the consumer credit contract, the amortization chart shall clearly and briefly state that the information contained shall be valid only until the next change of the consumer credit interest rate or of the additional costs in line with the consumer credit contract.

(6) The consumer cannot waive rights resulting to them from this Act.

(7) The creditor or financial agent shall not present such contract drafts to the consumer which clearly aim at evading the provisions of this Act; it shall be considered to be an evasion of this Act when the drawing down of funds or of the consumer credit contract are contained in such credit contracts the nature or purpose of which would make it possible to evade application of this Act. If the creditor made use of a consumer's error and set out such contractual conditions which exclude the application of provisions related to consumer credits, the contract shall be considered to be a consumer credit contract unless the creditor proves that it was not their intention to evade this Act.

(8) The creditor or financial agent shall not offer to the consumer the option of the governing law to the consumer credit contract which would clearly aim at abridging the rights conferred on the consumer by this Act.

Article 10
Consumer Credit Contract
in the Form of an Overdraft Facility

(1) The consumer credit contract which has the form of an overdraft facility that is to be paid on request or within three months, shall include the following information:

- a) as stated in Article 9 (2) (a), (b), (d), (f), (g), (i) and (w);
- b) the consumer's obligation to pay such credit in its full amount anytime on the creditor's request;
- c) the sum of fees related to the consumer credit from the day of concluding the consumer credit contract and conditions under which these fees may change.

(2) Throughout the duration of the consumer credit contract which has the form of an overdraft facility, the creditor shall inform the consumer regularly in account statements or by means of other durable media available to the consumer on:

- a) the period covered by the account statement;
- b) the amount of funds drawn down and dates of their drawing down;
- c) the balance resulting from the previous statement and its date;
- d) the new balance;
- e) the date and amount of instalments to be paid by the consumer;
- f) the consumer credit interest rate applied;
- g) all applicable fees related to the consumer credit paid in the given period;
- h) the minimum amount to be paid by the consumer.

(3) The creditor shall inform the consumer in writing, or by means of other durable media available to the consumer, of an increase in the consumer credit interest rate or other payable fees, at least 15 days before such change comes into effect, if not stipulated otherwise in Article 12 (2) of this Act.

Article 11
Consequences of Breaching Obligations

(1) The provided consumer credit shall be considered interest-free and free of charges, if:

- a) the consumer credit contract is not provided in writing as stated in Article 9 (1) and does not contain information as stated in Article 9 (2) (a) through (k), (r) and (y) and Article 10 (1);
- b) a wrong annual costs percentage is stated in the consumer credit contract which is to the disadvantage of the consumer.

(2) If the creditor has not used their professional skills as stated in Article 7 (1), they have no right to require the consumer to repay the consumer credit at one time.

Article 12
Information on Consumer Credit
Interest Rate Change

(1) Throughout the duration of the consumer credit contract the creditor shall inform the consumer in writing or by means of other durable media available to the consumer of each

consumer credit interest rate change, at least 15 days before such change comes into effect, if not stipulated otherwise in Article 12 (2) of this Act. The information shall contain the number of instalments remaining to be paid after the new consumer credit interest rate comes into effect and, if the number or frequency of instalments is changed, details on their new number and frequency.

(2) The provision of Paragraph 1 and Article 10 (3) shall not be applied if the contractual parties agree in the consumer credit contract that the information on consumer credit interest rate changes shall be provided to the consumer regularly in account statements; if the consumer credit interest rate change is caused by a reference rate change, the creditor shall make information on the new reference rate available on their premises.

(3) If the creditor has failed to meet their obligation as stated in (1), they shall not ask the consumer for an early repayment of the consumer credit.

Article 13 **The Right to Withdraw from the Consumer** **Credit Contract**

(1) The consumer has the right to withdraw from the consumer credit contract without stating a reason for doing so within 14 calendar days from the day of concluding the consumer credit contract or from the day when contractual conditions are delivered to the consumer as stated in Article 9 or Article 10, if such day came after the day of concluding the consumer credit contract; provisions of special regulations 19) on the right to withdraw from the contract shall not be applied. If the consumer credit contract does not contain contractual conditions as stated in Article 9 or Article 10, the period of withdrawing from the consumer credit contract shall start to lapse from the moment the consumer receives the contractual conditions.

(2) The consumer shall send a notification of their withdrawing from the consumer credit contract to the creditor in writing or by means of other durable media available to the creditor. The period of withdrawing from the consumer credit contract shall be considered met if the notification of withdrawing from the consumer credit contract was, in line with the process stipulated in the consumer credit contract as stated in Article 9 (2) (w), sent on the last day of the period stated in Paragraph 1 at the latest.

(3) If the consumer exercises their right as stated in Paragraph 1, they shall pay to the creditor the principal and interest on this principal, starting with the day of drawing down the consumer credit and until the day the principal is repaid. The consumer shall do so without any undue delays and within 30 calendar days after the creditor is sent notification of consumer's withdrawing from the contract. The interest shall be calculated on the basis of an agreed consumer credit interest rate. If the consumer exercises their right as stated in Paragraph 1, the creditor is not entitled to receiving any other compensation from the consumer apart from the compensation of irreclaimable fees which the creditor has paid to a public administration body in relation to this consumer credit.

(4) If the creditor or a third party, on the basis of an agreement between the third party and the creditor, provided an additional service related to the consumer credit contract, the contract for additional service shall terminate at the moment when the consumer credit contract is withdrawn from, as stated in Paragraph 1. Without any undue delays, the creditor

shall inform the third party about the moment when the consumer credit contract was withdrawn from.

Article 14
Consumer Credit Contract
Concluded for an Unlimited Period of Time

(1) The consumer has the right to withdraw from a consumer credit contract concluded for an unlimited period of time at any moment, with an immediate effect, and free of charge, if the contracting parties have not agreed upon a period of notice. This period shall not be longer than one month.

(2) The creditor has the right to withdraw from a consumer credit contract concluded for an unlimited period of time if stipulated so in the consumer credit contract concluded for an unlimited period of time. The period of notice shall not be shorter than two months. The creditor shall send notice to the consumer in writing or by means of other durable media available to the consumer.

