

ACT ON PAYMENT SERVICES

The full text of Act No 492/2009 Coll. on payment services and amending certain laws, as amended by Act No 130/2011 Coll., Act No 394/2011 Coll., Act No 520/2011 Coll., Act No 547/2011 Coll., Act No 352/2012 Coll., Act No 206/2013 Coll., Act No 352/2013 Coll., Act No 405/2015 Coll., Act 91/2016 Coll., Act 125/2016 Coll., and Act 386/2016 Coll.

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

Section I

PART ONE BASIC PROVISIONS

Article 1

(1) This Act regulates

- (a) the provision of payment services;
- (b) the conditions for the comparability of fees;
- (c) the conditions for payment account switching;
- (d) the conditions for establishing and operating payment systems;
- (e) the conditions for establishing and operating payment institutions;
- (f) the conditions for establishing and operating electronic money institutions;
- (g) handling of complaints and other claims and resolution of disputes relating to the provision of payment services or issuance and use of electronic money;
- (h) supervision of payment system operators, supervision of payment institutions and supervision of electronic money;

(2) This act applies to payment services provided by a payment service provider, to the issuance of electronic money, administration of electronic money and redemption of electronic money by an electronic money institution

- (a) in euros or the currency of a state that is party to the Agreement on the European Economic Area (hereinafter "Member State") within the European Economic Area;
- (b) in a currency other than that which falls under point (a) within the European Economic Area, pursuant to Article 30 and Article 89(7);
- (c) in any currency outside the European Economic Area pursuant to Article 30 and Article 89(7).

(3) This Act does not apply to

- (a) payment transactions made exclusively in cash directly from the payer to the payee without any intermediary intervention;
- (b) payment transactions from the payer to the payee through a commercial agent authorised to negotiate or conclude the sale or purchase of goods or services on behalf of the payer or the payee;
- (c) physical transportation of banknotes and coins, including their collection, processing and delivery;
- (d) payment transactions made in cash within the framework of a non-profit or charitable activity;
- (e) services in which cash is provided by the payee to the payer as part of a payment transaction following an explicit request by the payment service user immediately prior to the execution of the payment transaction through a payment for the purchase of goods or services;
- (f) money exchange business¹⁾;
- (g) payment transactions based on drafts and cheques²⁾, money orders, traveller's cheques or postal remittance orders³⁾ in paper form, except for Article 38(3) to (6) and Articles 44a to 44c;
- (h) payment transactions carried out within a payment system or financial instruments settlement system between settlement agents, central counterparties⁴⁾, clearing houses pursuant to Article 47(4) or central banks and other participants of the payment system or financial instruments settlement system⁵⁾ and payment service providers, without prejudice to this Act on payment systems;
- (i) payment transactions related to securities asset servicing, including dividends, income or other distributions, or redemption or sale, carried out by persons referred to in point (h), securities dealers providing investment services, asset management companies providing investment services, foreign collective investment undertakings⁶⁾, or any other foreign entities pursuing an activity that corresponds to the activity of such persons;
- (j) services provided by technical service providers that support the provision of payment services without entering at any time into possession of the funds to be transferred, including processing and storage of data, trust and privacy protection services, data and entity authentication, information technology and communication network provision, provision and maintenance of terminals and devices used for payment services;
- (k) services based on the use of payment instruments or similar technical instruments for the special purpose and within a limited network unless otherwise stipulated by Article 97a, whereas payment instruments or similar technical instruments are used for payment operations or electronic storage of equity values and, at the same

time, can be used to acquire goods or services only within a limited network of

1. listed premises of a limited provider under Article 97a(1), which premises the provider owns, rents or otherwise uses,
2. listed providers of goods or services, based on a contract with a limited provider, or
3. limited goods and services specified in a contract concluded with a limited provider.

(l) payment transactions executed by means of any telecommunication, digital or information technology device where the goods or services purchased are delivered to and are to be used only through a telecommunication, digital or information technology device, provided that the operator of such device does not act only as an intermediary between the payment service user and the supplier of the goods and services;

(m) payment transactions carried out between payment service providers, their agents or branches for their own account;

(n) payment transactions between a parent undertaking and its subsidiary or between subsidiaries of the same parent undertaking, without any intermediary intervention by a payment service provider other than an undertaking belonging to the same group;

(o) services by payment service providers to withdraw cash by means of automated teller machines acting on behalf of one or more payment service providers, which are not a party to the framework contract with the consumer withdrawing money from a payment account, if such providers do not conduct the payment services referred to in Article 2(1).

Article 2

(1) "Payment service" means

(a) placement of cash on a payment account and all the operations required for operating a payment account;

(b) cash withdrawals from a payment account and all the operations required for operating a payment account;

(c) execution of payment transactions, including transfers of funds from or to a payment account with the user's payment service provider or with another payment service provider

1. by credit transfer;
2. through a payment card or another payment instrument;
3. by direct debit;

(d) execution of payment transactions with funds covered by a credit for a payment service user

1. in the form of an authorised overdraft on the payment account, namely
 - 1a. by credit transfer;
 - 1b. through a payment card or another payment instrument;
 - 1c. by direct debit; or

2. in form of a credit facility through a payment card or another payment instrument

(e) money remittance;

(f) execution of payment transactions in which the consent of the payer to execute a payment transaction is given by means of any telecommunication, digital or information technology device and the payment is made to the telecommunications, information technology system or network operator, acting only as an intermediary between the payment service user and the supplier of the goods and services;

(g) issuing or receiving a payment card or another payment instrument.

(2) "Payment transaction" means an act of placing, transferring or withdrawing funds based on an order given by the payer or by the payee, or through the payee, to a payment service provider, which is executed within the frame of payment services as referred to in paragraph 1(a) to (f).

(3) "Payment service provider" means

(a) a bank, a foreign bank or a branch of a foreign bank, whose banking licence includes the provision of payment and settlement services;

(b) an electronic money institution within the meaning of Article 81(1), a foreign electronic money institution or a branch of a foreign electronic money institution;

(c) a post office giro institution⁷⁾, if it is entitled under a separate law to provide payment services;

(d) a payment institution within the meaning of Article 63, a foreign payment institution or a branch of a foreign payment institution;

(e) Národná banka Slovenska or the European Central Bank, when not acting in their capacity as monetary authority, or when no activities related to securing public needs are involved, and when providing payment services, except for Article 38(3) to (6) and Articles 44b to 44f;

(f) the State Treasury, the Export-Import Bank of the Slovak Republic, local government authorities, municipalities and higher territorial units, when they are entitled under a separate law to provide payment services and when no activities related to securing public needs are involved.

(4) "Payer" means a person that gives a payment order to a payment service provider and pays the funds that are the subject of a payment transaction.

(5) "Payee" means a person that is the intended recipient of funds being the subject of a payment transaction.

(6) "Payment service user" means a person making use of a payment service in their capacity as either a payer or payee, provided that the payer and the payee may be the same person.

(7) "Consumer" means, for the purposes of this Act, a natural person who, when entering and performing a payment service contract, does so for purposes other than his or her employment, profession or business, provided that a payment service provider may treat as a customer a person who, at the time of entering a framework payment service contract, employs less than ten persons and whose annual turnover or total annual balance does not exceed EUR 2,000,000, unless otherwise provided in Article 44d(5).

(8) "Money remittance" means a payment service where funds are received from a payer for the sole purpose of transferring a corresponding amount to a payee or to another payment service provider acting on behalf of the payee, and where such funds are received on behalf of and made available to the payee, without any payment accounts being created in the name of the payer or the payee.

(9) "Payment account" means a current account⁸⁾ or another account held in the full name, in case of a natural person, or in the business name or business name, in case of a legal entity, of one or more payment service users, which is used for the execution of payment transactions.

(10) "Payment order" means any instruction by a payer or payee to his or her payment service provider requesting the execution of a payment transaction. The form and shape and particulars of a payment order are to be defined by the payment service provider in accordance with Article 31(5)(c), second point and Article 35(1)(a).

(11) "Credit transfer" means a payment service in which an amount of funds that is the subject of a payment transaction is either debited from the payee's account or paid by the payee in cash and credited to the payer's account or paid out to the payer in cash against a payment order submitted by the payer to a payment service provider; a standing payment order is also understood as credit transfer.

(12) "Direct debit" means a payment service in which an amount of funds that is the subject of a payment transaction is debited from the payee's account against a payment order submitted on the basis of the payer's consent to such direct debit given to the payee, to the payee's payment service provider or to the payer's payment service provider; a standing debit order is also understood as direct debit.

(13) "Funds" means, for the purposes of this Act, banknotes and coins, scriptural money or electronic money.

(14) "Value date" means, for the purposes of this Act, a date used by a payment service provider for the calculation of interest on the funds debited from or credited to a payment account.

(15) "Reference exchange rate" means, for the purposes of this Act, the exchange rate used as the basis to calculate any currency exchange and which is made available by the payment service provider or comes from a publicly available source.

(16) "Reference interest rate" means, for the purposes of this Act, the interest rate used as the basis for calculating any interest to be applied and which comes from a publicly available source that can be verified by both the payment service provider and the payment service user.

(17) "Authentication" means, for the purposes of this Act, a procedure that allows the payment service provider to verify the use of a specific payment instrument, including its personalised security features, particularly the personal identifier and password.

(18) "Unique identifier" means, for the purposes of this Act, a combination of letters, numbers or symbols assigned to the payment service user by the payment service provider and to be provided by the payment service user to unambiguously identify another payment service user and/or his or her payment account for a payment transaction.

(19) "Payment instrument" means, for the purposes of this Act, any personalised device or set of procedures agreed between the payment service user and the payment service provider and used by the payment service user in order to initiate a payment order, including without limitation a payment card, Internet banking or other electronic banking payment applications.

(20) "Payment card" means a payment instrument that provides a payment service user with access to withdraw financial funds up to a limit authorised by the payment service provider.

(21) "Branch" means, for the purposes of this Act, an organisational unit of a payment institution or electronic money institution situated within or outside the territory of the Slovak Republic.

(22) "Foreign payment institution" or "foreign electronic money institution" means, for the purposes of this Act, an entity having its registered office outside the Slovak Republic and directly providing payment services or issuing electronic money on the basis of an authorisation issued in the country of its registered office. "Branch of a foreign payment institution" or "branch of a foreign electronic money institution" means, for the purposes of this Act, an organisational unit of a foreign payment institution or a foreign electronic money institution situated within the territory of the Slovak Republic, which directly provides payment services or issues electronic money; all branches of a foreign payment institution or a foreign electronic money institution set up in the Slovak Republic by a foreign payment institution or a foreign electronic money institution having its registered office in another Member State shall be regarded as a single branch.

(23) "Group" means, for the purposes of this Act, a group of entities that consists of a parent undertaking, its subsidiaries and the entities in which the parent undertaking or its subsidiaries have a holding, as entities linked to each other by a close relationship.

(24) "Close links" means, for the purposes of this Act, any relationship between two or more entities in

which one of the entities has at least a 20% direct or indirect holding in the registered capital or voting rights of another entity or controls another such entity, whether directly or indirectly⁹⁾, or any relationship between two or more entities controlled by the same entity.

(25) "Home Member State" means, for the purposes of this Act, a Member State in which either of the following is situated:

- (a) the registered office of the payment service provider; or
- (b) if the payment service provider has, under its national law, no registered office, the head office of the payment service provider.

(26) "Host Member State" means, for the purposes of this Act, the Member State other than the home Member State in which a payment service provider has a payment services agent or a branch or provides payment services.

(27) "Suitable person" means, for the purposes of this Act, a person who credibly evidences a transparent, trustworthy and legal origin of its registered capital and other sources of funds, and it is obvious that such person is able to ensure due and safe pursuit of activities under this Act.

(28) "Qualifying holding" means, for the purposes of this Act, a direct or indirect holding, or a sum of holdings amounting to at least 10% of registered capital or voting rights of a legal entity, or the ability to exert other significant control over management of such legal entity that compares to the control corresponding to such holding.

(29) "Indirect holding" means, for the purposes of this Act, a holding that is held through an intermediary, the same being either one or more legal entities over which the holding entity has control.

(30) "Professional competence" means, for the purposes of this Act, a completed second-degree university education and at least three years of managerial experience in the field of payment services, banking or other financial market sphere. Národná banka Slovenska may also recognise as competent

- (a) a natural person with completed second-degree university education and at least three years of managerial experience in a different economic sphere, or
- (b) a natural person who has completed upper secondary education with a leaving qualification and has at least seven years of experience in the field of payment services, banking, or another financial market sphere or another economic sphere, and at least three years of managerial experience in the field of payment services, banking, or another financial market sphere or another economic sphere.

(31) "Credible natural person" means, for the purposes of this Act, a natural person who

- (a) has not been lawfully convicted of a property-related criminal offence, an economic criminal offence, a criminal offence of corruption, a criminal offence committed in connection with that person's employment, profession, position or function, or an intentional criminal offence, and where an intentional criminal offence has been committed, if such criminal offence has been obliterated or such person is deemed to have not committed any such offence¹⁰⁾; these facts shall be documented by a transcript from a criminal record¹¹⁾; or, in the case of a foreigner, these facts shall be documented by a similar official record confirming personal integrity issued by the pertinent authority of the country of usual residence;
- (b) in the past ten years

1. has not acted in the capacity of a statutory body or a member of a statutory body (hereinafter "member of a statutory body"), a member of a supervisory or control body (hereinafter "member of a supervisory board"), a chief administrative officer, chief executive and chief executive responsible for performance of internal audit, or in any other capacity in any payment institution, electronic money institution or another financial institution from which an authorisation for the pursuit of its activity was withdrawn at any time during the year preceding such withdrawal of the authorisation; the foregoing shall equally apply to acting in any such capacity in an autonomous financial agent¹²⁾, other intermediary¹³⁾ or a financial advisor in the financial market sphere that was a legal entity, as well as acting in the capacity of an autonomous financial agent, other intermediary or a financial advisor in the financial market sphere who was a natural person, if an authorisation for the pursuit of the financial intermediation or another similar authorisation for the pursuit of the activity was withdrawn from such autonomous financial agent, other intermediary or financial advisor in the financial market sphere; this shall equally apply to acting in any such capacity in the institution from which foreign exchange licence to provide foreign exchange services was withdrawn;
2. has not acted in any of the capacities referred to in paragraph 1 or in any other similar capacity in any payment institution, electronic money institution or another financial institution, or a branch of an electronic money institution or a branch of another foreign financial institution that entered into liquidation or became insolvent, or over the property of which bankruptcy was declared, restructuring allowed, forced settlement confirmed, or a settlement permitted, or against which a bankruptcy petition was rejected, or bankruptcy proceedings dismissed or bankruptcy cancelled on grounds of insufficiency of assets and this at any time in the period of one year before such circumstances have arisen;
3. has not been deemed to be a trustworthy entity under separate regulations related to the financial market¹⁴⁾;
4. reliably, honestly, and without violation of generally binding legal provisions has exercised his or her functions so far or has conducted his or her business, and with respect to these facts provides a guarantee that he or she would reliably, honestly, and without violation of generally binding legal

provisions exercise the proposed function, including the fulfilment of duties arising from generally binding legal provisions, statutes and internal legal rules and management rules;

5. has not been imposed a binding fine in accordance with Article 78(10), Article 86(19) or separate regulations^{14a)}.

(32) "Financial institution" means, for the purposes of this Act, an asset management company, a securities dealer, a bank, an insurance undertaking, a reinsurance undertaking, a central securities depository, a stock exchange, a pension management company, a supplementary pension management company, an electronic money institution in relation to a payment institution, a payment institution in relation to an electronic money institution and entities located or having their head office outside the territory of the Slovak Republic with a similar scope of business, including their branches within the territory of the Slovak Republic.

(33) "Person" means, for the purposes of this Act, a natural person and a legal entity, unless the individual provisions of this Act do not refer only to a natural person or a legal entity.

(34) "Chief executive of a payment service provider, payment system operator or electronic money issuer" means, for the purposes of this Act, an employee reporting directly to the statutory body.

(35) "Risk" means, for the purposes of this Act, a possible loss including damage resulting from own activities of a payment institution, an electronic money institution or a payment system, or suffered by a payment institution, an electronic money institution or a payment system from other reasons.

(36) "Services linked to a payment account" means, for the purposes of this Act, payment services and all services related to the opening, operating and closing of a payment account, including payment transactions in accordance with Article 1(3)(g), overrunning and overdraft facilities.

(37) "Overrunning" means, for the purposes of this Act, a tacitly accepted overdraft whereby a payment service provider, that is a creditor, makes available to a consumer funds which exceed the current balance in the consumer's payment account or the agreed overdraft facility.

(38) "Overdraft facility" means, for the purposes of this Act, a credit agreement whereby a payment service provider, that is a creditor, makes available to a consumer funds which exceed the current balance in the consumer's payment account.

(39) "Fee" means, for the purposes of this Act, an amount in euros, other currency or a percentage rate including penalties payable by the consumer to the payment service provider.

PART TWO PAYMENT SERVICES

Rights and Obligations in the Provision and Use of Payment Services

Article 3

(1) A payment service provider shall execute payment transactions pursuant to an unambiguous order of a payment service user taking form of a paper or electronic payment order for the execution of a payment transaction.

(2) A payment service provider shall debit funds from a payment account even without a payment order (a) in the enforcement of a judicial ruling or in the fulfilment of a different obligation imposed by a separate law or under a separate law¹⁵⁾;

(b) for payment of all fees and actual costs of services provided, the payment of payable debit interest or in other cases where the payment service provider is authorised to do so under a previously concluded agreement or (c) in cases agreed in writing between the payment service provider and the payment service user;

(3) Payment transactions shall be executed in the currency agreed between the payment service provider and the payment service user.