(3) If stipulated in the consumer credit contract concluded for an unlimited period of time, the creditor may, for objective reasons, terminate the consumer's right to draw down the consumer credit. In writing or by means of other durable media available to the consumer, the creditor shall inform the consumer of their termination of drawing down the consumer credit and of their reasons for doing so. The creditor shall inform the consumer thereof beforehand or, if this is not possible, without any undue delays; this is not applicable when provisions of a special regulation 20) or public order or state security prevent this information from being provided.

Article 15
Bound Consumer Credit Contract

(1) A bound consumer credit contract is a consumer credit contract assigning the consumer credit to be used exclusively for the funding of a purchase contract of a particular product or a purchase contract of a particular service provided, while these two contracts constitute one business unit.

(2) With the contracts constituting one business unit as stated in Paragraph 1:

- a) the product seller or the service provider is at the same time the creditor, or;
- b) the creditor is a third party, and:
 - 1. the creditor is using the services of the product seller or the service provider when concluding or preparing the consumer credit contract, or;
 - 2. the particular product or the provision of a particular service is explicitly mentioned in the consumer credit contract.

(3) If the consumer withdrew from the purchase contract of a particular product or a purchase contract of a particular service provided, and if the price of the product or service is fully or partially being settled by the consumer credit on the basis of a contract as stated in Paragraph 1, this contract shall terminate as well. Termination of this contract shall not establish the right of the creditor or a third party to apply any sanctions against the consumer.

(4) If the product or services covered under the bound consumer credit contract have not been delivered or provided, or have been delivered or provided only partially, or they are not corresponding to the contract for their delivery or provision, and the consumer applied legal means for rectification 21) but was not satisfied by the seller or service provider, the consumer has the right to raise their claim for financial settlement with the creditor.

(5) If a bound consumer credit contract was terminated and the consumer returned the product back to the seller, the seller and the creditor shall mutually settle the return of provided funds without the consumer's participation. If the goods were unsolicited, only the termination of the contract for the purchase of goods is sufficient for such settlement, without the consumer returning the goods to the seller.

Article 16

Early Repayment of the Consumer Credit

(1) At any point throughout the consumer credit contract duration, the consumer has the right to fully or partially redeem the consumer credit before its agreed due date. In such case the consumer shall pay only the interest and costs incurred during the time period from the consumer credit provision to its redemption.

(2) If the consumer redeems the consumer credit before its due date, the creditor has the right to have the costs reimbursed which were incurred to them in relation to such early repayment of the consumer credit.

(3) The amount of costs compensation as stated in Paragraph 2 shall not exceed 1% of the repaid-early consumer credit, if the period between the date of the early repayment of the consumer credit and the agreed termination date of the consumer credit contract is longer than one year. If this period is shorter than one year, the rate of such compensation shall not exceed 0.5% of the amount of the repaid-early consumer credit.

(4) The creditor shall not require any compensation of costs incurred to them in relation to early repayment of the consumer credit, if:

- a) the redemption was made on the basis of an insurance contract which was meant to ensure the consumer credit redemption;
- b) it is an overdraft facility, or;
- c) the consumer credit redemption is made in a period without a fixed consumer credit interest rate.

(5) The cost compensation as stated in Paragraph 2 shall not exceed the rate of interest which the consumer would have paid during the period between the date of the early repayment of the consumer credit and the agreed termination date of the consumer credit contract.

Article 17

Assignment of Rights

(1) If the creditor assigns rights resulting from the consumer credit to a third party, including mutual claims, Civil Code 22) shall be observed.

(2) The original creditor shall, without any undue delays, inform the consumer of the assignment as stated in Paragraph 1; the exception being a case when, based on an agreement with the acquirer of rights, the original creditor continues to manage the consumer credit in relation to the consumer.

(3) No debt shall be redeemed or settled by a bill of exchange or a cheque 23) in relation to providing the consumer credit.

(4) The creditor shall be liable for any damage incurred to the consumer by a creditor violating Paragraph 3.

Article 18 Overdrafts

(1) In the case of a contract for opening a current account where the consumer may potentially be allowed an overdraft, the creditor shall regularly inform the consumer in writing or by means of other durable media available to the consumer on the consumer credit interest rate, conditions laying down its application, index or reference rate applied to the original interest rate of the consumer credit, sanctions, interest for delayed payment and fees collected for such overdraft, as well as the conditions under which these fees can change.

(2) If the overdraft is longer than one month, the creditor shall, without any undue delays, inform the consumer, in writing or by means of other durable media available to the consumer, of:

- a) the overdraft;
- b) the overdraft amount;
- c) the consumer credit interest rate;
- d) any applicable sanctions, fees or interest for delayed payment;
- e) other possibilities of settling the overdraft, including offering other credit products.

Annual Costs Percentage

Article 19 Annual Costs Percentage Calculation

(1) Annual costs percentage of the consumer credit shall be calculated in line with the formula stated in Annex 2.

(2) For the purposes of annual costs percentage calculation, the total of the consumer's costs related to the consumer credit shall be used; with the exception of fees to be paid by the consumer for their failure to meet any liabilities stipulated in the consumer credit contract; as well as other fees, apart from the purchase price, which the consumer shall pay for purchasing a product or being provided a service, regardless of whether such transaction is made in cash or by means of the credit. The costs of managing the account in which payment transactions and drawdowns are recorded, the costs of using means of payment for payment transactions and drawdowns as well as other payment transaction costs shall be included in the total consumer's costs related to the credit if the account was not opened voluntarily and/or the account costs were not clearly and separately stipulated in the consumer credit contract or any other contract concluded with the consumer.

(3) Calculation of the annual costs percentage is based on the assumption that the consumer credit contract stay valid throughout an agreed period of time and that the creditor and the consumer meet their obligations under conditions and on schedules stipulated in the consumer credit contract.

(4) If the consumer credit contract allows consumer credit interest rate changes and changes of fees included in the annual costs percentage, none of which, however, can be determined at the time of its calculation, the annual costs percentage calculation is based on the assumption that the consumer credit interest rate and other fees remain unchanged and be valid until termination of the consumer credit contract.

(5) If necessary, additional assumptions stated in Annex 2 may be used in the calculation of the annual costs percentage.

**Register of Creditors
Providing Consumer Credits
and Other Creditor Obligations**

Article 20

(1) The National Bank of Slovakia keeps a register of creditors providing consumer credits (hereinafter referred to as the "register of creditors"). The National Bank of Slovakia enters a creditor in the register of creditors based on their application for doing so and after meeting the conditions stated in this Act, if not stipulated otherwise in Paragraph 7.

(2) The creditor who is a natural person shall:

- a) be over 18 years old;
- b) have legal capacity;
- c) be irreproachable;
- d) be trustworthy.

3) For the purposes of this Act 'irreproachable' shall not be understood as a person who has been lawfully convicted for having committed an economic crime, offence against property or other crime committed intentionally, wherein the nature of such crime is related to the subject of enterprise; unless this person is treated as if they had not been convicted. 24)

(4) If the creditor is a Slovak legal, conditions stated in Paragraph 2 shall be met by natural persons who are part of their statutory body.

(5) If the creditor is a foreign legal person, conditions stated in Paragraph 2 shall be met by a chief executive of this foreign legal, and with the organizational unit of the foreign legal by a chief executive of the organizational unit of this foreign legal.

(6) If a court trial showed, with the court having made a lawful decision on facts stated in Paragraph 3, that the creditor is registered at the register of creditors or is a person authorized to act on behalf of the creditor, the court shall inform the National Bank of Slovakia thereof.

(7) The National Bank of Slovakia shall enter a creditor who is a bank or branch office of a foreign bank 25) in the register of creditors also without their submitting a proposal for entry in the register of creditors.

(8) The creditor has the right to start pursuing the activity of providing consumer credits from the date of entry in the register of creditors.

- (9) Application for entry in the register of creditors shall contain the data kept, such as:
- a) the commercial name, registered office and identification number of the creditor, if it has been assigned, in the case of a legal person; or the name, surname, personal identification number, place of business or permanent residence, and identification number of the creditor in the case of a natural person; if the natural person does not have a personal identification number, date of its birth is recorded,
 - b) the creditor's legal form;
 - c) the creditor type from among the following:
 1. bank or branch office of a foreign bank 25);
 2. leasing company 26);
 3. hire-purchase company 27);
 4. other companies providing consumer credits;
 - d) the creditor's electronic address;
 - e) the abstract of the Company Register, Trade Register or other official records where the creditor is registered, while the abstract shall not be older than three months on the day the application for entry in the register of creditors is submitted; all documents shall be submitted in their original or officially authenticated copies;
 - f) documents proving that conditions stated in Paragraph 2 have been met, which include:
 1. officially certified copy of identity card or, in the case of a foreigner, another similar document which proves compliance with conditions under Paragraph 2 (a),
 2. statutory declaration which proves compliance with conditions under Paragraph 2 (b),
 3. criminal record certificate ^{27a)} not older than 3 months to prove compliance with conditions under Paragraph 2 (c); in the case of a foreigner, ^{27b)} this information have to be proved by a similar certificate issued by a competent authority of the country in which he has his permanent address or usually resides;
 4. statutory declaration which proves compliance with conditions under Paragraph 2 (d); a declaration in other than the Slovak language has to be officially translated into the Slovak language,
 - g) the name, surname and personal identification number of a member of creditor's statutory body or managing body; if the member of creditor's statutory body or managing body does not have a personal identification number, date of his birth is included.

(10) Before applying for entry in the register of creditors, the creditor shall pay an application fee for entry in the register of creditors. Such fee shall constitute the revenue of the National Bank of Slovakia.

(11) The creditor shall be liable for correctness and completeness of information contained in the application for entry in the register of creditors.

(12) The application for entry in the register of creditors shall be submitted in electronic form, apart from the documents mentioned in Paragraph 9 (e) and (f) which the creditor shall submit in a paper form or in electronic form signed with a guaranteed electronic signature. ²⁸⁾.

The electronic form of documents, that are required in the original or officially verified copy, shall be signed by a notary using his guaranteed electronic signature.

(13) If the application for entry in the register of creditors is complete and the application fee for entry in the register of creditors paid duly and on time, the National Bank of Slovakia shall, within ten working days from the date when the complete application for entry in the register of creditors was received,

- a) enter the creditor in the register of creditors and assign them a registration number;
- b) inform the creditor, in paper form, of his entry in the register of creditors and of his registration number assigned.

(14) If the application for entry in the register of creditors is not complete or if the application fee for entry in the register of creditors has not been paid duly and on time, such application for entry in the register of creditors is seen as not having been submitted, and the National Bank of Slovakia shall, within ten working days from the date it was received, inform the creditor thereof in paper form. The fee for an incomplete application for entry in the register of creditors shall not be returned.

(15) The National Bank of Slovakia shall publish on its website the list of creditors out of the register of creditors containing the following information:

- a) data stated in Paragraph 9 (a) through (c) except for the personal identification number; in the case of a creditor who has not been assigned a registration number as at the day of submitting his application for entry in the register of creditors, the National Bank of Slovakia shall publish this number immediately after being informed about the number according to Paragraph 27,
- b) the registration number;
- c) the date of entry in the register of creditors;
- d) the date of a change in the entry in the register of creditors, indicating the registered information which has been changed in the register of creditors and the changed information;
- e) the date of deregistration from the register of creditors.

(16) Without any undue delays, the creditor shall inform the National Bank of Slovakia of any changes in the registered information, by means of filing an application for a change in the register of creditors (hereinafter referred to as the "application for entry change"), or ask the National Bank of Slovakia for deregistration from the register of creditors for having terminated their activity of providing consumer credits, by means of filing an application for deregistration from the register of creditors (hereinafter referred to as the "application for entry deregistration").

(17) The creditor shall be liable for the correctness and completeness of information contained in the application for entry change and the application for entry deregistration.

(18) The application for entry change and the application for entry deregistration shall be submitted in electronic form. Before applying for entry change or entry deregistration, the creditor shall pay an application fee for entry change or entry deregistration. Such fee shall constitute revenue of the National Bank of Slovakia.

(19) If the application for entry change or the application for entry deregistration is complete and the application fee for entry change or entry deregistration paid duly and on

time, the National Bank of Slovakia shall, within ten working days from the date when the complete application for entry change or the application for entry deregistration was received, indicate the change in the register of creditors or deregister the entry, and inform the creditor in electronic form about the entry change or the entry deregistration.