(4) Where the payee offers the conversion service prior to the initiation of a payment transaction in a point of sale by means of a payment device, the payee shall disclose to the payer in advance all charges and the exchange rate to be used for the converting of the payment transaction. A payee may perform a conversion only with the payer's approval.

Article 4

(1) The point in time at which a payment order is received shall be understood as the time when the payment order submitted directly by the payer or indirectly by or through the payee is received by the payer's payment service provider. If the time of receipt is not on a business day for the payer's payment service provider, the payment order shall be deemed to have been received on the following business day. A payment service provider may establish a cut-off time near the end of a business day beyond which any payment order received shall be deemed to have been received on the following business day.

(2) "Business day" means a day on which the relevant payment service provider of the payer or the

payment service provider of the payee involved in the execution of a payment transaction is open for business and which is not a non-working day or a public or bank holiday.¹⁶⁾

(3) If the payment service user initiating a payment order and his payment service provider agree that the payment order shall be executed on a specific day or at the end of a certain period or on the day on which the payer has set funds at his payment service provider's disposal, the point in time of receipt of the payment order shall be deemed to be the agreed day. If the agreed day is not a business day for the payment service provider, the payment order received shall be deemed to have been received on the following business day.

Article 5

(1) Where the payment service provider refuses to execute a payment order, that fact shall be notified to the payment service user. The payment service provider shall notify the payment service user of the reasons for the refusal of the payment order and, if possible, of the procedure for correcting any factual mistakes that led to the refusal of the payment order, unless a separate law provides otherwise¹⁷⁾.

(2) The payment service provider shall provide or make available the notification referred to in paragraph 1 in an agreed manner without any undue delay, and in any case, within the periods specified in Article 15.

(3) It may be agreed in a framework contract that the payment service provider may charge for a notification referred to in paragraph 1 if the refusal is objectively justified by reasons attributable to the payment service provider.

(4) In cases where all the conditions set out in the payer's framework contract are met, the payer's payment service provider shall execute a payment order authorised in accordance with paragraph 8 irrespective of whether the payment order is initiated by a payer or by or through a payee, unless a separate law provides otherwise¹⁷⁾.

(5) A payment order of which execution has been refused shall be deemed not to have been received and shall be subject to Articles 15 and 22.

Article 6

(1) A payment service user may not revoke a payment order once it has been received by the payer's payment service provider, unless otherwise provided for in paragraphs 2 to 5.

(2) Where the payment transaction is initiated by or through the payee, the payer may not revoke the payment order for such operation after the payment order has been transmitted or the payer has given its consent to execute the payment transaction to the payee.

(3) In the case of a direct debit where the payer:

(a) has consented to the execution of the payment order directly to its payment service provider, the payer may revoke such payment order, revoking at the same its previous consent, at the latest by the end of the business day immediately preceding the day agreed for debiting the funds, which shall be without prejudice to the payer's right to refunds of its funds, unless otherwise agreed in a framework contract according to Article 13; or

(b) has consented to the execution of the payment order directly to the payee, the payer may revoke the payment order in respect of an individual payment transaction to be executed under its consent, at the latest by the end of the business day immediately preceding the day agreed for debiting the funds, which shall be without prejudice to the payer's right to refunds of its funds, unless otherwise agreed in a framework contract according to Article 13.

(4) In case of a payment order referred to in Article 4(3), the payment service user may revoke a payment order at the latest by the end of the business day immediately preceding the agreed day.

(5) After the time limits specified in paragraphs 1 to 4, a payment order may be revoked only if so agreed between the payment service user and its payment service provider; where a payment order is to be revoked in a case referred to in paragraphs 2 and 3, the payee's consent shall also be required. If agreed in the framework contract, the payment service provider may impose a charge for revocation.

Article 7

(1) The payment service provider of the payer, the payment service provider of the payee and any intermediaries of the payment service providers shall transfer the full amount of the payment transaction and refrain from deducting charges from the amount transferred, except as provided for in paragraph 2. "Intermediary" means, for the purposes of this Act, any payment system operator or payment service provider other than the payment service provider of the payer or the payee.

(2) However, the payee and its payment service provider may agree that the payment service provider will deduct its charges from the amount transferred before crediting it to the payee. In such a case, the full amount

of the payment transaction and that of the charges shall be separately indicated in the information given to the payee under Article 41.

(3) If any charges other than those referred to in paragraph 2 are deducted from the amount transferred, the payment service provider of the payer shall ensure that the payee receives the full amount of the payment transaction initiated by the payer; in cases where the payment transaction is initiated by or through the payee, its payment service provider shall ensure that the full amount of the payment transaction is received by the payee.

Article 8

(1) If the payer has given consent to execute the payment transaction, that payment transaction shall be considered to have been authorised. A payment transaction may be authorised by the payer prior to or, if agreed between the payer and its payment service provider, after the execution of the payment transaction.

(2) Consent to execute a payment transaction or a series of payment transactions shall be given in the form and shape agreed in a contract for provision of a single payment service or a framework contract between the payer and its payment service provider. In the absence of such consent, the payment transaction shall be considered to be unauthorised.

(3) Consent may be withdrawn by the payer not later than the point of irrevocability under Article 6. Consent to execute a series of payment transactions may also be withdrawn with the effect that any future payment transaction is to be considered to be unauthorised.

(4) The procedure for giving consent shall be agreed in a contract for provision of a single payment service or a framework contract between the payer and the payment service provider.

Article 9

The payment service user shall obtain rectification from the payment service provider it notifies its payment service provider without undue delay upon becoming aware of any unauthorised or incorrectly executed payment transaction, but no later than 13 months after the date the funds have been debited from or credited to the payment account, of the unauthorised or incorrectly executed payment transaction giving rise to a claim, including claims referred to in Article 22. The time limit shall apply to the extent the payment service provider has provided or made available the information on that payment transaction in accordance with Articles 40 and 41.

Article 10

(1) Where a payment service user denies having authorised an executed payment transaction or claims that the payment transaction was not correctly executed, its payment service provider shall be required to prove that the payment transaction was authenticated, accurately recorded, entered in the accounts and not affected by a technical breakdown or any other deficiency.

(2) Where a payment service user denies having authorised an executed payment transaction, while use of a payment instrument has been recorded by the payment service provider, the use of the payment instrument in itself shall not be sufficient to prove either that the payment transaction was authorised by the payer, or that the payer caused the unauthorised execution of the payment transaction by a fraudulent act or failed, with intent or gross negligence, to fulfil one or more of its obligations under Article 26.

Article 11

(1) The payer's payment service provider shall immediately refund to the payer the amount of any unauthorised payment transaction and, where applicable, restore the debited payment account to the state in which it would have been had the unauthorised payment transaction not taken place at all; the foregoing is without prejudice to Article 9. This provision is without prejudice to responsibility of the payer's payment service provider to verify and evidence the authentication of a payment operation as referred to in Article 10 and to decide on the validity of a complaint in accordance with Article 89(6).

(2) The payer shall be entitled to financial compensation for any further evidenced loss, the amount of which shall be determined in accordance with the law applicable to the contract concluded between the payer and its payment service provider.

(3) The provisions of paragraphs 1 and 2 shall not apply to electronic money if the payment service provider is not able to block the payment account or the electronic device in which the electronic money is held.

Article 12

(1) A payer shall bear the losses, up to a maximum of EUR 100, relating to any unauthorised payment transactions resulting from the use of a lost or stolen payment instrument or from misappropriation of a payment

instrument by an unauthorised person due to a payer's negligent failure to keep the personalised security features safe in accordance with Article 26(c), unless otherwise provided in paragraphs 2 to 4.

(2) The payer shall bear all the losses relating to any unauthorised payment transactions if it incurred them by acting fraudulently or by failing to fulfil one or more of its obligations under Article 26 with intent or gross negligence. In such cases, paragraph 1 shall not apply.

(3) The payer shall not bear any financial consequences resulting from use of the lost, stolen or misappropriated payment instrument after notification given in accordance with Article 26(1)(b), except where it has acted fraudulently.

(4) If the payment service provider does not provide appropriate means for the notification of a lost, stolen or misappropriated payment instrument, as required under Article 27(1)(c), the payer shall not be liable for the financial consequences resulting from use of that payment instrument, except where it has acted fraudulently.

(5) The provisions of paragraphs 1 to 4 shall not apply to electronic money if the payment service provider is not able to block the payment account or the electronic device in which the electronic money is held.

Article 13

(1) A payer is entitled to a refund from its payment service provider of an authorised payment transaction initiated by or through a payee which has already been executed, if:

(a) the authorisation did not specify the exact amount of the payment transaction when the authorisation was made; and

(b) the amount of the payment transaction exceeded the amount the payer could reasonably have expected taking into account its previous spending pattern, the conditions in its framework contract and relevant circumstances of the case.

(2) At the payment service provider's request, the payer shall provide specific information concerning the executed payment transaction, as referred to in paragraph 1, within the time limit specified in Article 14(2); the refund shall consist of the full amount of the executed payment transaction.

(3) For direct debits the payer and its payment service provider may agree in the framework contract that the payer is entitled to a refund from its payment service provider even though the conditions for refund in paragraph 1 are not met, except the direct debits referred to in paragraph 5.

(4) For the purposes of paragraph 1(b), the payer may not rely on currency exchange reasons if the reference exchange rate agreed with its payment service provider in accordance with the second point in Article 31(5)(d) and Article 35(1)(d) was applied in the conversion.

(5) It may be agreed in the framework contract that the payer is not entitled to a refund according to paragraph 1 if:

(a) the payer has given its consent to execute the payment transaction directly to its payment service provider; and

(b) where applicable, information on the future payment transaction was provided or made available in an agreed manner to the payer by the payment service provider or by the payee at least four weeks before the date of debiting the amount of the payment transaction.

Article 14

(1) A payer may submit its request for the refund of an authorised payment transaction initiated by or through a payee, as referred to in Article 13, within a time limit of eight weeks from the date on which the funds were debited from the account.

(2) Within ten business days of receiving a request for a refund, the payment service provider shall either refund the full amount of the payment transaction or provide justification for refusing the refund, indicating the entities to which the payer may refer the matter in accordance with Article 89(1) and Articles 90 to 93 if it does not accept the justification provided.

(3) The payment service provider's right to refuse the refund shall not apply to cases agreed under Article 13(3).

Article 15

(1) The payer's payment service provider shall ensure that the amount of the payment transaction is credited to the account of the payee's payment service provider at the latest by the end of the next business day after the point in time of receipt, except as provided for in paragraph 2.

(2) Where the payment order is given on paper, the time limit referred to in paragraph 1 may be extended by an additional business day.

(3) The payee's payment service provider shall credit the amount of the payment transaction to the payee's payment account and make the amount of the payment transaction so credited available to the payee on the same day when the payee's payment service provider has received the funds in accordance with Article 19.

(4) Where the payment order for a payment transaction is initiated by or through the payee, the payee's payment service provider shall deliver such payment order to the payer's payment service provider within the time limits agreed in the framework contract between the payee and the payment service provider so that the payment transaction, as far as direct debit is concerned, can be executed on the day agreed for the debiting of the amount of the payment transaction from the payment account of the payer.

Article 16

Where a payer transfers funds to a payee that does not have a payment account with the payment service provider, the funds shall be made available to the payee by the payment service provider who receives the funds for the payee within the time limit specified in Articles 15 and 19(2).

Article 17

(1) Where a consumer places cash into a payment account with a payment service provider in the currency of that payment account, the payment service provider shall ensure that the amount is credited to the payment account and made available without undue delay after the point of time of the receipt of the funds.

(2) Where a payment service user other than consumer places cash on a payment account with a payment service provider in the currency of that payment account, the payment service provider shall ensure that the amount is credited to the payment account and made available on the same day, or at the latest on the next business day after the receipt of the funds insofar as such funds are placed in cash by means of a technical device.

Article 18

In case of a credit transfer where the payer's payment service provider and the payee's payment provider provide the payment service within the territory of the Slovak Republic, the credit transfer shall be executed:

(a) within the time limits according to Article 15(1) and (3) and Article 19(2);

(b) in such a manner that, after the point in time of receipt of the payment order, the payer's payment service provider shall ensure that the amount of the payment transaction is credited to the payment service provider's account of the payee on the same business day and the payee's payment service provider credits the amount of the payment transaction without undue delay in accordance with Article 15(3) and makes the amount of the payment transaction available according to Article 19(2) insofar as the payment transaction is executed within a payment system operated according to Article 45(4)(a);

(c) in such a manner that, after the point in time of receipt of the payment order, the payment service provider shall credit the amount of the payment transaction to the payee's payment account on the day the amount of the payment transaction is debited from the payer's payment account or the day the amount of the payment transaction has been deposited in cash, if the payer's payment service provider and the payee's payment service provider are the one and the same person.

Article 19

(1) The credit value date for the payee's payment account shall be no later than the business day on which the amount of the payment transaction is credited to the account of the payee's payment service provider.

(2) The payment service provider of the payee shall ensure that the amount of the payment transaction is at the payee's disposal immediately after that amount is credited to the account of the payee's payment service provider.

(3) The debit value date for the payer's payment account shall be no earlier than the business day on which the amount of the payment transaction is debited from that payment account.

Article 20

(1) The provisions of Articles 15 to 19 shall apply to payment transactions executed in euros within the European Economic Area.

(2) The provisions of Articles 15 to 19 shall apply to payment transactions executed in a different currency of a Member State within the European Economic Area unless the payment service user and its payment service provider have agreed on different time limits; however, where the payment service user and its payment service provider have agreed on a time limit longer than that specified in Article 15(1) to (3), such time limit shall not exceed four business days following the point in time of receipt of the payment order.

Article 21

(1) If a payment order is executed in accordance with a unique identifier, the payment order shall be deemed to have been executed correctly with regard to the payee specified by the unique identifier.

(2) If the unique identifier provided by the payment service user is incorrect, the payment service provider shall not be liable under Article 22 for non-execution or defective execution of the payment transaction. The payer's payment service provider shall make reasonable efforts to refund the amount of the payment transaction to the payer. A charge for such service may be agreed in the framework contract.

(3) If the payment service user provides information additional to that specified in Article 31(5)(c), second point and Article 35(1)(a), the payment service provider shall be liable only for the execution of payment transactions in accordance with the unique identifier provided by the payment service user and shall not be liable under Article 22 for the additional information.

Article 22

(1) Where a payment order is initiated by the payer, its payment service provider shall be liable to the payer for correct execution of the payment transaction. Where the payer's payment service provider proves to the payer or to the payee's payment service provider that the payee's payment service provider received the amount of the payment transaction in accordance with Article 15(1), the payee's payment service provider shall be liable to the payee for non-execution or defective execution of the payment transaction. If:

(a) the payer's payment service provider is liable for non-execution or defective execution of the payment transaction, it shall without undue delay refund to the payer the amount of the non-executed or defective payment transaction and, where applicable, restore the payment account to the state in which it would have been had the defective payment transaction not taken place.

(b) the payee's payment service provider is liable for non-execution or defective execution of the payment transaction, it shall immediately place the amount of the payment transaction at the payee's disposal and, where applicable, credit the corresponding amount to the payee's payment account.

(2) In case of a non-executed or defectively executed payment transaction according to paragraph 1, the payer's payment service provider shall, at the payer's request and regardless of its liability, make immediate efforts to trace the payment transaction and notify the payer of the outcome of the tracing of the non-executed or defectively executed payment transaction.

(3) Where a payment order is initiated by or through the payee, its payment service provider shall be liable to the payee for correct transmission of the payment order to the payment service provider of the payer within the time limit specified in Article 15(3) and (4); the payee's payment service provider shall without undue delay retransmit the payment order to the payer's payment service provider.

(4) The payee's payment service provider according to paragraph 3 shall be liable to the payee for the execution of the payment transaction according to Article 19(1) and (2); the payee's payment service provider shall ensure that the amount of the payment transaction is at the payee's disposal immediately after that amount is credited to the account of the payee's payment service provider.

(5) In case of non-execution or defective execution of a payment transaction for which the payee's payment service provider is not liable under paragraphs 3 and 4, the payer's payment service provider shall be liable to the payer; the payer's payment service provider shall without undue delay refund to the payer the amount of the non-executed or defective payment transaction and restore the payment account to the state in which it would have been had the defective payment transaction not taken place.

(6) In case of a non-executed or defectively executed payment transaction according to paragraph 3, the payee's payment service provider shall, at the payee's request and regardless of its liability, make immediate efforts to trace the payment transaction and notify the payee of the outcome of the tracing of the non-executed or defectively executed payment transaction.

(7) Payment service providers shall be liable for any charges and any interest to which the payment service users are subject as a consequence of non-execution or defective execution of the payment transaction caused by the payment service provider.

(8) In case of a credit transfer according to Article 18, the framework contract may provide for corrective settlement where the payment service provider caused defective execution of the credit transfer due to which the payee received unjust enrichment. "Corrective settlement" means correction of defective execution of a credit transfer through a corrective credit to or debit from the payment account. The foregoing is without prejudice to the liability of the payment service provider or intermediary under Articles 21 to 24.

(9) Corrective settlement according to paragraph 8 shall not be possible if the payment service provider of the payee receiving the defective credit transfer is the State Treasury. The payment service provider liable for the defective execution of the credit transfer shall request the State Treasury to arrange a refund of the amount of the defective credit transfer; such refund shall be subject to consent of the payee. If the payee does not give the State Treasury its consent to the refund of the defective credit transfer, the State Treasury shall provide the payee's identification data to the payment service provider which has requested the State Treasury to arrange the refund of the amount of the defective credit transfer.

Article 23

Procedures regarding liability for loss or unjust enrichment and late payment interest¹⁸⁾ in excess of the liability under Articles 21 and 22 shall be governed by the law applicable to the contract between the payment service user and the payment service provider.

Article 24

(1) Where the liability for non-execution or defective execution of a payment transaction under Article 22 is attributable to an intermediary, such intermediary shall compensate the payment service provider according to Article 22 any losses incurred or sums paid under Article 22.

(2) Procedures regarding liability for loss or unjust enrichment and late payment interest¹⁸⁾ in excess of the liability under paragraph 1 shall be governed by the law applicable to the contract between the payment service user and the intermediary.

Article 25

Liability for violation of obligations in the provision of payment services under this Act shall not apply if the payment service provider proves that the violation of obligations had been caused by circumstances excluding liability¹⁹⁾ or by action under a separate regulation²⁰⁾.

Article 26

When using a payment instrument, a payment service user shall:

- (a) use the payment instrument in accordance with the terms and conditions regulating the issuance and use of the payment instrument;
- (b) without undue delay notify the payment service provider or a person designated by it any loss, theft, misappropriation or unauthorised use of the payment instrument;
- (c) as soon as it receives the payment instrument, take all reasonable steps to keep safe its personalised security features of the payment instrument.

Article 27

(1) When issuing a payment instrument, a payment service provider shall:

- (a) make sure that the personalised security features of the payment instrument are not accessible to parties other than the payment service user entitled to use the payment instrument;
- (b) refrain from sending an unsolicited payment instrument, except where a payment instrument already given to the payment service user is to be replaced;
- (c) create appropriate technical conditions for continuous receipt of notifications pursuant to Article 26(b) or requests for unblocking of a payment instrument pursuant to Article 28(4); within 18 months after the receipt of such notification or request, the payment service provider shall, on request, provide the payment service user with an evidence proving receipt of such notification or request;
- (d) prevent any use of the payment instrument once notification pursuant to Article 26(b) has been received.

(2) The payment service provider shall bear the risk of sending to the payer a payment instrument or any personalised security features of it.

Article 28

(1) Where a payment instrument is used for the purposes of authorisation according to Article 8, the payer and its payment service provider may agree on a maximum spending limit for payment transactions executed through such payment instrument.

(2) It may be agreed in the framework contract that the payment service provider reserves the right to block the payment instrument:

- (a) for reasons related to the security of the payment instrument;
- (b) for reasons related to suspicion of unauthorised or fraudulent use of the payment instrument; or
- (c) in case of a payment instrument with a credit line, for reasons related to the increased risk that the payer may be unable to fulfil its liability to pay.

(3) In the cases referred to in paragraph 2, the payment service provider shall inform the payer of the blocking of the payment instrument and the reasons for it in the manner agreed in the framework contract, either before the payment instrument is blocked or without undue delay thereafter, unless giving such information would compromise security in the issuance or receipt of payment instruments or a separate law provides otherwise¹⁷.

(4) The payment service provider shall unblock the payment instrument or replace it with a new payment instrument once the reasons for blocking no longer exist. Thereafter, it shall notify the payment service user of the unblocking.

Article 29

(1) It can be agreed in a framework contract that for low value payments or electronic money with a value not exceeding EUR 150 at any time:

- (a) the payer's liability for unauthorised payment transactions under Article 12(3) and (4), the payment service user's obligation under Article 26(b), and the payment service provider's obligation under Article 27(1)(c) and (d) shall not apply if the payment instrument or electronic money does not allow its blocking or prevention of its further use;
- (b) Articles 10, 11 and Article 12(1) and (2) shall not apply if the payment instrument or electronic money has been used anonymously, or the payment service provider is not in a position for other reasons that are intrinsic to the payment instrument or the electronic money to prove that a payment transaction was authorised;
- (c) the payment service provider is not required to notify the payment service user of the refusal of a payment order pursuant to Article 5(1) if the non-execution of the payment order is apparent;
- (d) a payer may not revoke a payment order after execution of the payment transaction or after giving its consent to execute the payment transaction to the payee pursuant to Article 6;
- (e) payment transaction execution periods other than those specified in Articles 15 and 16 shall apply.

(2) "Low value payments" are payment transactions executed through a payment instrument that individually do not exceed EUR 30, or which are subject to a spending limit not exceeding EUR 150.

Article 30

(1) Payment services provided in a currency according to Article 1(2)(b) or (c) shall be subject to:

- (a) the provisions of Articles 3 to 6, 8, 9, Article 11(2) and (3), Articles 12, 26 to 28, Article 44(1), (3) and (4) and Articles 90 to 95 equally;
- (b) the provisions of Article 10, Article 11(1), Article 15(3), Articles 19, 21 and 31 to 43 mutatis mutandis.

(2) Rights and obligations additional to those specified in paragraph 1 may be agreed for payment services provided in a currency according to Article 1(2)(b) or (c) in the framework contract.

(3) Where the payer's payment service provider and the payee's payment service provider are the one and the same entity, a credit transfer in a currency according to Article 1(2)(b) or (c) shall be executed in accordance with Article 18(c). Business terms and conditions and provision of information on payment services

Business terms and the provision of information on payment services

Article 31

(1) Payment services shall not be provided by any person other than a payment service provider pursuant to this Act.

(2) A payment service provider shall provide payment services to a payment service user on the basis of:

- (a) a contract for a single payment service; or
- (b) a framework contract.

(3) "Contract for a single payment service" means a contract governing the execution of a single payment transaction without any successive payment transactions.

(4) "Framework contract", which incorporates business terms and conditions for the provision of payment services means an agreement on the provision of payment services which governs the execution of individual

payment transactions and successive payment transactions and which may contain conditions for setting up and maintaining a payment account.

(5) A framework contract according to paragraph 4 shall contain information:

- (a) on the payment service provider, including:
 - 1. the business name and registered office of the payment service provider and its identification number if assigned;
 - 2. the full name and permanent address²¹⁾ of the payment service agent in case of a natural person, or the business name and registered office of the payment service provider's agent in case of a legal entity;
 - 3. the registered office of the payment service provider's branch established in the Slovak Republic;
 - 4. any other addresses, including the electronic mail address, that may be relevant for the communication with the payment service provider;
 - 5. particulars of the authorisation for the payment services, the registration number of the authorisation for the payment services, particulars of the register of authorisation of the payment service provider or equivalent means of identification in that register, particulars of the relevant supervisory authorities;
- (b) on the payment service user, which information includes his identification data maximally in the scope of Article 88(3)(a) points 1 to 3;
- (c) on the use of the payment services, including:
 - 1. a description of the payment service to be provided;
 - 2. information or a unique identifier that must be used by the payment service user in order for a payment order to be properly executed;
 - 3. the form and shape of and procedure for giving consent to execute a payment transaction and withdrawal of such consent in accordance with Articles 6 and 8;
 - 4. a reference to the point in time of receipt of a payment order as defined in Article 4 and the cut-off time, if any, established by the payment service provider;
 - 5. the maximum execution time for the payment service;
 - 6. if agreed, maximum spending limits for the use of the payment instrument in accordance with Article 28(1);
- (d) on charges, interest and exchange rates, including:
 - 1. the sum of any charges payable for a payment transaction and the breakdown of the amounts of all charges;
 - 2. the interest and exchange rates to be applied or, if reference interest and exchange rates are to be used, the method of calculating the actual interest, and the relevant date and index or base for determining such reference interest or exchange rate;
 - 3. if agreed, the immediate application of changes in the reference interest rate or exchange rate and information requirements related to the changes in accordance with Article 32(4);
 - 4. fees for services linked to a payment account in the form of a fee information document in accordance with Article 38(3), for the provision of a statement of fees for services linked to a consumer's payment account (hereinafter a "statement of fees") in accordance with Article 44b, and for the provision of the information stipulated in Article 44c for a consumer;
- (e) on communication, including:
 - 1. the means of communication, including the technical requirements for the payment service user's equipment, agreed between the parties for the transmission of information or notifications under this Act;
 - 2. the manner in and frequency with which information under this Act shall be provided or made available;
 - 3. the language or languages in which the framework contract will be concluded and communication during this contractual relationship undertaken;
 - 4. the payment service user's right to receive information in the manner provided for in Article 38;
- (f) on safeguards and corrective measures, including:
 - 1. instructions for proper and safe use and keeping of a payment instrument and the method of notifying the payment service provider for the purposes of Article 26(b);
 - 2. if agreed, the conditions under which the payment service provider reserves the right to block a payment instrument in accordance with Articles 28(2) and (3);
 - 3. the payer's liability for unauthorised payment transactions under Article 12, including information on the specific amount pursuant to Article 12(1);
 - 4. the method and time limit for the notification by the payment service user to the payment service provider of any unauthorised or incorrectly executed payment transaction in accordance with Article 9, as well as the payment service provider's liability for unauthorised payment transactions in accordance with Article 11;
 - 5. the liability of the payment service provider for non-execution or defective execution of payment transactions in accordance with Article 22;
 - 6. the conditions for refunds in accordance with Articles 13 and 14;
- (g) on changes in and termination of a framework contract, including:
 - 1. if agreed, the assumption pursuant to Article 32(2);
 - 2. the duration of the contract;
 - 3. if agreed, the right of the payment service user to terminate the framework contract and any agreements relating to termination in accordance with Article 32(1) and (3) and Article 33;
- (h) on redress, including:

1. a contractual clause on the law applicable to the framework contract or the competent court;
2. complaint and dispute resolution procedures available to the payment service user in accordance with Articles 89 to 95.

Article 32

(1) Any changes in the framework contract shall be submitted by the payment service provider to the payment service user in the manner provided for in Article 38(2) and no later than two months before the contract's proposed date of entry into force.

(2) An assumption may be agreed in the framework contract that the payment service user will be deemed to have accepted changes in the conditions in accordance with paragraph 1 if it does not notify the payment service provider that it does not accept them before their proposed date of entry into force.

(3) If the payment service user does not accept the changes according to paragraph 1, the payment service user has the right to terminate the framework contract immediately and without charge before the proposed date of entry into force of such changes. This fact must be provided for in the framework contract.

(4) It may be provided in the framework contract that changes in the interest rate or exchange rate may be applied immediately and without notice and that the changes are based on the reference interest rate or exchange rate agreed on in accordance with second and third points of Article 31(5)(d). The payment service user shall be informed of any change in the interest rate at the earliest opportunity and in the manner provided for in Article 38(2), unless the parties have agreed on a specific frequency or manner in which the information on such change is to be provided or made available. A change in the interest rate that is more favourable to the payment service user may be applied without notice.

(5) Changes in the interest rate or exchange rate used in payment transactions shall be implemented and calculated in a manner that does not discriminate against the payment service user.

Article 33

(1) A period of notice not exceeding one month may be agreed in a framework contract for termination of the framework contract by the payment service user. If no such period of notice has been agreed, the payment service user may terminate the framework contract with immediate effect. When the payment account is closed due to its switching using the procedure under Article 44d, the period of notice starts on the day on which the application for payment account switching is delivered to the transferring payment service provider.

(2) Termination of a framework contract shall be free of charge for the payment service user. The payment service provider must not request that the payment service user pay any fees or cover any costs in relation to the termination of the framework contract.

(3) The payment service provider may terminate a framework contract concluded for an indefinite period only if so agreed in the framework contract and by giving at least two months' notice in the manner provided for in Article 38(2); the foregoing shall not apply if the payment service user has acted provably fraudulently when using the payment services.

(4) Charges for payment services levied on a regular basis shall be payable by the payment service user to the payment service provider only proportionally up to the termination of the framework contract. If such charges are paid in advance, they shall be reimbursed proportionally by the payment service provider to the payment service user.

(5) General legal provisions²²⁾ concerning termination of a credit agreement or an agreement on granting a credit, termination of a current account agreement or of any other similar agreement shall not apply to the termination of a framework contract pursuant to paragraphs 1 and 3.

Article 34

A payment service provider shall:

- (a) provide or make available information on single payment transactions pursuant to Articles 35 to 37 to which the framework contract does not apply;
- (b) provide information on the provision of payment services under a framework contract pursuant to Article 31(5);
- (c) use, when concluding framework contracts with consumers or providing commercial and marketing information to consumers, the standardised terminology laid down in the list of services linked to payment accounts, which is prepared by Národná banka Slovenska in accordance with this Act (hereinafter the "list"); in a fee information document and in a statement of fees, a payment service provider may use its own designations of fees only if they are consistent with the standardised terminology of the list;

(d) prepare, and report to Národná banka Slovenska, for the purposes of Article 44a, statements and reports or other information on provided services linked to payment accounts and on the fees for these services; this obligation shall not apply to the State Treasury as a payment service provider.

Article 35

(1) Before executing the single payment transaction, the payment service provider shall provide or make available to the payment service user the following information:

- (a) information or a unique identifier that must be used by the payment service user in order for a payment order to be properly executed;
- (b) the maximum execution time for the payment service;
- (c) the amount of any charges payable by the user to the payment service provider for the payment transaction and, where applicable, a breakdown of the amounts of all charges;
- (d) the exchange rate or reference exchange rate used in case of currency conversion.

(2) The payment service provider shall make available to the payment service user, in an easily accessible manner, the information specified in paragraph 1 before making any single payment service contract or offer. At the payment service user's request, the payment service provider shall provide the information on paper or on another durable medium.²³⁾ The information shall be given in easily understandable words and in a clear and comprehensible form, in the state language or in any other language agreed between the parties.

(3) If the single payment service contract has been concluded at the request of the payment service user using a means of distance communication²⁴⁾ that does not enable the payment service provider to comply with paragraph 2, the payment service provider shall fulfil such obligations immediately after the execution of the payment transaction.

(4) The obligations under paragraph 2 may also be discharged by the payment service provider supplying a copy of the draft single payment service contract or the draft payment order including the information specified in paragraph 1.

(5) The payment service provider shall also make available to the payment service user, in an easily accessible manner, any other information specified in Article 31(5).

(6) When a payment order for a single payment transaction is executed by a payment instrument covered by a framework contract, the payment service provider shall not be obliged to provide or make available information that is already given to the payment service user on the basis of a framework contract with another payment service provider or that will be given to it according to that framework contract.

Article 36

Immediately after receipt of a payment order for a single payment transaction, the payer's payment service provider shall, without undue delay, provide or make available to the payer, in the manner provided for in Article 35(2), the following information:

- (a) information enabling the payer to identify the payment transaction or information relating to the payee;
- (b) the amount of the payment transaction in the currency used in the payment order;
- (c) the amount of any charges for the payment transaction and, where applicable, a breakdown of the amounts of all charges;
- (d) the exchange rate used in the payment transaction by the payer's payment service provider and the amount of the payment transaction after the currency conversion;
- (e) the date of receipt of the payment order.

Article 37

Immediately after the execution of the single payment transaction, the payee payment service provider shall, without undue delay, provide or make available to the payee, in the manner provided for in Article 35(2), the following information:

- (a) information enabling the payee to identify the payment transaction or information relating to the payer and any information accompanying the payment transaction;
- (b) the amount of the payment transaction in the currency in which the funds are at the payee's disposal;
- (c) the amount of any charges for the payment transaction and, where applicable, a breakdown of the amounts of all charges;
- (d) the exchange rate used in the payment transaction by the payee's payment service provider and the amount of the payment transaction before the currency conversion;
- (e) the credit value date.

Article 38

(1) At any time during the contractual relationship, the payment service provider shall provide to the payment service user in accordance with paragraph 2 the information specified in Article 31(5) on paper or on another durable medium.²³⁾

(2) A payment service provider shall provide the information specified in Article 31(5) to the payment service user on paper or on another durable medium²³⁾ in good time before making any framework contract or offer. The information shall be given in easily understandable words and in a clear and comprehensible form, in the state's official language or in any other language agreed between the parties.

(3) The fee information document for services linked to payment accounts shall be a short and stand-alone document, presented in a clear and comprehensible way, using normal characters of a readable font size even if copied in black and white, written in the official state language or in another language agreed by the payment service provider and the consumer, which shall contain:

- (a) the title "Fee information document" on the first page,
- (b) at the top of the first page next to the title, a symbol that distinguishes the fee information document,
- (c) a statement of the payment service provider that the document contains fees for the most representative services linked to the payment account and that complete pre-contractual and contractual information on all the services linked to the payment account is provided in other clearly distinguished documents,
- (d) the types of offered services linked to the payment account in accordance with the list, with the corresponding fees for each service,
- (e) fees expressed in euro or in another currency agreed by the payment services provider and the consumer,
- (f) information on the consumers' right to a glossary of standardised terms.

(4) The glossary of standardised terms, which is drafted in clear, unambiguous and non-technical language and that it is not misleading, shall contain mainly the definition of each term included in the list.

(5) Where the payment service provider offers two or more services linked to a payment account as part of a package, the document referred to in paragraph 3 above shall disclose:

- (a) the fee for the entire package,
- (b) the fee for the services linked to the payment account included in the package and the quantity of the services,
- (c) the additional fee for any service that exceeds the quantity covered by the package fee.

(6) Payment service providers shall make the document referred to in paragraph 3 and the glossary of standardised terms available to consumers free of charge, on their websites and in their premises; the document referred to in paragraph 3 shall also be provided on paper or another durable medium free of charge at the request of a consumer.²³⁾

(7) If the framework contract has been concluded at the request of the payment service user using a means of distance communication²⁴⁾ that does not enable the payment service provider to comply with paragraph 2, the payment service provider shall fulfil such obligations immediately after the conclusion of the framework contract.

(8) The obligations under paragraph 2 may also be discharged by the payment service provider supplying a copy of the draft framework contract including the information specified in Article 31(5).