(20) If the application for entry change or the application for entry deregistration is not complete or if the application fee for entry change or the application for entry deregistration has not been paid duly and on time, such application for entry change or application for entry deregistration is seen as not having been submitted, and the National Bank of Slovakia shall, within ten working days from the date it was received, inform the creditor thereof in electronic form. The fee for an incomplete application for entry change or application for entry deregistration shall not be returned.

(21) The National Bank of Slovakia shall deregister an entry in the register of creditors even without an application for entry deregistration, if:

- a) the creditor is a natural person:
 1. has died or has been declared dead;
 2. has been deprived of their legal capacity or this capacity of theirs has been limited;
- b) the creditor, who is a legal person, has ceased to exist;
- c) a petition for bankruptcy has been filed for the creditor's property or a petition for bankruptcy has been cancelled for the reason of insufficient property in line with a special regulation, 29);
- d) the creditor's enterprise or part of it has been sold, and the National Bank of Slovakia has learnt thereof;
- e) the Bank has been informed thereof by the court as stated in Paragraph 6;
- f) the Bank has been delivered a lawful decision as stated in Article 23 (2) (c);
- g) the creditor has violated their obligation in a way which is considered to be particularly serious by special legislation 8), or if the creditor has violated a preliminary court ruling;
- h) the creditor who is a bank or branch office of a foreign bank has been withdrawn their authorization in line with special legislation 30).

(22) Within ten working days from the date when the National Bank of Slovakia learns of reasons for deregistering the entry as stated in Paragraph 21, it shall deregister the entry from the register of creditors.

(23) Information kept in the register of creditors shall be written in the national language. 31).

(24) The creditor shall not provide consumer credits without being registered; independent of the provisions of a special regulation. 32).

(25) For the purposes of Paragraph 2, 'trustworthy' indicates that the entry of the creditor or his legal predecessor was not deregistered from the register of creditors as stated in Paragraph 21 (f) and (g) within a period of five years before submitting an application for entry in the register of creditors; and that

- a) in the case of a natural person, it was not a part of the statutory or managing body of the creditor whose entry was deregistered from the register of creditors as stated in Paragraph 21 (f) and (g) within a five-year period before submitting the application for entry in the register of creditors, this participation being whenever within a one-year period before the creditor's deregistration from the register of creditors,

- b) in the case of a legal person, its statutory or managing bodies' member as a natural person was not deregistered from the register of creditors as stated in Paragraph 21 (f) and (g) within a five-year period before submitting the application for entry in the register of creditors,
- c) in the case of a legal person, no member of its statutory or managing body was part of the statutory or managing bodies of another legal person whose entry was deregistered from the register of creditors as stated in Paragraph 21 (f) and (g) within a five year period before submitting the application for entry in the register of creditors, this membership being whenever within a one-year period before this another legal person's deregistration from the register of creditors.

(26) The National Bank of Slovakia maintains data in the register of creditors in the scope of data according to Paragraph 9 (a) through (d), including the reason for deregistration from the register of creditors.

(27) The creditor, who has not been assigned an identification number when submitting his application for entry to the register of creditors, shall inform the National Bank of Slovakia about such number immediately after its assignment; this notification shall not be considered an application for a change in the entry. The form of notification shall be subject to provisions of Paragraph 18.

(28) The National Bank of Slovakia shall refuse to register the creditor in the register of creditors or make changes in the registered data of the creditor if any of the data in the application for entry to the register of creditors or in the application for a change in the entry are apparently untrue.

Article 21

(1) The creditor shall submit to the Ministry of Finance of the Slovak Republic (hereinafter referred to as the "Ministry") and the National Bank of Slovakia the data about newly-provided consumer credits.

(2) The Ministry, or a person appointed by the Ministry, shall disclose on its website the information stated in Paragraph 1. The National Bank of Slovakia shall provide on its website a link to the information disclosed according to the previous sentence.

(3) The creditor shall be liable for correctness of the data stated in Paragraph 1.

(4) The scope of data regarding the newly-provided consumer credits, as well as its structure, dates and the form of its submission, the scope of information regarding this data, and the form and dates of disclosing this information shall be stipulated in a generally binding legal regulation issued by the Ministry.

(5) For the purposes of processing data on newly-provided consumer credits under Paragraphs 1 and 4, the Ministry, the National Bank of Slovakia or any person appointed by them shall be authorized to process in accordance with special regulation ^{32a}) personal data on creditors, if the creditor is a natural person, and on responsible persons of creditors, who submit information on newly-provided consumer credits according to Paragraphs 1 and 4, while these personal data mean the name and surname of these natural persons, their

telephone number and electronic address; this is without prejudice to the provisions of separate regulations.^{32b)}

Article 22

Some Obligations of Financial Agents of Consumer Credits

(1) In advertising and in all documents aimed for consumers, the financial agent of a consumer credit shall indicate the scope of their powers, mainly, whether they work exclusively with one or with several creditors.

(2) Provisions of special legislation 33) on intermediation in the credit-providing sector shall remain unaffected.

Article 23

Inspection and Sanctions

(1) The body in charge of inspecting how obligations stipulated in this Act are being met is the Slovak Trade Inspection 34), if not stipulated otherwise in special legislation 35); this provision shall not apply to the keeping of the register of creditors.

(2) If the inspection body as stated in Paragraph 1 finds shortcomings in the activity of the creditor or financial agent, namely breaching and evading the provisions of this Act, it has the right - depending on the materiality, extent, duration, consequences and nature of the shortcomings found:

- a) to put the creditor or financial agent under obligation to take steps to rectify the shortcomings found;
- b) to set a fine up to EUR 70,000 upon the creditor or financial agent, in the case of a repeated or major shortcoming up to EUR 140,000;
 - ba) upon the creditor or financial agent, if they:
 - 1. fail to present the information as stated in Article 3 in their advertising;
 - 2. fail to provide the information as stated in Articles 4 and 5;
 - 3. fail to provide an appropriate explanation as stated in Article 4 (6);
 - 4. breach obligations as stated in Articles 9 and 10;
 - bb) upon the creditor, if they:
 - 1. fail to inform the consumer as stated in Article 8 (2);
 - 2. breach obligations stated in Article 7 (1), Article 12 (1), Article 17 (2), Articles 18 and 21,
 - 3. breach the ban as stated in Article 16 (4);
 - 4. fail to follow Article 19 when calculating the annual costs percentage;
 - bc) upon the financial agent, if they breach obligations as stated in Article 22;
- c) to decide about deregistering their entry from the register of creditors; the inspection body stated in Paragraph 1 shall immediately deliver a valid decision on deregistration to the National Bank of Slovakia.