(9) If the payment service provider informs the payment service user about the disposable balance of the payment service user's payment account, the payment service provider shall also include, free of charge, the information about the balance of the payment service user's disposable own funds as of the same date as his disposable balance. If the balance of the payment service user's own funds is negative, the payment service provider shall indicate this negative figure.

(10) A payment service provider that holds the payment account of a payment service user that is an administrator or an association of apartment owners under a separate regulation^{24a)} administering the apartment building of an owner of an apartment or non-residential premises, with funds on this payment account relating to the administration of the apartment building of the owner of an apartment or non-residential premises, shall be obliged even without the consent of the administrator or association of apartment owners pursuant to a separate regulation^{24a)} to provide the owner of an apartment or non-residential premises at his request, once yearly, in writing and free of charge following proof of identity and presentation of an excerpt from a deed of title to the apartment or non-residential premises that is not more than three months old and need not be for legal purposes, information on the current disposable balance on the payment account and on payment transactions on the payment account over the preceding six months, relating to the debiting of a payment transaction amount from this payment account. The payment service provider may provide such owner of an apartment or non-residential premises the information referred to in the first sentence also repeatedly; in such case a fee may be charged for each provision of information, whilst such fee shall be reasonable and commensurate with the actual expenses of the payment service provider.

Article 39

When the payer initiates execution of a single payment transaction under a framework contract, before the execution of the single payment transaction, the payment service provider shall, at the payment service user's request, provide information on:

- (a) its maximum execution time and
- (b) any charges payable by the payer and, where applicable, a breakdown of the amounts of all charges.

Article 40

(1) After the amount of an individual payment transaction is debited from the payer's payment account or, where the payer does not use a payment account, after the receipt of the payment order, the payer's payment service provider shall provide the payer with the following information:

- (a) information enabling the payer to identify each payment transaction or information relating to the payee;
- (b) the amount of the payment transaction in the currency in which the payer's payment account is debited or in the currency used for the payment order;
- (c) the amount of any charges for the payment transaction and, where applicable, a breakdown of the amounts of all charges or the interest payable by the payer;
- (d) the exchange rate used in the payment transaction by the payer's payment service provider and the amount of the payment transaction after the currency conversion;
- (e) the debit value date or the date of receipt of the payment order.

(2) The payer's payment service provider shall provide the information specified in paragraph 1 to the payer without undue delay, free of charge and in the manner provided for in Article 38(2), unless it has been agreed in the framework contract that such information is to be provided or made available to the payer by the payer's payment service provider periodically at least once a month and in a manner that allows the payer to store and reproduce the information unchanged. Costs to the payer's payment service provider in relation to the provision or disclosure of information in accordance with paragraph 1 above, including the cost of its delivery, shall be borne by the payer's payment service provider.

Article 41

(1) After the execution of an individual payment transaction, the payee's payment service provider shall provide the payee with the following information:

- (a) information enabling the payee to identify the payment transaction or the payer and any information transferred with the payment transaction;
- (b) the amount of the payment transaction in the currency in which the payee's payment account is credited;
- (c) the amount of any charges for the payment transaction and, where applicable, a breakdown of the amounts of any charges, or the interest payable by the payee;
- (d) the exchange rate used in the payment transaction by the payee's payment service provider and the amount of the payment transaction before the currency conversion;
- (e) the credit value date.

(2) The payee's payment service provider shall provide the information specified in paragraph 1 to the payee without undue delay, free of charge and in the manner provided for in Article 38(2), unless it has been agreed in the framework contract that such information is to be provided or made available to the payee by the payee's payment service provider periodically at least once a month and in a manner that allows the payee to store and reproduce the information unchanged. Costs to the payee's payment service provider in relation to the provision or disclosure of information in accordance with paragraph 1 above, including the cost of its delivery, shall be borne by the payee's payment service provider.

Article 42

(1) It can be agreed in a framework contract that Articles 38 and 39 do not apply to low value payments or electronic money with a value not exceeding EUR 150; the payment service provider shall provide to the payer only information on:

- (a) the main characteristics of the payment service, the way in which the payment instrument can be used;
- (b) obligations;
- (c) the charges levied;
- (d) other material information needed to make an informed decision;
- (e) an indication of where any other information and conditions specified in Article 31(5) are made available in an easily accessible manner.

(2) It may be agreed in the framework contract pursuant to paragraph 1 that the payment service provider is not required to notify changes in the framework contract in the manner provided for in Article 38(2).

(3) It may be agreed in the framework contract pursuant to paragraph 1 that the payment service provider is not required to provide information pursuant to Articles 40 and 41 after the execution of a payment transaction. The payment service provider shall provide or make available only a reference enabling the payment service user to identify the payment transaction, the amount of the payment transaction and the amount of the charge or, in case of several payment transactions of the same kind made to the same payee, information on the total amount and charges for those payment transactions. The payment service provider shall not be required to provide or make available such reference if the payment of instrument or electronic money is used anonymously or if the payment service provider is not otherwise technically in a position to provide the reference. However, the payment service provider shall provide the payer with a possibility to verify the amount of funds stored.

Charges

Article 43

(1) A payment service provider shall not charge a payment service user for providing or making available information under Article 31(5).

(2) A payment service provider shall not charge a payment service user for providing information under Articles 35 to 37, unless paragraphs 3 and 4 provide otherwise.

(3) Charges may be agreed in a framework contract for provision of information under Articles 40 and 41 that is additional to or more frequent than that agreed in the framework contract, or for transmission of information under Articles 40 and 41 by means of communication other than those agreed in the framework contract at the payment service user's request.

(4) It may be agreed in a framework contract that the payment service provider may charge provision of information under Article 31(5) that is additional to that agreed in the framework contract, or provision of more frequent information under Article 31(5) on a durable media²³⁾ other than agreed in the framework contract, if the payment service user requests such additional or more frequent information.

(5) The charges according to paragraphs 3 and 4 must be appropriate and in line with the payment service provider's actual costs.

(6) Where the payment service provider imposes a charge for use of a payment instrument, that fact shall be notified to the payment service user prior to initiation of the payment transaction.

Article 44

(1) A payment service provider shall not charge a payment service user for fulfilling its information obligation or for any corrective or preventive action under Articles 3 to 30, except as provided for in Article 5(1), Article 6(5) and Article 21(2). According to Article 5(1), Article 6(5) and Article 21(2) may be agreed in a framework contract, provided that they must be appropriate and in line with the payment service provider's actual costs.

(2) Where a payment transaction does not involve conversion, the payer shall bear the charges levied by the payer's payment service provider and the payee shall bear the charges levied by the payee's payment service provider.

(3) The payment service provider shall not prevent the payee, including without limitation a person accepting payment cards, from offering to the payer a reduction for the use of the payment card or another payment instrument. The payee shall not request from the payer any charge for the use of a payment card or another payment instrument and if the payee offers a reduction, it shall inform the payer thereof prior to initiation of the payment transaction.

(4) Where the payment service provider charges the payment service user for a single payment service provided pursuant to Article 2(1)(a) to (f), or for the use of a payment service pursuant to Article 2(1)(g), the payment service user shall not charge the payment service user for transaction in the payment account such as crediting or debiting the amount of the payment transaction to or from the payment account, respectively, insofar as such payment transaction is connected with the provision or use of a single payment service in accordance with this paragraph.

Comparability of fees for services linked to a payment account

Article 44a

The list

(1) Národná banka Slovenska shall prepare, and every four years update, the list of standardised terminology in accordance with separate regulations which provides standardised terminology for services linked to a payment account.

(2) Národná banka Slovenska shall ensure the publication of information facilitating the comparison of the fees for the services linked to a payment account provided by all payment service providers. For the purposes of the first sentence hereof, Národná banka Slovenska shall, on its website, publish:

- (a) the list,
- (b) the date when the list was updated,
- (c) information on the fees for the services linked to payment accounts provided by each payment service provider in the Slovak Republic,
- (d) the criteria on which the comparison of fees is based,
- (e) a procedure to report incorrect information published in the list.

(3) Information published on Národná banka Slovenska's website in accordance with paragraph 2 shall be clear and comprehensible, in the official state language, and shall use the standardised terminology laid down in the list. Access to the list on Národná banka Slovenska's website shall be free of charge.

Article 44b Statement of fees

(1) Payment service providers shall provide the consumer with whom they have entered into a framework contract a statement of fees in paper or electronic form. If so requested by the consumer, the statement of fees must be provided on paper.

(2) Payment service providers shall deliver the statement of fees to the consumer in accordance with the agreement with the customer, free of charge and at least once per year.

(3) The payment service provider shall make the statement of fees based on information of its fees and interest rates. The statement of fees shall use the standardised terminology laid down in the list. The statement of fees shall be made in a clear and comprehensible way, using characters of a readable font size and easy-to-understand words, written in the official state language or in another language agreed by the payment service provider and the consumer.

(4) The statement of fees shall *inter alia* contain:

- (a) the title "Statement of fees for services linked to a payment account" on the first page;
- (b) at the top of the first page, next to the title, a symbol that distinguishes the statement of fees;
- (c) the name and registered office of the payment service provider, the first and last name of the consumer, and the number of the consumer's payment account;
- (d) the relevant period covered by the statement of fees;
- (e) the fees in the currency of the payment account or in another currency agreed by the payment service provider and the consumer, broken down into:
 - 1. the unit fee charged for each service linked to the payment account, the number of times the service was used during the relevant period and the total amount of fees incurred during the relevant period for each service; where the services linked to the payment account are combined in a package of services, the number of times the package fee was charged during the relevant period, any additional service linked to the payment account exceeding the quantity of services covered by the package, and the total fee charged for the package as a whole and for each additional service linked to the payment account exceeding the quantity covered by the package;
 - 2. the total amount of fees incurred during the relevant period for services linked to the payment account;
- (f) interest rates applied to the payment account and the total amount of interest credited to or debited from the payment account during the relevant period;
- (g) a reference to the fee information document;
- (h) a reference to Národná banka Slovenska's website where the comparison of fees for services linked to payment accounts is published.

Article 44c Payment accounts packaged with another product or service

Where a payment service provider offers a payment account as part of a package of services together with another product or payment service which is not linked to a payment account, the payment service provider shall inform the consumer, before entering into a framework contract, about the option to enter into a framework contract for the payment service separately and provide the consumer with information regarding the fees associated with each of the other products and services offered in that package that can be purchased separately.

Article 44d
Payment account switching

(1) "Switching of a payment account" means, for the purposes of this Act, transferring, upon a consumer's request, from a transferring payment service provider to a receiving payment service provider, the information about all or some standing orders for credit transfers and direct debits executed on a payment account. The switching of a payment account may also include transferring any positive payment account balance from the consumer's payment account with the transferring payment service provider to the consumer's payment account with the receiving payment service provider, with or without closing the former payment account, unless otherwise provided in paragraph 12.

(2) "Transferring payment service provider" means, for the purposes of this Act, the payment service provider operating in the Slovak Republic, from which the information required to perform the payment account switching is transferred to the receiving payment service provider.

(3) "Receiving payment service provider" means, for the purposes of this Act, the payment service provider operating in the Slovak Republic, to which the information required to perform the payment account switching is transferred from the transferring payment service provider.

(4) Where payment service providers offer payment services related to account switching as part of their business activities, they shall perform the switching in accordance with this Act.

(5) Any entity that employs fewer than ten employees at the time when a framework contract is concluded and whose annual turnover or total assets do not exceed EUR 2,000,000 shall be considered a consumer for the purposes of payment account switching.

(6) The receiving payment service provider shall perform the switching of a payment account upon receipt of a written application from the consumer for switching a payment account held with a transferring payment service provider. The payment account switching may be performed only if the respective accounts are held in the same currency. The payment account switching is performed free of charge, unless otherwise specified in paragraph 13.

(7) The application for switching a payment account shall be delivered by the consumer to the receiving payment service provider; the consumer shall deliver it either in person or by post and in two copies. An application delivered by post must include official authentication of the consumer's signature. The consumer may also deliver the application in electronic form if the application is signed by their advanced electronic signature²⁷) and the receiving payment service provider's technical equipment allows this. If a payment account has multiple holders, the application for payment account switching must contain the written consent of each of them. The application shall be drawn up in the official language or another language agreed by the receiving payment service provider and the consumer. Template forms for filing and implementing applications for payment account switching, as well as the particulars of the switching process and the provision of information on this process shall be laid down in a generally binding regulation issued by the Ministry of Finance of the Slovak Republic.

(8) The application for payment account switching may include the consumer's consent

- (a) to the performance by the receiving payment service provider of each of the tasks referred to in paragraphs 19 and 21;
- (b) to the performance by the transferring payment service provider of each of the tasks referred to in paragraph 20;
- (c) to the provision of information to payers and payees of the changes to data of the consumer's payment account, if requested by the consumer in their account switching application;
- (d) to the transfer of funds or account balance.

(9) The consumer shall specify in the application for payment account switching the date from which standing orders for credit transfers and direct debits are to be executed from the payment account with the receiving payment service provider; that date shall be at least twenty business days after the date on which the receiving payment service provider receives the duly completed application for payment account switching, unless otherwise agreed between the receiving payment service provider and the consumer. Where the consumer requests that the receiving payment service provider inform payers making incoming credit transfers into the consumer's payment account, the consumer shall specify in the application the date from which payers may make credit transfers into this account; that date shall be at least twenty business days after the date on which the receiving payment service provider receives the duly completed application for payment account switching, unless otherwise agreed between the receiving payment service provider and the consumer. The date from which standing orders for credit transfers and direct debits are cancelled and incoming credit transfers and direct debits stop being accepted on the payment account with the transferring payment service provider must precede the date from which the receiving payment service provider starts to execute standing orders for credit transfers and direct debits and from which payers may make incoming credit transfers into the consumer's payment account and payees may initiate direct debit payment orders from the consumer's payment account.

(10) If the application for payment account switching has not been correctly completed in full, the receiving payment service provider shall request that the consumer duly complete the application within ten business days of the delivery of such request to the consumer. If the consumer does not complete the application within the time specified in the first sentence, the receiving payment service provider shall refuse the application for payment account switching and inform the consumer without delay about the reasons for the refusal. The time limits for the payment account switching and notice periods are suspended during the period allowed for completing the application for payment account switching. If a request for completing the application referred to in the first sentence is sent, after sending the application to the transferring payment service provider pursuant to paragraph 19, the receiving service provider shall also notify the transferring payment service provider of the request for completing the application referred to in the first sentence. The notice period starts to run again on the day of the consumer's delivery of the completed application to the receiving payment service provider, of which the receiving payment services provider shall inform the transferring payment service provider. If deadlines set in paragraph 9 cannot be met owing to the need to complete the application, the receiving payment service provider shall inform the transferring service provider of the earliest date on which the payment account can be switched.

(11) The consumer may submit an application for switching of the same payment account to one receiving payment service provider only. If the consumer submits the request for switching of the same payment account to multiple receiving payment service providers, the transferring payment service provider shall accept the request for switching that is delivered first. The transferring payment service provider shall communicate the refusal of switching and its reasons to the consumer and each receiving payment service provider that sends a request for payment account switching after the first request has been accepted.

(12) A basic banking product^{24b)} or a payment account with basic features^{24c)} may only be switched upon the termination of the consumer's framework contract for the basic banking product or payment account with basic features with the transferring payment service provider. Switching of a payment account to a payment account that is a basic banking product, or a payment account with basic features may only be effected upon the termination of the consumer's framework contract with the transferring payment service provider. The provisions of the first and second sentences do not apply to the switching of a payment account of a consumer referred to in paragraph 5.

(13) Where the consumer requests the transferring payment service provider to transfer customer's funds to the payment account opened with the receiving payment service provider, the transferring payment service provider shall transfer the funds, provided the consumer has no outstanding obligations on the payment account to be switched, on the day specified by the consumer in his application for payment account switching, however, not earlier than 20 business days after the receipt of the duly completed application for payment account switching by the receiving payment service provider, unless otherwise agreed between the transferring payment service provider and the consumer. Where the consumer requests the transferring payment service provider to transfer any remaining positive balance to the payment account opened with the receiving payment service provider, the transferring payment service provider shall transfer the funds, provided the consumer has no outstanding obligations on the payment account to be switched, on the last day of the notice period provided the framework contract with the transferring payment service provider was terminated by notice. The funds or remaining positive balance shall be transferred in euros, unless otherwise agreed by the transferring payment service provider and the consumer. If the funds or remaining positive balance are transferred in a currency other than euro, this transfer may be for consideration.

(14) Where a consumer has outstanding obligations on his account that prevent the consumer's funds from being transferred, the transferring payment service provider shall immediately inform the consumer about these obligations. If the consumer does not eliminate this obstacle within the period specified by the transferring payment service provider, the transferring payment service provider shall not transfer the funds and inform the consumer about its reasons for refusing to transfer the funds.

(15) Where a consumer has outstanding obligations on his account that prevent the consumer's payment account from being closed, the transferring payment service provider shall immediately inform the consumer about these obligations. If the consumer does not eliminate this obstacle within the period specified by the transferring payment service provider, the transferring payment service provider shall not close the payment account and inform the consumer about its reasons for refusing to close the payment account.

(16) When a payment account is switched with closing of the account, the payment instruments issued for the payment account shall not be cancelled by the transferring payment service provider during the account switching; this shall be without prejudice to blocking of the payment instruments for the reasons under Article 28(2).

(17) If the consumer asks the receiving payment service provider to inform payers making incoming credit transfers into his payment account of the details of the account held with the receiving payment service provider and of the date from which orders for credit transfer can be made, the consumer must indicate the contact details of his payers in his account switching application.

(18) If the consumer asks the receiving payment service provider to inform only some of the consumer's direct debit payees of the details of his payment account held with the receiving payment service provider and of the date from which payees may execute orders for direct debits from this account, the consumer shall indicate the contact details of only these payees in his account switching application.

(19) Within two business days from the day following the receipt of a full and correct account switching application, the receiving payment service provider shall transmit to the transferring payment service provider a request for account switching asking the transferring payment service provider to carry out the following tasks in accordance with the application:

(a) provide the information on:

1. credit transfers and direct debits including standing orders;
2. the type of protection against direct debits on the consumer's payment account, the reference of direct debit mandates, and the unique creditor identifier in the case of direct debits in euros;
3. credit transfers and direct debits, including cross border credit transfers and direct debits, payable after the day of the consumer's payment account switching;
4. incoming credit transfers and direct debits executed on the consumer's payment account in the previous 13 months; the information shall also be provided to the consumer if specifically requested by him;

(b) stop accepting incoming credit transfers and direct debits with effect from the day specified in the account switching application unless the transferring payment service provider provides a system for automated redirection of the incoming credit transfers and direct debits to the payment account held by the consumer with the receiving payment service provider;

(c) cancel standing orders for credit transfers and direct debits with effect from the date specified in the authorisation;

(d) transfer any remaining positive balance to the payment account opened with the receiving payment service provider on the date specified by the consumer in accordance with Article 44d(13) if the consumer has no outstanding obligations on the payment account held with the transferring payment service provider;

(e) close the payment account as at the last date of the notice period.

(20) The transferring payment service provider shall, in accordance with the account switching application:

(a) send the receiving payment service provider the information referred to in paragraph 19(a) within five business days of the receipt of a request;

(b) stop accepting incoming credit transfers and direct debits on the payment account with effect from the date specified in the account switching application unless the transferring payment service provider provides a system for automated redirection of the standing orders for credit transfers and direct debits to the payment account held by the consumer with the receiving payment service provider,

(c) cancel standing orders for credit transfers and direct debits with effect from the date specified in the account switching application,

(d) transfer any remaining positive balance to the payment account opened with the receiving payment service provider on the date specified by the consumer in accordance with paragraph 13 if the consumer has no outstanding obligations on the payment account held with the transferring payment service provider;

(e) close the payment account as at the last date of the notice period.

(21) Within five business days of receipt of the information referred to in paragraph 20 and in accordance with the account switching application, the receiving payment service provider shall:

(a) set up the standing orders for credit transfers and direct debits and execute them with effect from the date specified in the account switching application, as and if it is technically feasible for the receiving payment service provider;

(b) set any necessary type of payment account protection against direct debits allowing direct debits to be executed with effect from the date specified in the account switching application;

(c) inform the consumer of his rights related to direct debits^{24d)} by the means specified in the contract;

(d) inform, with the consumer's consent, payers making incoming credit transfers into a consumer's payment account of the details of the consumer's payment account with the receiving payment service provider and of the date from which orders for credit transfer to this account can be made, and transmit to each payer a copy of that part of the consumer's account switching application, which refers to that payer;

(e) inform, with the consumer's consent, payees using a direct debit to collect funds from the consumer's payment account of the details of the consumer's payment account with the receiving payment service provider and of the date from which direct debits are to be collected from that payment account, and transmit to each payee a copy of that part of the consumer's account switching application, which refers to that payee; direct debit payees must accept the change in the direct debit mandate delivered by the receiving payment service provider and modify the payer's consent for direct debit accordingly, with effect from the date specified in the consumer's account switching application.

(22) Where a transferring payment service provider receives a direct debit order before the date from which the standing orders with this transferring payment service provider for credit transfers and direct debits are cancelled, the transferring payment service provider shall execute such direct debit order and inform the receiving

payment service provider. If the consumer requests the switching process to be made in accordance with paragraph 20(b), the transferring payment service provider shall terminate receiving incoming credit transfers and direct debits immediately after executing that order.

(23) If the receiving payment service provider does not have all the information it needs to perform tasks under paragraph 21(d) or (e) and the transferring payment service provider has not provided it with this information in accordance with the account switching application, the receiving payment service provider shall ask the consumer to provide the missing information necessary to perform tasks under paragraph 21(d) and (e). If the dates specified in the account switching application cannot be met owing to the lack of information necessary to perform tasks under paragraph 21(d) and (e), the receiving payment service provider shall inform the consumer of the earliest date from which orders for credit transfer and direct debit can be executed on the consumer's account with the receiving payment service provider. If the consumer does not provide the receiving payment service provider with information referred to in paragraph 21(d) or (e) within ten business days of receiving the request to provide missing information, or the provided information is not sufficient, the receiving payment service provider will not perform the requested tasks and inform the consumer of the reasons for not concluding the account switching operations under paragraph 21(d) and (e).

(24) Where the receiving payment service provider does not have, based on the account switching application, the consumer's consent to inform payers in accordance with paragraph 21(d), this information may be provided to payers by the consumer. The receiving payment service provider must provide the consumer with his payment account details for provision of information in accordance with paragraph 21(d).

Article 44e Cross-border payment account opening

(1) If a consumer wants to open a payment account with a service provider in another Member State, he can ask the provider of payment services where he has opened his payment account to provide cooperation in opening this payment account. The consumer shall submit an application for cooperation either in paper form in person or by post. The application for collaboration delivered by post must contain official authentication of their signature. The consumer may file the application for cooperation electronically, if it is signed with their electronic signature²⁷⁾ and if the technical equipment of the provider of payment services allows this in the official language or in another language agreed upon by the provider of payment services and the consumer. The application for cooperation must contain the date on which the provider of payment services shall provide the consumer with the cooperation specified in paragraphs 2 and 3. If the consumer gives a date meaning a shorter period of time than six working days following the date of delivery of application for cooperation, the provider of payment services shall provide the required cooperation on the sixth day from delivery of application for cooperation to the provider of payment services.

(2) The provider of payment services in line with the application for cooperation shall be obliged to provide the consumer with information on:

- (a) his credit transfers and direct debits as to the date on which the application for cooperation was submitted;
- (b) especially on the type of protection of the consumer against direct debits, the reference number of direct debit mandate and the unique identifier of the direct debit creditor in the case of direct debits in euros;
- (c) on incoming standing order for payments and direct debits executed on the consumer's payment account within the last 13 months.

(3) The provider of payment services in line with the application for cooperation shall be obliged to:

- (a) transfer financial means from the payment account of the consumer to the financial account opened by the consumer or to the account owned by the consumer with a provider of payment services in another Member State if the application for cooperation includes the data enabling identification of the payment services provider in another Member State and the payment account of the consumer;
- (b) close the consumer's payment account.

(4) The provisions of Articles 44d(5), (10) and (12) to (16) shall be applied to applications for cooperation *mutatis mutandis*.

Article 44f Common provisions on the switching of payment account and cross-border opening of payment account

(1) Every single operation connected with switching of a payment account pursuant to Article 44(d) and the cross-border opening of payment account pursuant to Article 44(e) shall be free of charge for the consumer. The mutual exchange of information and cooperation between the receiving provider of payment services and the switching provider of payment services related to the switching of a payment account pursuant to Article 44(d) and the cross-border opening of a payment account pursuant to Article 44(e) are free of charge.

(2) A provider of payment services shall be obliged to make accessible the information pursuant to paragraphs 3 and 4 free of charge on its website and at its operational premises; at the request of the consumer they shall be obliged to provide information pursuant to paragraphs 3 and 4 free of charge in paper form or on another permanent medium.

(3) Information on procedures for switching a payment account shall contain:

- (a) a list of the procedures executed by the switching payment services provider and the receiving payment services provider when switching the payment account;
- (b) the time limits related to the switching of payment account;
- (c) information that switching payment account is free of charge;
- (d) information that consumers must provide when switching their payment account;
- (e) the procedure for out-of-court settlement of disputes.

(4) Information on procedures for the cross-border opening of a payment account must contain:

- (a) the method and form of filing the application for cooperation;
- (b) forms of cooperation pursuant to Article 44e(2) and (3);
- (c) the time limits connected with cross-border opening of a payment account.

(5) A financial loss is recognised for any sum, including fees and interests, that the consumer is obliged to pay to the third parties as a direct result of a breach of the duties stipulated in Articles 44d and 44e by the payment services provider during switching of the payment account. A provider of payment services who is responsible for a financial loss and who does not prove the opposite shall be obliged to reimburse the loss to the affected customer without delay.

(6) The provider of payment services shall not be responsible for a financial loss if it is due to serious objective factors that were not caused by the payment services provider, that they could not foresee or avert or if it results from compliance with their legal duties.

PART THREE

PAYMENT SYSTEMS

Types of Payment Systems

Article 45

(1) "Payment system" means a system facilitating the execution of payment orders based on an agreement made between participants of the payment system and on the common rules laid down in this Act, and in accordance with the common rules and procedures issued by the operator of the payment system for the operation of the payment system²⁵⁾ (hereinafter "rules of the payment system"). A payment system checks the formal correctness and completeness of data provided on transfers.

(2) "Order" means an instruction, in electronic form, given by a participant of the payment system to the operator of the payment system to transfer funds via such payment system to the participant of the payment system to which they are destined, and settle such funds in accordance with the rules of the payment system.

(3) "Payment system operated under this Act" means:

- (a) the payment system operated by Národná banka Slovenska;
- (b) a payment system operated on the basis of an authorisation for the operation of a payment system by a payment service provider being at the same time the settlement agent of the payment system;
- (c) a payment system operated on the basis of an authorisation for the operation of a payment system by a legal entity and having no settlement agent;
- (d) a payment system without an authorisation for the operation of a payment system.

(4) A payment system may be operated, in accordance with the rules of the payment system, particularly on the principle of:

- (a) real time settlement of individual items; or
- (b) settlement of differences calculated from mutual claims and liabilities of the participants of the payment system.

(5) The payment system settlement according to paragraph 4(a) shall be carried out continuously, on a real time basis, in the course of operation of the payment system on business days of the payment system by settling payment orders in accordance with the rules of the payment system, provided that individual items are settled immediately and irrevocably if, at the time of settlement, the participant being the payer has sufficient funds in its settlement account to cover those items.

(6) The settlement in a payment system pursuant to paragraph 4(b) shall be carried out by individual closings of the payment system during a business days of such payment system in such a way that on each closing, all claims and liabilities of the participants of the payment system shall be summarised; the resulting total difference of mutual claims and liabilities of the participants of the payment system calculated as of the closing shall be either their single mutual claim or their single mutual liability as of the relevant closing, depending on the resulting total difference calculated for the individual participants of the payment system. Mutual claims and mutual liabilities of the participants of the payment system so calculated as of individual closings shall be delivered without undue delay by the clearing institution to the settlement agent of the payment system who shall verify the claims and liabilities and settle them on the settlement accounts of the participants of the payment system.

(7) Where the payment service provider is a participant of more than one payment system, a payment service user may choose a payment system through which it shall execute the payment transaction, subject to conditions laid down in the framework contract.

(8) The operator or a payment system, the central securities depository and the payment service provider are required to submit to Národná banka Slovenska any information, derived from records kept by them, in the official state language, as Národná banka Slovenska may request for the purposes of assessing the payment system, the financial instruments settlement system, payment services⁵⁾, including without limitation credit transfers, direct debits, payment cards and electronic money; such assessment shall be carried out in accordance with the standards and policies issued by the European Central Bank, Národná banka Slovenska, the European System of Central Banks or Eurosystem, including the Eurosystem policy principles on the location and operation of infrastructures settling euro-denominated payment transactions. For the above purposes, Národná banka Slovenska may, in cooperation with the European Central Bank, central banks in the European System of Central Banks or competent authorities of other Member States designated according to their respective national laws, carry out such assessment across borders.

(9) In case of payment systems according to paragraph 3(a) to (c), the operator of a payment system shall be liable for:

- (a) any loss incurred by a participant of the payment system on account of the operation of the payment system, insofar as it resulted from intentional conduct of gross negligence;
- (b) direct loss incurred by a participant, including the amount of the transaction in question or the loss of interest thereon, excluding any consequential loss, insofar as it resulted from the operation of the system and is due to ordinary negligence.

Article 46

A payment system pursuant to Article 45(3)(a) and (b) shall:

- (a) have at least three participants, in addition to the payment system operators and the persons specified in Article 47(3) and (4), ,
- (b) be operated on the basis of a payment system agreement made in writing between the operator of the payment system and the other participants of the payment system, if the participants of the payment system have agreed that the payment system agreement is governed by the law of the Slovak Republic;
- (c) execute orders of the participants of the payment system and arrange their settlement by the settlement agent in accordance with the rules of the payment system.

Article 47

(1) Participants of a payment system pursuant to Article 45(3)(a) and (b) may, subject to the rules of the payment system, be the following:

- (a) Národná banka Slovenska;
- (b) a bank and a branch of a foreign bank;
- (c) the central bank of another state;
- (d) the European Central Bank;
- (e) the central securities depository or another institution established under a separate regulation²⁶⁾ if it is authorised to carry out transfers of funds within its statutory operation;
- (f) a payment system pursuant to Article 45(3)(a) to (c) or a payment system operated under law of another member State on the basis of accession rules stipulated in the rules of the payment system pursuant to Article 48(2);
- (g) a payment institution or an electronic money institution on the basis of accession rules stipulated in the rules of the payment system pursuant to Article 48(2);
- (h) a foreign person whose business corresponds to the business of the persons referred to in points (b) and (e) to (g).

(2) The same participant of a payment system may act within the payment system as its operator, settlement agent or a clearing institution, or this participant may perform two of these functions or all of these functions.

(3) A settlement agent is an entity that maintains settlement accounts for the participants of the payment system in which orders of the participants of the payment system are settled and carries out the settlement in such accounts, and which may for that purpose provide a credit to other participants of the payment system.

(4) A clearing institution is an entity that is responsible within the payment system for processing the orders of the participants of the payment system and for calculating the results of the processing of such orders.

(5) A participant of a payment system is required to submit to the operator of the payment system a current list, approved by its statutory body, of the persons responsible on behalf of the participant of the payment system for completeness and correctness of orders transmitted, and a current list of persons authorised to handle on behalf of the participant of the payment system the settlement account maintained by the operator of the payment system, if any, as well as specimen signatures or electronic signatures²⁷⁾ of such authorised persons. The operator of the payment system shall submit to the participants of the payment system a current list, approved by its statutory body, of the persons responsible on behalf of the operator of the payment system for the processing of orders received from the participants of the payment system, as well as specimen signatures or electronic signatures²⁷⁾ of such authorised persons.

Article 48

(1) The operator of a payment system pursuant to Article 45(3)(a) and (b) shall make with each participant of the payment system, either on paper or in electronic form, a written payment system agreement with the same text. A payment system agreement shall incorporate a reference to the rules of the payment system. Not later than the time of conclusion of the payment system agreement, the operator of the payment system shall submit to the participants of the payment system, either on paper or in electronic form, the rules of the payment system in the state language. The rules of the payment system, including their changes, shall be binding on each participant of the payment system. The payment system agreement shall define how the operator of the payment system fulfils its obligation to inform a participant of the payment system, either on paper or in electronic form, of any change in the rules of the payment system.

(2) The rules of a payment system shall primarily define:

- (a) the operator of the payment system;
- (b) the payment system's settlement agent and the method of securing irrevocability of orders;
- (c) the participants of the payment system;
- (d) the conditions for participation in the payment system, including the conditions for suspension of participation in the payment system and for exclusion from the payment system;
- (e) the rights and obligations of the participants and the operator of the payment system;
- (f) the rules for transmission and delivery of orders, their form and shape and their structure;
- (g) the transmission method, form and shape and structure of information on transactions on settlement accounts;
- (h) the method of securing data against misuse;
- (i) the method of providing funds for the settlement of orders delivered to the payment system;
- (j) the principle of operation of the payment system and the method of settlement of mutual claims and liabilities of participants of the payment system;
- (k) the point in time of receipt of an order by the payment system in connection with the irrevocability and indissolubility of an order and the period during which the payment system accepts or executes orders, in relation to situations referred to in Article 51(3)(b) ;
- (l) the currency or currencies in which the payment system operates;
- (m) the list of charges;
- (n) the rules for claims;
- (o) particulars of other obligations and rules for payment system imposed by this Act or a separate regulation²⁸⁾;
- (p) rules of accession for participants of the payment system pursuant to Article 47(1)(f) to (h).

Article 49

(1) Documentation concerning transfers submitted to a payment system pursuant to Article 45(3)(a) to (d) shall be maintained by the participant of the payment system that has received the order.

(2) A participant and the operator of a payment system pursuant to Article 45(3)(a) and (b) shall keep settled orders for at least five years from the time they are settled. In case of a settlement error, the participant or the operator of the payment system must be able during that period of time to present the payment orders submitted.²⁹⁾

Article 50

(1) The settlement or orders within a payment system pursuant to Article 45(3)(a) and (b) shall be carried out by the settlement agent in settlement accounts.

(2) The settlement agent may determine the minimum balance requirement for a settlement account.

(3) The participants of the payment system shall ensure sufficient funds in their settlement accounts required for the settlement of orders.

(4) In case of insufficiency of funds in a settlement account, the settlement agent may provide the participant with credit that is repayable during the same business day as it is provided; in line with the rules of the payment system, such credit must be secured by a sufficient collateral, provided that acceptable collaterals may include specified securities, funds, selected claims, or other assets serving as security for liabilities. Where the collateral is a claim arising from funds deposited in an account maintained with the settlement agent, the collateralising transfer to the settlement agent of the right to such claim shall not constitute cessation of the claim by amalgamation³⁰⁾ with the liabilities (debt) of the agent arising from the funds deposited in the same account maintained with the settlement agent, unless agreed otherwise.