(3) All fines shall constitute the revenue of the state budget.

(4) A fine may be levied within a period of two years from the day when the breach of obligations was found; however, not later than three years from the date when the obligation was breached.

SPECIAL PROVISIONS ON OTHER CONSUMER CREDITS AND LOANS

Article 24

(1) The following provisions shall apply to other creditors and credit or loan contracts which are not a consumer credit and are provided to the consumers by other creditors: Articles 2, 3 and 4, Article 9 (1) and (2), Articles 6 through 8, Articles 11, 12, 14, 16, 17, 19, 23 and 25, as well as provisions of this Article.

(2) The National Bank of Slovakia shall keep a sub-register of other creditors within the register of creditors.

(3) Provisions of Article 20 shall apply to keeping the sub-register of other creditors and to the process with another creditor and the National Bank of Slovakia regarding their entry in the sub-register of other creditors and deregistration of entry from the sub-register of other creditors.

TEMPORARY, FINAL AND COMMON PROVISIONS

Article 25 Temporary Provisions

(1) Legal relationships which originated before 11 June 2010 on the basis of the consumer credit contract shall be governed by current regulations; if not stipulated otherwise by this Act in Paragraph 2.

(2) Starting from 11 June 2010, the provisions of Article 10 (2) and (3), Articles 12, 14, 17 (1) and (2) and Article 18 shall be also used to govern legal relationships originated on the basis of the consumer credit contract concluded for an unlimited period of time before this Act came into force, on the basis of which, after this Act comes into force, a consumer credit is or can be provided.

(3) Legal or natural persons providing consumer credits as of 11 June 2010, wishing to continue providing consumer credits after this date as well, shall register in the register of creditors as stated in Article 20 within a period of three months from when this Act takes effect.

(4) Legal or natural persons providing consumer credits as stated in Article 24 as of 11 June 2010, wishing to continue providing consumer credits after this date as well, shall register in the sub-register of other creditors as stated in Article 24 (2) within a period of three months from the time this Act goes into effect.

(5) Provisions of current regulations shall be applied to ensuring creditor's claims for the consumer credit with a bill of exchange or cheque until 31 December 2010.

Final Provisions

Article 26

The following are repealed hereby:

1. Act No. 258/2001 Coll. on Consumer Credits and on amendments and supplements to the Act of the Slovak National Council No. 71/1986 Coll. on the Slovak Trade Inspection as amended, as amended by the Act No. 264/2006 Coll., Act No. 568/2007 Coll., Act No. 659/2007 Coll., Act No. 70/2008 Coll., Act No. 270/2008 Coll., Act No. 186/2009 Coll., and Act No. 492/2009 Coll.;
2. Decree of the Ministry of Finance of the Slovak Republic No. 620/2007 Coll., laying down a template for a form for contractual conditions of the consumer credit contract;
3. Regulation of the Government of the Slovak Republic No. 238/2008 Coll., stipulating the maximum amount of compensation for providing the consumer credit.

Article 27

Legal acts of the European Union stated in Annex 1 shall be implemented by this Act.

Section II Commencement

This Act shall come into force on the day of its declaration, with the exception of Section XI, which shall come into force on 2 April 2010, with the exception of Sections II and III (1) and (3), Section IV (1) through (21) and (23) through (27), Section V, Section VII, Section IX and Section X which shall come into force on 1 June 2010, with the exception of Section I provisions of Articles 1 through 16, Article 17 (1) and (2) and Articles 18 through 27, Section III (2) and (4), Section VI and Section VIII which shall come into force on 11 June 2010 and with the exception of Section I provisions of Article 17 (3) and (4) which shall come into force on 1 January 2011.

Act No. 394/2011 Coll. came into force on 1 December, 2011.

**SCHEDULE OF TRANSPOSED LEGALLY BINDING ACTS OF THE EUROPEAN
UNION**

Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on Credit Agreements for Consumers and repealing Council Directive 87/102/EEC (OJ L 133, 22.5. 2008).

I. Basic formula expressing equality of the provided consumer credit on one side and instalments and fees on the other

This is the basic formula expressing the annual costs percentage shows, on an annual basis, the balance of the total current amount of funds being drawn down on one side and the total current amount of instalments and fees on the other:

$$\sum_{k=1}^m C_k (1+X)^{-t_k} = \sum_{l=1}^{m'} D_l (1+X)^{-s_l}$$

The symbols shall mean the following:

- X annual costs percentage;
- m number of the last drawdown;
- k drawdown number, therefore $1 \leq k \leq m$;
- C_k amount of the 'k' drawdown,
- t_k interval expressed in years and year fractions between the date of the first drawdown and the date of each subsequent drawdown, therefore $t_1 = 0$;
- m' number of the last instalment or fee payment;
- l number of instalment or fee payment;
- D_l amount of instalment or fee payment;
- s_j interval expressed in years and year fractions between the date of the first drawdown and the date of each instalment or fee payment.

Notes:

- a) Amounts paid by both contracting parties at different time points need not be the same and need not be paid in the same intervals.
- b) Starting date is the date of the first drawdown.
- c) Intervals between dates used in calculations are expressed in years or year fractions. A 'year fraction' shall be understood as 365 days (or 366 days in lap years), 52 weeks or 12 equal months. 'Equal month' shall be understood as a month with 30.41666 days (i.e. $365/12$), regardless of the fact if the year is a lap one or not.
- d) The computing result shall be made to at least one decimal place. If the next decimal is equal to or higher than 5, the decimal on the given decimal place shall be one figure higher.
- e) This formula can be also expressed by means of one total and the concept of flows (A_k) which will be positive or negative depending on whether one is expressing withdrawals or deposits during the periods of 1 to k, and expressed in years, i.e.:

$$S = \sum_{k=1}^n A_k (1+X)^{-t_k}$$

S is a current flow status; if the aim is to keep the balance of flows, this value will be zero.