(5) The settlement agent shall publish, in a form and shape accessible to all participants of the payment system, a list of securities accepted as collateral.

Article 51

(1) As of the time an order is received, neither the participant of a payment system pursuant to Article 45(3)(a) and (b) nor any third party or public authority shall be able to validly revoke or dissolve the order received by the payment system, or otherwise prevent execution of such order.

(2) A declaration of bankruptcy³¹⁾ over the property of a participant of the payment system, or a participant of the payment system in an interoperable system, permission of restructuring, or suspension or limitation of payments due to another action against a participant of the payment system or a participant of the payment system in an interoperable system (hereinafter "suspension of payments") shall not affect the right to use the funds in the settlement account for the purposes of closing settlements within the payment system on the date of the declaration of bankruptcy, permission of restructuring or suspension of payments.

(3) A declaration of bankruptcy³¹⁾ over the property of a participant of the payment system or a participant of the payment system in an interoperable system, permission of restructuring, or suspension or limitation of payments shall be without prejudice to the obligation of the operator of the payment system to process and settle the orders of that participant of the payment system, nor the validity and enforceability of such orders against third parties if the orders were accepted by the payment system in accordance with the rules of the payment system adopted by that payment system or the payment system in an interoperable system:

(a) prior to the time of the declaration of bankruptcy, permission of restructuring or suspension of payments;

(b) at the time of the declaration of bankruptcy, permission of restructuring or suspension of payments and thereafter, if the orders have been executed on the date of the declaration of bankruptcy, permission of restructuring or suspension of payments, provided that the declaration of bankruptcy, permission of restructuring or suspension of payments was not known to the operator of the payment system and provided that the participants of the payment system whose orders are involved are able to prove that the declaration of bankruptcy, permission of restructuring or suspension of payments was not known to them irrespective of notifications given under Article 58(5).

(4) A retrospective calculation of mutual claims and liabilities of the participants of the payment system within that payment system shall be prohibited. A retrospective calculation of mutual claims and liabilities of the participants of a payment system in an interoperable system shall also be prohibited.

(5) A declaration of bankruptcy³¹⁾ over the property of a participant of the payment system, permission of restructuring, or suspension or limitation of payments shall be without prejudice to the right to a collateral provided by that participant of the payment system to another participant of the payment system or any other person in connection with its participation in the payment system; the right to exercise and enforce claims arising from the collateral shall also remain unprejudiced.

(6) Funds in settlement accounts as well as collateral provided by a participant of a payment system to another participant of the payment system or any other person in connection with its participation in the payment system shall not be subject to and are excluded from the enforcement of a decision under separate regulations³³⁾.

Article 51a

1) Two or more payment systems pursuant to Article 45(3)(a) and (b) or the payment systems which were reported to the European Commission by the relevant authorities of the Member States, may create an interoperable system, which means the mutual interconnection of payment systems for the purpose of executing orders between these payment systems on the basis of agreed rules between the operators of these payment systems.

2) The rules referred to in paragraph 1 hereto shall primarily define:

- (a) the payment systems in an interoperable system and their operators,
- (b) the point in time of receipt of an order by a payment system related to the irrevocability and indissolubility of an order, which point is harmonized within the payment system rules; rules of other payment systems in the interoperable system have no effect on the point in time of receipt of a payment order by the given payment system unless otherwise provided for by the rules of all payment systems,
- (c) the rules of execution of orders between the payment systems in the interoperable system,
- (d) the rights and obligations of operators of the payment systems in the interoperable system,
- (e) details on other obligations and rules stipulated by this Act.

3) An interoperable system may also include any settlement system for financial instruments⁵⁾ or the settlement system for financial instruments which was reported to the European Commission by the relevant authority of the Member State.

4) Interoperability between payment systems or settlement systems for financial instruments shall not necessarily create the payment system pursuant to this Act or the settlement system for financial instruments under a separate regulation⁵⁾.

Article 52

(1) A payment system pursuant to Article 45(3)(c) shall be operated on the basis of an authorisation for the operation of a payment system issued under this Act and a payment system agreement made in writing between the operator of the payment system and at least three other participants of the payment system, if the participants of the payment system have agreed that the payment system agreement is governed by law of the Slovak Republic.

(2) The operator of a payment system pursuant to Article 45(3)(c) shall be a legal entity. A participant of such payment system shall be a payment service provider.

(3) Payment systems pursuant to Article 45(3)(c) shall be subject, *mutatis mutandis*, to Articles 46 to 50 and Article 51(1). Accession rules regulating the accession of payment service providers, which the payment systems are required to have, shall

- (a) be objective, non-discriminating and appropriate, and not hamper the participation in the system to an extent going beyond safeguards against specific hazards, including without limitation those connected with operating risk and business risk, and protection of financial and operational stability of the payment system;
- (b) not hamper participation in other payment systems;
- (c) not create limitations on account of an institutional position.

(4) Where the operator of a payment system pursuant to Article 45(3)(c) is a participant of a payment system pursuant to Article 45(3)(a) or (b), it shall deliver the order results arising from mutual claims and liabilities of the participants of the payment system to the settlement agent in the payment system pursuant to Article 45(3)(a) or (b), which shall ensure their settlement in the settlement accounts.

Article 53

(1) A payment system pursuant to Article 45(3)(d) is a payment system,

- (a) the participants of which are solely payment service providers belonging to a group of entities linked to each other by a close relationship, or
- (b) in which a payment service provider as a single person or group acts or may act as payment service provider of both payer and payee, and has exclusive responsibility for management of such system and gives approval to other payment service providers for their participation in the payment system; such other payment service providers do not have the right to determine among themselves charges in relation to that system, but they may determine their own prices in relation to payers and payees.

(2) A payment system referred to in paragraph 1(a) shall be governed by internal rules of the group of related parties and a payment system referred to in paragraph 1(b) shall be governed by internal rules of the single person or group. The provisions of this Part of the Act shall not apply to such payment systems, except the provisions of Article 49(1), Article 54(1)(c) and Article 55(2).

Article 54

(1) Národná banka Slovenska shall maintain a list of:

- (a) payment systems pursuant to Article 45(3)(a) and (b), including a list of the operators and participants of such payment systems for the purposes of a separate regulation³⁴⁾ ;
- (b) payment systems pursuant to Article 45(3)(c), including a list of the operators and participants of such payment systems

(c) payment systems pursuant to Article 45(3)(d), including a list of the owners able to act as operator of the payment system;

(2) Národná banka Slovenska shall publish the information referred to in paragraph 1, including publication that enables remote access.

(3) Národná banka Slovenska shall disclose to the European Supervisory Authority (European Securities and Markets Authority) established in accordance with a separate regulation^{34a)} information on the payment systems operated under Article 45(3)(a) or (b) to the extent required by the European Supervisory Authority (European Securities and Markets Authority).

(4) If Národná banka Slovenska receives from a bankruptcy court or another competent public authority of the Slovak Republic a notice of declaration of bankruptcy or permission of restructuring over property or suspension of payments, or of dismissal of the bankruptcy proceeding or cancellation of bankruptcy on grounds of insufficiency of assets of a participant of a payment system or a participant of a payment system in an interoperable system operated under this Act, Národná banka Slovenska shall without undue delay notify that fact to:

(a) all participants of the payment system pursuant to Article 45(3)(a) if the notice received concerns a participant of that payment system;

(b) the operator of the payment systems pursuant to Article 45(3)(b) if the notice received concerns a participant of that payment system, provided that the operator shall be required to immediately notify that fact to all other participants of the payment system;

(c) competent authorities of other Member States designated according to their respective national laws, European Systemic Risk Board and European Supervisory Authority (European Securities and Markets Authority).

Article 55

(1) The operator of a payment system pursuant to Article 45(3), (b) or (c) shall without undue delay notify Národná banka Slovenska of:

(a) any change in the business name, registered office or place of business of each participant of the payment system, as well as any reduction in the number of participants of the payment system;

(b) any change in the rules of the payment system, made on paper or in electronic form in the state language, within one month before the date of its entry into force.

(2) The operator of a payment system pursuant to Article 45(3)(d) shall without undue delay notify Národná banka Slovenska of the name of the payment system and the business name of the owner or operator of that payment system.

(3) Participants of a payment system shall, on written request, disclose information on the payment system of which they are participants and on the rules of that payment system to any person having a lawful interest in such disclosure.

(4) The operator of a payment system pursuant to Article 45(3)(b) shall without undue delay notify Národná banka Slovenska of the establishment of an interoperable system.

Article 56

(1) Where the payment system agreement is governed by the law of the Slovak Republic, all rights and obligations of the operator of the payment system or a participant of the payment system arising in connection with its participation in the payment system, including rights of third parties to any collateral provided by a participant of the payment system in connection with its participation in the payment system, shall be governed by the law of the Slovak Republic; the foregoing shall apply whether or not bankruptcy has been declared or restructuring permitted over property of the operator or participant of the payment system, or payments by the operator or participant of the payment system have been suspended, or bankruptcy proceedings have been dismissed or bankruptcy cancelled on grounds of insufficiency of assets of the operator or participant of the payment system. This provision shall equally apply to an interoperable system and to participants of a payment system in an interoperable system, if the interoperable system is governed by the law of the Slovak Republic.

(2) Legal relationships arising from collateral provided in the form of financial instruments or other securities which are not financial instruments, including collateral provided in the form of rights connected with financial instruments or other securities which are not financial instruments, shall be governed by the law of the state where the collateral is registered, which collateral is:

(a) provided to secure the rights of

1. a participant of a payment system pursuant to Article 45(3)(a) or (b) in connection with that participant's participation in a payment system;

2. a participant of a payment system pursuant to Article 45(3)(a) or (b) in connection with the participation of this participant of the payment system in an interoperable system, ,
3. an operator of a payment system pursuant to Article 45(3)(a) or (b) in connection with the operation of this payment system, or
4. Národná banka Slovenska, the European Central Bank, any National Central Bank of other Member States and

(b) registered to the benefit of a person referred to in point (a) or a third party acting on behalf of a person referred to in point (a), provided that such collateral has been duly entered in the appropriate register or in other equivalent records kept in the Slovak Republic, or in the appropriate register or in other equivalent records kept in any of the Member States.

(3) Election of a different law for the legal relationships referred to in paragraphs 1 and 2 is excluded.

Authorisation for the operation of payment systems

Article 57

(1) A decision on the granting or change of an authorisation for the operation of a payment system pursuant to Article 45(3)(b) or (c) shall be made by Národná banka Slovenska on the basis of an application filed in writing by the applicant with Národná banka Slovenska.

(2) Granting of an authorisation for the operation of a payment system pursuant to Article 45(3)(b) shall be subject to the following conditions:

- (a) the applicant is a payment service provider having its registered office in the territory of a Member State;
- (b) the applicant satisfies the technical and organisational requirements for the operation of the payment system, including functional governance and control mechanisms and a risk management system that is appropriate to the scope of the payment system;
- (c) the applicant has prepared a strategy and a programme of operations for the payment system, supported by realistic economic calculations;
- (d) where the future operator of the payment system is concurrently the settlement agent in that payment system, the applicant shall propose how sufficient funds to cover and settle orders will be secured;
- (e) the payment system, together with the payment system agreement and rules of the payment system shall comply with the requirements for payment systems and the execution of orders laid down in this Act;
- (f) the applicant has not been convicted of any criminal offence; this fact is to be proved and documented with a proof of a clean criminal record, no older than three months.

(3) Granting of an authorisation for the operation of a payment system pursuant to Article 45(3)(c) shall be subject to the satisfaction of the following conditions:

- (a) the applicant is a legal entity having its registered office in the territory of a Member State;
- (b) the applicant satisfies the technical and organisational requirements for the operation of the payment system, including functional governance and control mechanisms and a specific risk management system in accordance with Article 52(3)(a);
- (c) any person proposed as a member of the statutory body or supervisory board or as a chief executive is a professionally competent and credible person;
- (d) the applicant has prepared a strategy and a programme of operations for the payment system, supported by realistic economic calculations;
- (e) the payment system does not have a settlement agent;
- (f) the applicant shall propose how orders will be processed and settled by the settlement agent in the payment system pursuant to Article 45(3)(a) or (b);
- (g) the payment system, including the payment system agreement and rules of the payment system shall comply with the requirements for payment systems and the execution of orders laid down in this Act;
- (h) the applicant has not been convicted of any criminal offence; this fact is to be proved and documented with a proof of a clean criminal record, no older than three months.

(4) An application pursuant to paragraph 1 shall contain:

- (a) the applicant's business name, registered address, identification number, amount of registered capital and scope of business or activity;
- (b) a draft of or the final payment system agreement;
- (c) a draft of or the final rules of the payment system;
- (d) the operation schedule of the payment system;
- (e) an analysis of risks of the payment system and the risk management methodology;
- (f) the arrangements in place to ensure protection of the electronic processing and storage of data on transfers against disclosure, misuse, damage, destruction, loss or theft;
- (g) the applicant's excerpt from the Commercial Register;³⁵⁾
- (h) a description of any other relevant matters or references to other evidence that the applicant invokes, including enclosure of any documentary evidence or officially authenticated copies thereof;
- (i) an applicant's declaration that the submitted application and its enclosures are complete, correct, true and current;

(j) indication of the place and date of the preparation of the application and the officially authenticated signature of the applicant's statutory body.

(5) The requirements in paragraphs 2 and 3 must be complied with continuously throughout the validity term of the authorisation for the operation of the payment system.

(6) An authorisation for the operation of a payment system pursuant to Article 45(3)(b) or (c) shall be granted for an indefinite period of time and shall not be transferable to another person nor assignable to a legal successor of the payment system or the operator of the payment system.

(7) The applicant shall file with the competent court of registration a petition for registration of the permitted operation of the payment system with the Commercial Register within ten days from the date the authorisation comes into force. The operator of the payment system shall submit to Národná banka Slovenska its excerpt from the Commercial Register within ten days from the date the decision of the court of registration on the registration entry or a change in the registration entry in the Commercial Register becomes final.

Article 58

(1) Národná banka Slovenska shall have the right to withdraw an authorisation for the operation of the payment system from an operator of a payment system pursuant to Article 45(3)(b) or (c) if:

- (a) the authorisation was granted on the basis of incomplete or false information;
- (b) the operator of the payment system has not commenced the operation of the payment system within six months from the date the authorisation comes into force;
- (c) the operation of the payment system has been interrupted for a period longer than six months;
- (d) major changes have occurred in matters that are decisive for the granting of the authorisation;
- (e) irregularities in the operation of the payment system, as referred to in Article 62, have been established;
- (f) the operator of the payment system hinders the exercise of supervision of the payment system; or
- (g) sanctions imposed under this Act or the separate law²⁰⁾ have failed to result in correction of the irregularities established.

(2) When withdrawn, the authorisation for the operation of the payment system shall lapse on the date that the decision on withdrawal issued by Národná banka Slovenska becomes final.

(3) Národná banka Slovenska shall deliver the decision on withdrawal of the authorisation to the operator of the payment system pursuant to Article 45(3)(b) or (c).

(4) Národná banka Slovenska shall publish the decision on withdrawal of the authorisation in the Journal of Národná banka Slovenska or on its website.

(5) Národná banka Slovenska shall send the final decision on withdrawal of the authorisation for publication in the Commercial Journal³⁶⁾ within 30 days from the date at which the decision becomes final.

(6) The withdrawal of the authorisation shall be registered in the Commercial Register.³⁵⁾ No later than 15 days from the date the decision on withdrawal of the authorisation becomes final, Národná banka Slovenska shall send the decision, accompanied by a petition for its registration, to the court keeping the Commercial Register.

Article 59

(1) An authorisation for the operation of a payment system granted under Article 57 shall lapse on the date:

- (a) on which the authorisation granted to the operator of the payment system under Article 64(1), Article 82(1) or under the separate law³⁷⁾ lapsed or was withdrawn;
- (b) as of which the operator of the payment system is dismissed on grounds other than withdrawal of the authorisation;
- (c) the decision to declare bankruptcy over property of the operator of the payment system or the decision to dismiss the bankruptcy proceeding or cancel bankruptcy on grounds of insufficiency of assets of the operator of the payment system becomes final;
- (d) as of which the operator of the payment system, pursuant to a resolution adopted by its general meeting, ceases to further operate the payment system;
- (e) as of which the number of participants of the payment system falls below the number specified in Article 46(a);
- (f) as of which the time limit for filing a petition pursuant to Article 57(7) elapses without the petition being filed.

(2) Starting from the time of delivery of the decision on withdrawal or from the date the authorisation lapses, the legal entity whose authorisation for the operation of a payment system has been withdrawn or has otherwise lapsed shall be allowed to carry out only such activities that are necessary for the termination of the operation of the payment system by that legal entity and for the settlement of that legal entity's claims and

liabilities; the foregoing shall be without prejudice to the provisions of a separate law³⁸⁾ concerning the activities that a legal entity whose authorisation for business has been withdrawn or has lapsed is allowed to carry out.

Supervision of an operator of a payment system

Article 60

(1) "Supervision of an operator of a payment system pursuant to Article 45(3)(b) or (c)" means oversight of the operator's conduct in the operation of the payment system pursuant to Article 45(3)(b) or (c) (hereinafter "supervision of an operator").

(2) The subject of supervision of an operator shall not be to decide disputes arising from contractual relationships between the operator and third parties pursuant to paragraph 1, the negotiation and decision of which falls within the authority of competent courts or other authorities in accordance with separate regulations.

(3) Activities of operators shall be subject to supervision exercised by Národná banka Slovenska in accordance with this Act and separate regulations³⁹⁾ unless this Act provides otherwise. Persons appointed by Národná banka Slovenska to exercise supervision of an operator shall not be liable to third parties for the consequences of the exercise of supervision of the operator; the foregoing is without prejudice to their liability under criminal law and their liability to Národná banka Slovenska under labour law.

(4) An operator of a payment system pursuant to paragraph 1 shall permit the exercise of supervision, refrain from any action that might hamper the exercise of supervision and provide, in the state language, all information, documentation and assistance specified in this Act or required for the purposes of the exercise of supervision by Národná banka Slovenska or by persons appointed to exercise supervision; where the documentation is in a language other than the state language, the persons being subject to supervision shall also provide, at their own expense, an officially authenticated translation of the documentation in the state language. The operator of a payment system pursuant to paragraph 1 shall permit persons appointed to exercise supervision to be present at sessions of its general meeting, supervisory board, statutory body or any other body provided that the operator of the payment system delivers at least three days' prior notice of the time and agenda of each such session to Národná banka Slovenska.

(5) If during the exercise of supervision of an operator Národná banka Slovenska establishes any facts indicating that a criminal offence has been committed, it shall without undue delay report that fact to a competent law enforcement authority.

Article 61

(1) Persons appointed to exercise supervision of an operator shall keep in confidence any facts established during the exercise of supervision of the operator; provisions of separate laws⁴⁰⁾ shall apply to this confidentiality obligation. Persons appointed to exercise supervision of an operator shall, based on information obtained during the exercise of supervision, disclose to third parties summary information from which the specific payment system or the specific person concerned cannot be identified, unless this Act or separate laws⁴⁰⁾ provide otherwise.

(2) Persons appointed to exercise supervision of an operator may use any information obtained during the exercise of supervision of the operator only for the purposes of performing their duties under this Act or duties of Národná banka Slovenska under separate laws⁴⁰⁾, as well in a judicial proceeding regarding an action against a decision rendered by Národná banka Slovenska in the exercise of supervision of the operator or a similar proceeding before an international authority.

(3) Národná banka Slovenska has the right to provide information obtained during the exercise of supervision of an operator to a supervisory authority in another state.

(4) Národná banka Slovenska also has the right to provide information obtained during the exercise of supervision of an operator to:

(a) authorities of the European Union or of the Member States of the European Union to the extent necessary in order to comply with obligations arising from the law of the European Union or from an international treaty that has been approved, ratified and promulgated in the statutory manner (hereinafter "international treaty") by which the Slovak Republic is bound;

(b) authorities of other states with which Národná banka Slovenska has made an agreement on mutual exchange of information.

(5) Národná banka Slovenska has the right to provide information obtained during the exercise of supervision of an operator to authorities and persons other than those referred to in paragraphs 3 and 4 if the conditions laid down in the separate law⁴¹⁾ are met.

(6) Information obtained during the exercise of supervision of an operator may be provided to the persons and authorities referred to in paragraphs 3 to 5 only on the condition that a law imposes on such authorities and persons an obligation to protect information and respect its confidentiality to at least the same extent as provided for in this Act.

(7) The persons and authorities referred to in paragraphs 3 to 5 to which Národná banka Slovenska has provided information obtained during the exercise of supervision of an operator shall use that information only for such purposes or such action for which the information was provided; in doing so they are obligated to respect the confidentiality of such information. The persons and authorities referred to in paragraphs 3 to 5 may mutually disclose such information only for the same purpose as it was provided; any other disclosure shall be subject to prior written approval from Národná banka Slovenska, which can be granted only if the conditions in paragraphs 3 and 5 are met.

(8) Where information is requested under the separate law⁴²⁾ that is subject to the confidentiality obligation pursuant to paragraphs 1 or 7, the obligated person⁴³⁾ shall not disclose such information.

Article 62

(1) If Národná banka Slovenska establishes irregularities in the operation of a payment system pursuant to Article 45(3)(b) or (c), it shall have the right, depending on the severity and nature of the irregularity so established, to:

- (a) impose on the operator of the payment system an obligation to correct the irregularity within a specified time limit;
- (b) order that the operator of the payment system arrange, at its own expense, an extraordinary audit of the payment system;
- (c) impose on the operator of the payment system a fine of up to EUR 300,000 or, in case of a repeated or severe irregularity, of up to EUR 600,000;
- (d) place the operator of the payment system under a special administration;
- (e) withdraw the authorisation pursuant to Article 57 from the operator of the payment system.

(2) "Irregularity in the operation of a payment system", as referred to in paragraph 1, means

- (a) violation of this Act or other generally binding legal provisions that apply to the operation of the payment system, or the rules of the payment system;
- (b) a failure to implement decisions of Národná banka Slovenska that are final;
- (c) jeopardising the security and stability of the payment system;
- (d) management of the payment system by persons who lack sufficient professional competence and credibility.

(3) Imposition of corrective measures, a fine or other sanction under paragraph 1 shall be without prejudice to the liability of the operator of the payment system under separate laws³⁸⁾.

(4) Corrective measures, fines or other sanctions pursuant to paragraph 1 may be imposed concurrently and repeatedly. A fine shall be due in 15 days from the date the decision imposing the fine becomes final. A fine shall constitute state budget revenue.

(5) Corrective measures, fines or other sanctions pursuant to paragraph 1 may be imposed within two years from the establishment of the irregularities, but no later than 10 years from their occurrence. The limitation periods under the first sentence shall be discontinued due to the occurrence of facts that constitute a reason for the termination of the limitation period in accordance with a separate law^{43a)}, while a new limitation period starts to run from the time of discontinuance of the previous limitation period. The deficiencies specified in the protocol of the on-site inspection shall be considered ascertained as at the day when the on-site inspection was completed in accordance with a separate law^{43b)}.

(6) Provisions of the separate law concerning special administration of a bank⁴⁴⁾ shall equally apply to the placing under a special administration of an operator of a payment system pursuant to Article 45(3)(b) or (c).

(7) Národná banka Slovenska shall have the right to discuss irregularities in the operation of the operator or participant of a payment system with members of its statutory body, members of its supervisory board or its chief executives even outside a proceeding on imposition of corrective measures, a fine or other sanction pursuant to this Act, and such persons shall provide to Národná banka Slovenska all assistance it requires.

PART FOUR
PAYMENT INSTITUTION

Article 63

A payment institution is a legal entity having its registered office in the territory of the Slovak Republic that is authorised to provide payment services

- (a) without limitation on the scope of the provision of payment services pursuant to Article 2(1), or
- (b) in a scope limited exclusively to payment transactions pursuant to Article 2(1)(f) under the conditions referred to in Article 79a.

Article 64

(1) A decision on the granting or a change of an authorisation for payment services shall be made by Národná banka Slovenska on the basis of a written application. An application for authorisation for payment services shall be filed by the applicant that wishes to become a payment institution and an application for a change in the authorisation shall be filed by the applicant that is the payment institution.

(2) Granting of an authorisation pursuant to Article 1 shall be subject to the applicant satisfying the following requirements:

- (a) the payment institution is a legal entity established as a business company liable to the obligation to create registered capital⁴⁵⁾ and which has a supervisory board established;
- (b) the minimum paid-up contribution to the payment institution's registered capital shall be
 - 1. EUR 20,000 if the payment institution is to provide only the payment service specified in Article 2(1)(e);
 - 2. EUR 50,000 if the payment institution is to provide only the payment service specified in Article 2(1)(f);
 - 3. EUR 125,000 if the payment institution is to provide any of the payment services specified in Article 2(1)(a) to (d) and (g).
- (c) a transparent, credible and legal origin of the monetary contribution to registered capital, as well as other sources of funds of the payment institution;
- (d) suitability of persons with qualifying holding in the payment institution and transparency of those persons' relationships with other persons, particularly transparency of their holdings in registered capital and voting rights of other legal entities;
- (e) professional competence and credibility of natural persons nominated as members of the statutory body, chief administrative officer, members of the supervisory board, chief executive and chief executive responsible for performance of internal audit;
- (f) transparency of the group with close links to which the person with qualifying holding in the payment institution belongs;
- (g) the close links within the group referred to in point (f) do not prevent the exercise of supervision of the payment institution;
- (h) the law, the method of its application and its enforceability in the state within the territory of which the group has close links does not hinder the exercise of supervision;
- (i) the articles of association of the payment institution;
- (j) adequate and proportionate technical systems, resources and procedures for the sound provision of payment services;
- (k) the payment institution's registered office, head office and the provision of payment services must be located in the territory of the Slovak Republic;
- (l) proportionate, appropriate, sound and adequate organisational prerequisites for the payment institution's business, including prudential rules and rules of its operation;
- (m) material and technical provisions for the pursuit by the payment institution of its business;
- (n) the payment institution's general business terms and conditions, which must comply with this Act;
- (o) persons with qualifying holding in the payment institution must provide evidence proving their financial ability to overcome any possible adverse financial situation of this payment institution;
- (p) systems to protect funds of payment service users pursuant to Articles 77(7) and (8) ;
- (q) the applicant has not been convicted of any criminal offence; this fact is to be proved and documented with a proof of a clean criminal record, no older than three months.

(3) An application for authorisation pursuant to paragraph 1 shall contain:

- (a) the applicant's business name, registered address, identification number, amount of registered capital and scope of business or activity;
- (b) a list of persons who will have qualifying holding in the payment institution and the amount of the qualifying holding; information in the list shall include:
 - 1. the full name, permanent address 21) in the Slovak Republic or usual address abroad, if the person does not have permanent residence in the Slovak Republic (hereinafter the "permanent address"), nationality and date of birth in case of a natural person;
 - 2. the full name, permanent address, nationality, date of birth, business name, address of the place of business and the identification number, if any, in case of a natural person being an entrepreneur;

3. the business name, registered office and identification number in case of a legal entity;
(c) the full name, permanent address, nationality, date of birth of the natural person nominated as member of the statutory body, chief administrative officer, member of the supervisory board, chief executive and chief executive responsible for performance of internal audit, and information evidencing his credibility and professional competence;
(d) the type of required payment services and other required activities referred to in Article 77(1)(a);
(e) an applicant's declaration that the submitted application and its enclosures are complete, correct, true and current;
(f) the place and date of the preparation of the application and the officially authenticated signature of the applicant;
(g) the business name and office and identification number, or the full name, permanent address, nationality and date of birth of the person nominated as auditor if the applicant has a contract with an auditor or an audit firm⁴⁶⁾ (hereinafter the "auditor").

(4) Enclosed with the application pursuant to paragraph 3 shall be:

(a) the applicant's excerpt from the Commercial Register;³⁵⁾
(b) a document evidencing that the monetary contribution to registered capital pursuant to Article 64(2)(b) has been paid up in full;
(c) the deed of foundation, foundation agreement or memorandum of association;
(d) draft articles of association of the payment institution;
(e) a concise professional curriculum vitae and a document evidencing the level of education and years of practice, and documentary proof of credibility of the persons referred to in Article 2(e), not older than three months, and a solemn declaration of their compliance with the requirements laid down in this Act;
(f) a draft of organisational structure and draft of organisational regulations of the payment institution;
(g) draft internal rules regulating the governance mechanisms and internal control mechanisms including the risk management procedure, and internal rules regulating the mechanisms to ensure protection against the laundering of proceeds from criminal activity and protection against the financing of terrorism;
(h) a proposal of procedures for the preparation, entering into, execution and settlement of transactions, including a pricing mechanism and rules if the payment institution wishes to execute or intermediate transfers of funds in a foreign currency the subject of which is purchase or sale of funds in one currency for funds in another currency at own account or a third-party account;
(i) a business plan, based on the payment institution's proposed business strategy, including a forecast budget calculation for the first three fiscal years that demonstrates that the payment institution is able to employ the appropriate and proportionate technical systems, resources and procedures to provide the payment services soundly;
(j) a detailed description of the payment institution's participation in the payment system;
(k) a detailed description of the intended use of payment service agents and branches in the provision of payment services, if the applicant plans to use payment service agents and branches;
(l) a detailed description of outsourcing arrangements, if the payment institution plans to employ such arrangements;
(m) a description of measures to protect funds of payment service users pursuant to Articles 77(7) and (8);
(n) draft general business terms and conditions;
(o) documentary evidence credibly demonstrating and proving the financial ability of the payment institution's shareholders or members to overcome any possible adverse financial situation;
(p) a description of operational functions which the payment institution intends to provide to a third person and a detailed description of the method of these functions provision to the third person.

(5) Národná banka Slovenska shall decide on the application for the granting or a change of an authorisation no later than three months from the date on which the complete application for authorisation is filed.

(6) Národná banka Slovenska shall refuse an application for authorisation pursuant to paragraph 1 if the applicant has failed to satisfy or prove satisfaction of any of the requirements in paragraph 2, or to file the application in accordance with paragraphs 3 and 4 or if, based on information acquired on the persons listed in accordance with paragraph 3(b), it has not been convinced or doubts that the listed persons are fit and proper persons to ensure sound and prudent operation of the payment institution. Refusal of an application shall not be justified by the economic needs of the market. Refusal of an application for the granting of an authorisation may be justified by maintenance of stability of the payment system.

(7) The requirements in paragraph 2 must be complied with continuously throughout the validity term of the authorisation.

(8) Before being granted an authorisation referred to in paragraph 1, an applicant who wants to become a payment institution shall credibly prove to Národná banka Slovenska its technical, organisational and personal readiness and its ability for sound and safe provision of the payment services as well as the existence of a functional, efficient and prudent management and control system of the applicant.

Article 65

(1) The authorisation pursuant to Article 64(1) shall be granted for an indefinite period of time and shall not be transferable to another person nor assignable to a legal successor of the payment institution.

(2) In addition to the general essentials of a decision pursuant to the separate law⁴⁷⁾, the statement part of the decision authorising the provision of payment services shall also contain:

- (a) a list of the payment services to be lawfully provided by the payment institution;
- (b) the full name, permanent addresses and dates of birth of the natural persons who shall act as members of the statutory body, members of the supervisory board or chief administrative officers.

(3) The authorisation pursuant to Article 64(1) may also lay down requirements that must be satisfied by the payment institution prior to taking up the payment services business or complied with in the course of the pursuit of the payment services business.

(4) The payment institution shall notify Národná banka Slovenska in writing of any change in the information specified in paragraph 2(b) and any change in any other information and matters that are decisive for the granting of authorisation without undue delay after becoming aware of such changes.

(5) The payment institution shall file with the competent court of registration a petition for registration of the authorised activities with the Commercial Register within 30 days from the date the authorisation comes into force. The payment institution shall submit to Národná banka Slovenska its excerpt from the Commercial Register within 10 days from the date the decision of the court of registration on the registration entry or a change in the registration entry in the Commercial Register becomes final.

(6) A payment institution and a branch of a foreign payment institution shall be an obligated person pursuant to the separate law⁴⁸⁾.

Article 66

(1) Prior approval from Národná banka Slovenska shall be required for:

- (a) the acquisition of a qualifying holding in a payment institution or any such increase in this qualifying holding in a payment institution where the holdings of the payment institution's registered capital or voting rights would reach or exceed 20%, 30% or 50% or the payment institution would become a subsidiary of the entity which acquired these holdings through a single transaction or a series of transactions or by concerted action;
- (b) the election or designation of persons nominated as members of the payment institution's statutory body, or supervisory board as well as the appointment of a chief administrative officer, and designation of a chief executive and a chief executive responsible for performance of internal audit;
- (c) a change in the articles of association of the payment institution except for changes which relate to activities referred to in Article 77(1)(a) and (c);
- (d) the renouncement of the authorisation for payment services;
- (e) the dissolution of the payment institution with liquidation;
- (f) a change of the payment institution's business name or registered office.

(2) Granting of prior approval:

- (a) pursuant to paragraph 1(a) shall be subject to the satisfaction of requirements in accordance with Article 64(2)(c), (d), (f) and (h) and provision of evidence of a transparent and credible origin, adequacy and appropriate structure of funds for such action;
- (b) pursuant to paragraph 1(b) shall be subject to satisfaction of requirements in accordance with Article 64(2)(e);
- (c) pursuant to paragraph 1(c) shall be subject to submission of a draft amendment to the articles of association in accordance with this Act;
- (d) pursuant to paragraph 1(d) shall be subject to submission of credible documents and a written declaration of the payment institution evidencing that by the date of renouncement of the authorisation it shall fulfil its liabilities to its payment service users;
- (e) pursuant to paragraph 1(e) shall be subject to submission of the resolution of the payment institution's statutory body on the proposed dissolution,⁴⁹⁾ and any other document evidencing the facts related to the dissolution of the payment institution,
- (f) pursuant to paragraph 1(e) shall be subject to depositing the extraordinary financial statements²⁹⁾ in the register of financial statements.^{49a)}
- (g) pursuant to paragraph 1(f) shall be subject to submitting the draft resolution of the General Meeting and draft changes to the Articles of Association.

(3) An application for granting a prior approval shall be filed:

- (a) by entities which have decided to acquire or increase a qualifying holding in a payment institution or become a parent company of a payment institution in cases pursuant to paragraph 1(a);

(b) by the payment institution or a shareholder or member with qualifying holding in the payment institution which is, pursuant to the payment institution's articles of association, authorised to such legal act in cases pursuant to paragraph 1(b);

(c) by the payment institution in cases pursuant to paragraph 1(c) to (f).

(4) Národná banka Slovenska shall decide on an application referred to in paragraph 1(a) and (c) to (e) within three months from delivery of the complete application. Národná banka Slovenska shall decide on an application referred to in paragraph 1(b) within 30 days from delivery of the complete application.

(5) In its decision on the granting of prior approval pursuant to paragraph 1(a) and (c) to (e), Národná banka Slovenska shall determine the time limit upon expiry of which the prior approval shall lapse if the act for which the prior approval was granted is not carried out. Such time limit shall not be shorter than three months and longer than one year from the date at which the decision becomes final.