II. Additional assumptions for calculating the annual costs percentage

- a) If the consumer credit contract enables the consumer to draw down funds freely, the total amount of the consumer credit shall be considered as drawn down immediately and in its

total amount.

- b) If the consumer credit contract enables the consumer to draw down funds in different ways with different fees or consumer credit interest rates, the total amount of the consumer credit shall be considered as drawn down with the highest fee and the consumer credit interest rate which are related to the most commonly used kind of mechanism of funds drawdown in this kind of consumer credit contracts.
- c) If the consumer credit contract generally enables the consumer to drawdown funds freely, but lays restrictions among different types of funds drawdowns related to their amounts and time periods, the total amount of the consumer credit shall be considered as drawn down on the earliest date agreed upon in the consumer credit contract and in line with this drawdown restriction.
- d) If there is no fixed schedule of instalments, it is assumed that:
 - 1. the credit be provided for a period of one year;
 - 2. the credit be repaid in 12 equal instalments and in monthly intervals.
- e) If there is no fixed schedule of instalments, but the number of instalments is flexible, the amount of each instalment shall be considered the lowest one laid down in the contract.
- f) If not agreed otherwise, and if more than one due date is stipulated in the consumer credit contract, the consumer credit shall be available and instalments shall be payable on the earliest date stipulated in the consumer credit contract.
- g) If no maximum credit amount has been laid down, EUR 1,500 shall be considered as the maximum credit amount.
- h) If it is an overdraft facility, the total consumer credit amount shall be considered as drawn down in its full value and for the total consumer credit contract duration. If the consumer credit contract duration is not known, the annual costs percentage shall be calculated based on the assumption that the consumer credit contract duration be three months.
- i) If different consumer credit interest rates and consumer credit fees are offered for a limited period of time or for a limited fee, the highest consumer credit interest rates and fees for the total consumer credit contract duration shall be considered as the appropriate interest rate and fees.
- j) If there are consumer credit contracts with a fixed consumer credit interest rate agreed for the initial period, at the end of which a new consumer credit interest rate shall be established which will subsequently be adjusted in line with an agreed indicator, the annual percentage calculation is based on the assumption that the consumer credit interest rate at the end of the period with a fixed consumer credit interest rate be the same as at the time of the annual percentage calculation on the basis of a value of the indicator agreed in that time.

STANDARD EUROPEAN CONSUMER CREDIT INFORMATION

1. Identity and contact information of the creditor/intermediary of the consumer credit

| | |
|---|--|
| Creditor | [Identity] [Permanent address or delivery address to be used by the consumer] |
| Address | |
| Phone number (*) | |
| E-mail address (*) | |
| Fax number (*) | |
| Web site (*) | |
| Or | [Identity] [Permanent address or delivery address to be used by the consumer] |
| Credit intermediary | |
| Address | |
| Phone number (*) | |
| E-mail address (*) | |
| Fax number (*) | |
| Web site (*) | |
| (*) Non-obligatory information regarding the creditor / intermediary. | |

2. Main characteristics of the consumer credit

| | |
|--|--|
| Kind of consumer credit | |
| Total amount of consumer credit (Maximum value or total amount agreed in the consumer credit contract) | |
| Conditions laying out the form for drawing down financial means (How and when the consumer shall receive the money) | |

| | |
|--|---|
| Consumer credit contract duration | |
| Instalments, where applicable, also the sequence in which the instalments shall be remitted | The consumer shall pay the following: [Amount, number and frequency of instalments to be paid by the consumer] Interest and/or fees shall be paid as follows: |
| Total amount to be paid by the consumer (The amount of borrowed principal and interest or potential costs related to the consumer credit) | [The sum of the total credit and total costs related to the credit] |
| Or Consumer credit is provided in the form of a deferred payment for a product or service, or is bound to a particular product to be delivered or service provided Product/service name Purchase price | |
| Or Required guarantees <i>(Description of the guarantee which the consumer is obliged to provide in relation to the consumer credit contract)</i> | [Guarantee type] |
| Or <i>Instalments shall not result in an immediate principal amortization</i> | |

3. Costs related to consumer credit

| | |
|--|---|
| Interest rate of the consumer credit or, if necessary, various interest rates of the consumer credit, related to the consumer credit contract | [% - fixed or variable (with an index or reference rate related to the original interest rate of the consumer credit)] |
| Annual costs percentage (Total costs expressed as an annual percentage of the total credit amount Annual costs percentage helps the consumer to compare different offers.) | [% representative sample with all assumptions made to calculate the rate] |

| | |
|--|---|
| Average sum of annual costs percentage | [% valid for the same type of consumer credit and the same contract validity] |
|--|---|

| | |
|---|--|
| In order to obtain a consumer credit or a consumer credit under the conditions marketed, it is necessary to purchase insurance to secure the consumer credit, or to conclude another contract for additional service (If costs related to such services are unknown to the creditor, they are not included in the annual costs percentage.) | Yes/no [if yes, write the insurance type] Yes/no [if yes, write the additional service type] |
| Related costs | |
| Or One or several accounts are necessary in order to record payment transactions and funds withdrawals | |
| Or Amount of costs for using individual payment means (e.g. credit card) | |
| Or Any other costs resulting from the consumer credit contract | |
| Or Conditions allowing the stated costs related to the consumer credit contract to be changed | |
| Or Obligation to settle notarial fees | |
| Costs in the case of delayed instalments (Delayed payments might have serious consequences for the consumer, e.g. compulsory sale, and they may make it difficult to obtain a consumer credit) | The consumer shall be charged [... (applicable consumer credit interest rate and means of its modification and/or fees charged for non-adherence to the consumer credit contract)] for delayed instalments |

4. Other important legal aspects

| | |
|---|--------|
| The right to withdraw from the consumer credit contract (The consumer has the right to withdraw from the consumer credit contract within 14 calendar days) | Yes/no |
|---|--------|

| | |
|--|--|
| Early repayment of consumer credit (The consumer has the right to fully or partially redeem the credit anytime) | |
|--|--|

| | |
|--|---|
| Or With an early repayment of the consumer credit, the creditor has the right to compensation | [Determining the amount of compensation (calculation method) in accordance with the provisions of Article 16] |
| Database credit check (The creditor shall, without any undue delays and on a free-of-charge basis, inform the consumer of a credit check, if such check was the reason for declining the consumer credit; the exception being the case when the provision of such information is prohibited based on EU legislation.) | |
| The right to have a consumer credit contract draft made (On their request and on a free-of-charge basis, the consumer has the right to have a consumer credit contract draft made. This provision shall not be applied if, at the time of the consumer submitting the request, the creditor is not willing to conclude the consumer credit contract with the consumer.) | |
| Or Time period during which the creditor is bound by the information provided prior to the conclusion of the consumer credit contract | This information is effective from ... to ... |

Or

5. Additional information necessary for remote provision of financial services

| | |
|---|--|
| a) about the creditor | |
| Or | [Identity] [Permanent address or delivery address to be used by the consumer] |
| Creditor's representative in the Member State of the consumer's residence | |
| Address | |
| Phone number (*) | |
| E-mail address (*) | |

| | |
|----------------|--|
| Fax number (*) | |
| Web site (*) | |

| | |
|--|--|
| Or | [Company Register the creditor is registered at, and their registration number or equivalent means of identification in the Register] |
| Registration | |
| Or | |
| Supervisory body | |
| b) about the consumer credit contract | |
| Or Asserting the right to withdraw from the consumer credit contract | [Practical guidance to assert the right to withdraw from the consumer credit contract. Among other things the following information shall be included: the period of asserting the right, the address to which a notification of asserting the right to withdraw from the consumer credit contract shall be sent, and the consequences of non-assertion of this right] |
| Or (The right which the creditor asserts as a governing law with the consumer before concluding the consumer credit contract, which shall govern the consumer-creditor relations) | |
| Or Clause laying down the governing law of the credit contract and/or respective court | [Write the respective clause] |
| Or Language regime | Information and contractual conditions shall be provided in [a particular language]. With an agreement of the consumer, the contractor aims to communicate in [particular language/s] with the consumer throughout the consumer credit contract duration. |
| c) about the right to rectification | |
| Existence of an out-of-court mechanism of settling complaints and providing rectification and its usage | [If there is an out-of-court mechanism of settling complaints and providing rectification available for the consumer who is a contractual party of a remotely concluded contract; if yes, the ways it can be used.] |

(*) Non-obligatory information regarding the creditor / intermediary.

The creditor shall fill in all “Or” fields if the information is relevant to the consumer credit offered, or they shall erase the relevant information or the whole row if the information is not relevant to the given consumer credit.

The information stated in square brackets serves as explanations to the creditor and it shall be replaced by corresponding data. The information stated in round brackets serves as more detailed explanations to the creditor.

**EUROPEAN CONSUMER CREDIT INFORMATION
REGARDING**

- 1. overdraft facilities**
- 2. conversion of debts**

1 Identity and contact information of the creditor/intermediary of the consumer credit

| | |
|---|--|
| Creditor | [Identity] [Permanent address or delivery address to be used by the consumer] |
| Address | |
| Phone number (*) | |
| E-mail address (*) | |
| Fax number (*) | |
| Web site (*) | |
| Or | [Identity] [Permanent address or delivery address to be used by the consumer] |
| Credit intermediary | |
| Address | |
| Phone number (*) | |
| E-mail address (*) | |
| Fax number (*) | |
| Web site (*) | |
| (*) Non-obligatory information regarding the creditor / intermediary. | |

3. Main characteristics of the consumer credit

4.

| | |
|---|--|
| Kind of consumer credit | |
| Total amount of consumer credit (Maximum value or total amount agreed in the consumer credit contract) | |

| | |
|--|--|
| Consumer credit contract duration | |
| Or (The consumer may be asked anytime to fully repay the consumer credit) | |

3. Costs related to consumer credit

| | |
|--|--|
| Interest rate of the consumer credit or, if necessary, various interest rates of the consumer credit, related to the consumer credit contract | [% - fixed or variable (with an index or reference rate related to the original interest rate of the consumer credit)] |
| Annual costs percentage (*) (Total costs expressed as a annual percentage of the total credit amount. Annual costs percentage helps the consumer to compare different offers.) | [% representative example with all assumption used to calculate the rate] |
| Or Costs Or Conditions allowing the costs to be changed | [Costs applicable from the day of concluding the consumer credit contract] |
| Costs in the case of delayed instalments | The consumer shall be charged [... (applicable consumer credit interest rate and means of its modification and/or fees charged for non-adherence the consumer credit contract)] for delayed instalments |
| (*) Only applicable to conversion of debts. | |

4. Other important legal aspects

Consumer credit contract termination

[Conditions and process of the credit contract termination]

| | |
|---|---|
| Database credit check (The creditor shall, without any undue delays and on a free-of-charge basis, inform the consumer of a database credit check, if such check was the reason for declining the consumer credit; the exception being the case when the provision of such information is prohibited based on EU legislation.) | |
| Or Time period during which the creditor is bound by the information provided prior to the conclusion of the consumer credit contract | This information is effective from ... to ... |

Or

5. Additional information to be provided if the information provided prior to the conclusion of the contract is related to the consumer credit to be used for debt conversion

| | |
|--|--|
| Instalments, where applicable, also the sequence in which the instalments shall be remitted | The Consumer shall pay the following: [Representative example of a schedule of due dates, including the amount, number and frequency of instalments to be paid by the consumer] |
| Total amount to be paid by the consumer | |
| Early repayment of the consumer credit (The consumer has the right to fully or partially redeem the credit anytime) Or With an early repayment of the consumer credit the creditor has the right to compensation. | [Determining the amount of compensation (calculation method) in accordance with the provisions of Article 16] |

Or

6. Additional information necessary for remote provision of financial services

| | |
|---|--|
| a) about the creditor | |
| Or | [Identity] [Permanent address or delivery address to be used by the consumer] |
| Creditor's representative in the Member State of the consumer's residence | |

| | |
|--------------------|--|
| Address | |
| Phone number (*) | |
| E-mail address (*) | |
| Fax number (*) | |
| Web site (*) | |

| | |
|---|--|
| Or | [Company Register in which the creditor is registered, and their registration number or equal means of identification in the Register] |
| Registration | |
| Or | |
| Supervisory body | |
| b) about the consumer credit contract | |
| The right to withdraw from the consumer credit contract (The consumer has the right to withdraw from the consumer credit contract within a period of 14 calendar days) Or Assertion of the right to withdraw from the consumer credit contract | Yes/No [Practical guidance to assert the right to withdraw from the consumer credit contract. Among other things the following information shall be included: the address to which notification of assertion of the right to withdraw from the consumer credit contract shall be sent, and the consequences of non-assertion of that right] |
| Or (The right which the creditor asserts as a governing law with the consumer before concluding the consumer credit contract, which shall govern the consumer-creditor relations) | |
| Or Clause laying down the governing law of the credit contract and/or respective court | [Write the respective clause] |
| Or Language regime | Information and contractual conditions shall be provided in [a particular language]. With an agreement of the consumer, the contractor aims to communicate in [particular language/s] with the consumer throughout the consumer credit contract duration. |

| | |
|---|--|
| c) about the right to rectification | |
| Existence of an out-of-court mechanism of settling complaints and providing rectification and its usage | [Whether there is an out-of-court mechanism of settling complaints and providing rectification available for the consumer who is a contractual party of a remotely concluded contract; if yes, the ways it can be used.] |
| (*) Non-obligatory information regarding the creditor / intermediary. | |

The creditor shall fill in all “Or” fields if the information is relevant to the consumer credit offered, or they shall erase the relevant information or the whole row if the information is not relevant to the given consumer credit.

The information stated in square brackets serves as explanation to the creditor and it shall be replaced by corresponding data. The information stated in round brackets serves as more detailed explanation to the creditor.

Footnotes to references:

- 1) Articles 68 and 69 of Act No. 483/2001 Coll. on Banks and on amendments and supplements to some law as amended.
- 2) Articles 663 through 723 of the Civil Code as amended.
- 3) Article 6 (2) (b) of Act No. 566/2001 Coll. on Securities and Investment Services and on amendments and supplements to some laws (Securities Act) as amended by Act No. 209/2007 Coll.
- 4) For example Act No. 200/1997 Coll. on Student Loan Fund as amended, Act No. 607/2003 Coll. on State Housing Development Fund as amended, Article 37e of Act No. 523/2004 Coll. on Budgetary Rules of Public Administration and on amendments and supplements to some laws as amended by Act No. 492/2009 Coll.
- 5) Act No. 250/2007 Coll. on Consumer Protection and on amendment to Act of the Slovak National Council No. 372/1990 Coll. on Infringements as subsequently amended.
Act No. 186/2009 Coll. on Financial Intermediation and Financial Counselling and on amendments and supplements to some laws.
- 5a) For example Act No. 138/1992 Coll. of the National Council on authorised architects and authorised civil engineers as amended, Act No. 586/2003 Coll. on advocacy and on amendments to Act No. 455/1991 Coll. sole traders as amended.
- 6) Article 2 (1), (5) and (8) and Article 6 (17) of Act No. 483/2001 Coll. as amended.
- 7) Article 2 of Act No. 147/2001 Coll. on Advertising and on amendments and supplements to some laws, as subsequently amended.
- 8) Act No. 250/2007 Coll. as amended.
- 9) Articles 7 and 8 of Act No. 186/2009 Coll.
- 10) Article 2 (e) of Act No. 266/2005 Coll. on Consumer Protection in Connection with the Distance Financial Services and on amendments and supplements to some laws.
- 11) Article 4 (3) of Act No. 266/2005 Coll.
- 12) Article 13 of Act No. 186/2009 Coll.
- 13) Article 5 (3) of Act No. 186/2009 Coll.
- 14) Article 21 (3) (a) of Act No. 186/2009 Coll.
- 15) Article 22 of Act No. 186/2009 Coll.
- 16) Article 33 of Act No. 186/2009 Coll.
- 17) For example Article 92a of Act No. 483/2001 Coll. as amended.
- 18) Articles 52 through 60 of the Civil Code as amended.
- 19) Article 8 of Act No. 108/2000 Coll. on Consumer Protection in Doorstep Selling and Distance Selling as amended by Act No. 118/2006 Coll.
Article 5 Act No. 266/2005 Coll. as amended by Act No. 186/2009 Coll.
- 20) Act No. 297/2008 Coll. on Protection against Money Laundering and on Protection against Terrorist Financing and on amendments and supplements to some laws, as subsequently amended.
- 21) Article 18 of Act No. 250/2007 Coll. as amended by Act No. 397/2008 Coll.
- 22) Article 524 of the Civil Code as amended by Act No. 509/1991 Coll.
- 23) Act No. 191/1950 Coll. Bill of Exchange and Cheque Act as amended.
- 24) Articles 92 and 93 of the Penal Code.
- 25) Article 2 (1), (5) and (8) of Act No. 483/2001 Coll. as amended.
- 26) Article 1 (c) of measures if the National Bank of Slovakia of 4 November 2008 No. 22/2008 on Submitting Statements by Factoring Companies, Hire-purchase Companies and Leasing Companies for Statistical Purposes (Notice No. 457/2008 Coll.).
- 27) Article 1 (b) of measures of the National Bank of Slovakia of 4 November 2008 No. 22/2008 (Notice No. 457/2008 Coll.).

- 27a) Articles 10 to 12 of Act No. 330/2007 Coll. on the Criminal Register and on amendments to certain laws as amended.
- 27b) Act No. 48/2002 Coll. on residence of non-residents and on amendments to certain laws as amended.
- 28) Article 4 of Act No. 215/2002 Coll. on Electronic Signature and on amendments and supplements to some laws.
- 29) Act No. 7/2005 Coll. on Bankruptcy and Restructuring and on amendments and supplements to some laws, as subsequently amended.
- 30) Act No. 483/2001 Coll. as amended.31) Act of the National Council of the Slovak Republic No. 270/1995 Coll. on the State Language of the Slovak Republic as amended.
- 32) Article 2 of Act No. 483/2001 Coll. as amended.
- 32a) Act No. 428/2002 Coll. on the protection of personal data as amended.
- 32b) For example Article 34b of Act No. 566/1992 Coll. of the National Council on the National Bank of Slovakia as amended.
- 33) Act No. 186/2009 Coll.
- 34) Article 2 (i) of Act No. 128/2002 Coll. on State Control of the Internal Market in the Consumer Protection Issues and on amendments and supplements to some laws.
- 35) For example Act No. 483/2001 Coll. as amended, Act No. 186/2009 Coll.