(6) Národná banka Slovenska may, for the purposes of a proceeding on the application for prior approval, request the payment institution to submit an additional report prepared by an auditor.

(7) The payment institution shall, within 10 days from registration of changes in the Commercial Register or deletion of information entered in the Commercial Register for which Národná banka Slovenska has granted its prior approval, submit to Národná banka Slovenska an excerpt from the Commercial Register.

(8) Any act for which prior approval from Národná banka Slovenska is required under this Part of the Act and which has been executed without such prior approval shall be void. Any legal act executed on the basis of prior approval granted on the grounds of false data shall also be void.

(9) Where the entity intends to dispose of its qualifying holding in a payment institution or decrease its shares in the payment institution's registered capital or voting rights so that they would fall below 20%, 30% or 50% or so that the payment institution would cease to be a subsidiary of this entity, this entity shall give Národná banka Slovenska an advance notice in writing of this intent.

Article 67

(1) The authorisation granted to a payment institution pursuant to Article 64(1) shall lapse:

(a) on the date of dissolution of the payment institution on grounds other than withdrawal of the authorisation granted under Article 64(1);

(b) on the date at which the decision to declare bankruptcy over property of the payment institution or the decision to dismiss the bankruptcy proceeding or cancel bankruptcy on grounds of insufficiency of assets of the payment institution under the separate law⁵⁰⁾ becomes final;

(c) on the date the authorisation is renounced; an authorisation may be renounced only in writing and with prior approval granted in writing in accordance with Article 66(1)(d);

(d) if the payment institution has failed to file a petition for its registration in the Commercial Register within the time limit specified in Article 65(5).

(2) Národná banka Slovenska shall have the right to withdraw an authorisation granted under Article 64(1) if

(a) it was granted on the basis of information which is incomplete or false;

(b) major changes have occurred in matters that are decisive for the granting of the authorisation;

(c) the payment institution has repeatedly or grossly violated the conditions on which the authorisation was issued;

(d) the payment institution did not commence its activity for which the authorisation is granted within 12 months from the granting;

(e) the payment institution has ceased the activity for which the authorisation is granted for a period of six consecutive months;

(f) the payment institution hinders the exercise of supervision; or

(g) sanctions imposed under this Act or a separate law³⁹⁾ have failed to result in correction of the irregularities established.

(3) Národná banka Slovenska shall withdraw the authorisation granted under Article 64(1) from the payment institution if the payment institution's engagement in the payment services business might jeopardise stability of the payment system.

(4) In cases referred to in paragraph 2(d) or (e), the payment institution shall apply to Národná banka Slovenska for a change in or renouncement of the authorisation.

(5) A person with qualifying holding in the payment institution or the payment institution itself shall without undue delay notify Národná banka Slovenska in writing of the matters referred to in paragraph 1(b) and in paragraph 2(b), (d) and (e).

(6) Národná banka Slovenska shall publish a notice of lapse or withdrawal of an authorisation in the Journal of Národná banka Slovenska or on its website.

(7) As of the date of lapse of the authorisation pursuant to paragraph 1 or the time of delivery of the decision on withdrawal of the authorisation pursuant to paragraph 2, the legal entity whose authorisation was withdrawn or lapsed shall not be allowed to provide payment services and carry out any other activities, except those that are necessary for the settlement of its claims and liabilities or business operations pursuant to Article 77(1)(c); such legal entity shall carry out the payment services to settle the existing claims and liabilities through an account opened with another bank or payment institution.

(8) When carrying out activities pursuant to paragraph 7, the legal entity from which the authorisation granted under Article 64(1) was withdrawn or lapsed shall act as payment institution within the meaning of this Act until final settlement of its claims and liabilities. The obligation to submit financial statements, statistical statements and reports concerning business requirements and prudential requirements for payment institutions shall not apply to such legal entity.

(9) Národná banka Slovenska shall send the decision on withdrawal of the authorisation granted pursuant to Article 64(1) for publication in the Commercial Journal³⁶⁾ within 30 days from the date on which the decision becomes final.

(10) Where the decision on withdrawal of the authorisation granted pursuant to Article 64(1) is issued to a legal entity having a branch in another Member State, Národná banka Slovenska shall notify that fact to the supervisory authority of the state where the legal entity from which the authorisation was withdrawn has its branch.

(11) Withdrawal of an authorisation granted pursuant to Article 64(1) shall be registered in the Commercial Register³⁵⁾ within 15 days from the date the decision on withdrawal of the authorisation granted pursuant to Article 64(1) becomes final. Národná banka Slovenska shall send the decision, accompanied by a petition for the registration, to the court keeping the Commercial Register.

(12) When the decision on withdrawal of the authorisation granted pursuant to Article 64(1) becomes final and when a payment institution's activities registered in the Commercial Register include only the provision of payment services, Národná banka Slovenska shall without undue delay file with the competent court a petition for dissolution and liquidation of the payment institution and for appointment of a liquidator. The court shall not determine a time limit before rendering the decision on dissolution of the payment institution for remedy of the reason on grounds of which the dissolution was proposed.⁵¹⁾

(13) Národná banka Slovenska shall dismiss the proceeding on withdrawal of an authorisation granted pursuant to Article 64(1) if bankruptcy has been declared.³¹⁾

Article 68

(1) Where the payment institution is to be dissolved with liquidation, only Národná banka Slovenska shall have the right to submit a proposal for appointment and removal of a liquidator.

(2) The persons involved in the liquidation of the legal entity whose authorisation granted under Article 64(1) was withdrawn or lapsed shall, throughout and after the liquidation process, respect confidentiality of all matters concerning the liquidation in relation to any persons, except Národná banka Slovenska in connection with carrying out its duties under this Act or the separate law⁴⁰⁾.

(3) The liquidator shall without undue delay submit to Národná banka Slovenska the accounting statements and documents processed during the liquidation,⁵²⁾ as well as any other inputs as Národná banka Slovenska may request for the purposes of reviewing the liquidator's conduct and the liquidation process.

(4) The liquidator shall be required to enforce surrender of any benefits obtained through void or voidable legal acts by which the payment institution or its creditors have been disadvantaged. The liquidator shall also carry out all other activities that are necessary for the liquidation of that legal entity. Such activities shall be subject to approval from Národná banka Slovenska ; the granting of approval shall not be subject to provisions concerning proceedings before Národná banka Slovenska under this Act or a separate law⁵³⁾ or to the general regulation on administrative procedures⁵⁴⁾.

(5) The liquidator shall publish the statement part of the decision on liquidation of the legal entity whose authorisation is granted under Article 64(1) was withdrawn or lapsed in the Official Journal of the European Union and at least two national daily newspapers in each Member State where a branch of that legal entity is located; such publication shall be in the state language and the official language of the Member State concerned.

Article 69

(1) A payment institution shall regulate in its articles of association the relationships and cooperation between its statutory body, supervisory board and chief administrative officer, chief executive and chief executive responsible for performance of internal audit. In its articles of association the payment institution shall also allocate and regulate powers and responsibilities within the payment institution in respect of:

- (a) the development, implementation, monitoring and control of the payment institution's business plans;
- (b) the internal control system, including an autonomous and independent internal control body;
- (c) the information system;
- (d) protection against the laundering of proceeds from criminal activity and the financing of terrorism.⁵⁵⁾

(2) A payment institution shall develop and respect its internal rules and procedures to ensure compliance with prudential rules.

(3) The organisational structure of a payment institution shall include a position in charge of internal control. The payment institution shall ensure that the person in charge of internal control have access to all information and inputs required for proper performance of his duties. Proper performance of duties by the person in charge of the performance of internal control shall be the responsibility of the statutory body.

(4) A payment institution shall submit its organisational structure to Národná banka Slovenska within 10 days after any change.

(5) The statutory body of a payment institution shall have at least three members. Validity of legal acts made in writing on behalf of the payment institution shall be subject to signing by at least two members of the payment institution's statutory body, if the body acting on behalf of the payment institution is the statutory body.

(6) Members of the statutory body and chief administrative officers who have caused damage through acting in their capacity as members of the statutory body and a chief administrative officer shall have joint and several liability for such damage.

Article 70

(1) A payment institution shall develop and maintain an efficient internal control system. "Internal control" means, for the purposes of this Act, control over compliance with laws and other generally binding legal provisions, the payment institution's articles of association, prudential rules and rules for protection against the laundering of proceeds from criminal activity and the financing of terrorism.

(2) The supervisory board of a payment institution shall have the right to request the person in charge of internal control to carry out an audit, to the extent defined by the board, of the payment institution.

(3) The person in charge of internal control shall without undue delay notify the supervisory board and Národná banka Slovenska in writing of any facts he or she ascertains during his or her operation that indicate violation by the payment institution of its obligation imposed by laws, the payment institution's articles of association and prudential rules which might affect sound performance of the payment institution. The employee in charge of internal control shall not simultaneously be in charge of protection against the laundering of proceeds from criminal activity and the financing of terrorism.

(4) The person in charge of internal control shall submit to Národná banka Slovenska no later than 31 December of a calendar year a programme of control activity for the next year.

(5) The person in charge of internal control shall submit at least once a year a written report on the fulfilment of the control activity programme to the payment institution's statutory body and supervisory board. The payment institution's articles of association may specify deadlines for the submission of a report on the continuous fulfilment of the control activity programme. These written reports shall contain in particular information about shortcomings found in the payment institution's activities, related corrective measures taken and the implementation of these measures.

Article 71

(1) A payment institution shall keep a register of contracts and records relating to the provision of payment services. On request, such records shall be made available to Národná banka Slovenska without undue delay.

(2) Where the payment institution executes or intermediates transfers the subject of which is purchase or sale of funds in one currency for funds in another currency, as referred to in Article 1(2), executed on instruction given to the payment institution by the payer or the payee at the payment institution's own account or at the account of the payment service user, the payment institution shall provide separate organisational arrangements

and personnel for each of the negotiation of transactions involving such transfers, settlement and internal control of such transactions; the payment institution shall also keep separate sub-records of such transactions in its accounting system.

(3) The payment institution shall keep the documentation pursuant to paragraph 1 for a period of at least five years from the termination date of the contracts or the origination date of the records to which it relates.

(4) The payment institution may keep the documentation pursuant to paragraph 1 and any other documentation relating to the provision of payment services either on paper or in electronic form on durable media, if the traceability requirement is met and the payment institution has in place a data protection system, including safeguards against loss of data.

Article 72

(1) The payment institution's own funds must not fall below the amount of its paid-up contribution to registered capital, as defined in Article 64(2)(b). The foregoing is without prejudice to paragraph 2.

(2) A payment institution is required to have own funds amounting to at least 10% of its fixed overheads of the previous year. Where the payment institution did not pursue its business in the previous year, it shall have own funds amounting to at least 10% of its fixed overheads as projected in its business plan.

(3) A payment institution shall continuously calculate and monitor the amount of its own funds.

(4) Where a payment institution conducts other activities along with payment services or belongs to the same group as an electronic money institution, a bank, other payment institution, a securities dealer, an asset management company, an insurance undertaking, or a reinsurance undertaking, the multiple use of elements eligible for the calculation of its own funds shall not be allowed.

Article 73

(1) A payment institution may outsource, on the basis of a contract made in writing, operational functions to another entity that carries out the outsourced operational functions within the frame of its scope of business; operational functions for this purpose mean operational functions related to the provision of payment services by a payment institution. The payment institution may outsource its operational functions only on the condition that it has given Národná banka Slovenska prior notice of such intent and the outsourcing of operational functions does not result in:

- (a) a change in the payment institution's relationships and obligations towards payment service users under this Act;
- (b) a change in the facts constituting preconditions for the granting of authorisation for payment services;
- (c) a transfer of liability between the payment institution and the entity to which operational functions have been outsourced when conducting operational functions;
- (d) an impairment of the quality of internal control of the payment institution; and such outsourcing shall not hinder the exercise of supervision of the payment institution, including oversight of its operational functions.

(2) A payment institution shall ensure that payment service users be informed of the outsourcing of operational functions pursuant to paragraph 1.

(3) The conditions and requirements in paragraphs 1 and 2 must be complied with throughout the duration of the outsourcing of operational functions.

(4) Liability for any damages caused during the provision for payment services by the entity to which operational functions have been outsourced shall be borne by this payment institution. Outsourcing of operational functions shall not affect the compliance of the payment institution with its obligations under this Act. A payment institution acting pursuant to paragraph 1 shall prepare in advance and maintain internal rules to ensure compliance with the provisions of this Act.

(5) A payment institution may conduct, on the basis of a written contract, operational functions for a third person only on the condition that it has given Národná banka Slovenska prior notice of such intent.

(6) The conduct of operational functions for a third person must not result in:

- (a) a change in the payment institution's relationships and obligations towards payment service users under this Act;
- (b) a change in the facts constituting preconditions for the granting of authorisation for payment services;
- (c) a transfer of liability for the provision of payment services between the payment institution and the third person for which the payment institution conducts the operational functions;
- (d) an impairment of the quality of internal control of the payment institution and a hindrance to the exercise of supervision of the payment institution, including oversight of its operational functions.

(7) Requirements and obligations specified in paragraphs 5 and 6 must be observed continuously throughout the conduct of operational functions for a third person.

(8) The payment institution shall be liable for any damage caused by its conduct of operational functions for a third person. The conduct of operational functions for a third person shall be without prejudice to the fulfilment of the payment institution's obligations under this Act. The payment institution which conducts services in accordance with paragraph 5 shall prepare in advance and observe its internal rules for ensuring the compliance with the provisions of this Act.

Article 74

(1) Národná banka Slovenska shall maintain a list of:

- (a) the payment institutions to which an authorisation has been granted pursuant to Article 64(1), their payment service agents and foreign payment institutions registered in another Member State in accordance with Article 79(5);
- (b) branches of payment institutions and their payment service agents;
- (c) branches of foreign payment institutions and their payment service agents.

(2) The list shall also indicate the payment services for which the payment institution, branch of a payment institution or branch of a foreign payment institution is authorised, as well as the payment services provided by the payment service agent.

(3) Národná banka Slovenska shall publish the information referred to in paragraphs 1 and 2 on its website.

Article 75

(1) "Payment service agent" means, for the purposes of this Act, a person that provides payment services in accordance with Article 2(1) on behalf of a payment institution on the basis of a contract made in writing with the payment institution.

(2) A payment institution that intends to provide payment services through a payment service agent shall notify Národná banka Slovenska of:

- (a) the full name, personal ID and permanent address, or place of business if different from the permanent residence, of the payment service agent if the agent is a natural person;
- (b) the business name, registered office, legal form and identification number of the payment service agent, and the full name, personal ID and permanent address of the payment service agent's statutory body or its members and the full names, personal IDs and permanent addresses of the payment service agent's chief executives responsible for the provision of payment services if the agent is a legal entity;
- (c) the payment services which the payment institution intends to provide through the payment service agent;
- (d) a declaration that the notification and its enclosures are complete, correct, true and current.

(3) The payment institution shall enclose with notification referred to in paragraph 2:

- (a) the contract in writing with the payment service agent;
- (b) documents evidencing professional competence and credibility of the persons referred to in paragraph 2(a) and (b) engaged in the provision of payment services;
- (c) a description of internal control mechanisms of the payment service agent established in order to comply with obligations in relation to protection against the laundering of proceeds from criminal and the financing of terrorism.

(4) If the notification given under paragraph 2 is complete and the information in it is true, Národná banka Slovenska shall enter the payment service agent in the register of payment service agents within 30 days from receipt of the complete notification pursuant to paragraph 2. Národná banka Slovenska shall refuse to enter the payment service agent in the register if the notification pursuant to paragraph 2 is incomplete or proves to be false, or the payment service agent's internal control mechanisms fail to ensure compliance with obligations in relation to protection against the laundering of proceeds from criminal activity and the financing of terrorism.

(5) If the payment institution intends to provide payment services through a payment service agent in another Member State, it shall notify Národná banka Slovenska of its intent. The notification shall contain the information defined in paragraph 2.

(6) If the notification given under paragraph 2 is complete and the information in it is true, Národná banka Slovenska shall notify the competent supervisory authority of the host Member State of its intent to enter the payment service agent in the register of payment service agents. The notification of the intent to enter the payment service agent in the register of payment service agents shall contain the information and documents defined in paragraph 2(a) to (c).

(7) When entering a payment service agent in the register of payment service agents, Národná banka Slovenska shall take into account the opinion of the host Member State's supervisory authority. Národná banka Slovenska shall enter a payment service agent in the register of payment service agents within 15 days from receipt of the opinion of the host Member State's supervisory authority, and no later than 60 days after receipt of the notification pursuant to paragraph 5. Národná banka Slovenska shall refuse to enter the payment service agent in the register if the notification pursuant to paragraph 5 is incomplete or proves to be false, or if the opinion of the Member State's supervisory authority indicates that the provision of payment services through that agent might lead to the laundering of proceeds from criminal activity or the financing of terrorism.

(8) The payment institution shall without undue delay inform Národná banka Slovenska of any change in the facts specified in paragraphs 2 and 3.

(9) Národná banka Slovenska shall annul registration of a payment service agent in the register of payment service agents if:

- (a) the payment service agent was entered in the register of payment service agents on the basis of information which is incomplete or false;
- (b) it establishes that the payment service agent was or has been engaged in the laundering of proceeds from criminal activity or the financing of terrorism;
- (c) a person referred to in paragraph 2(a) and (b) engaged in the provision of payment services is no longer credible.

(10) Within 30 days from receipt of notification from the home Member State's supervisory authority of the intent to enter in the register of payment agents kept by the home Member State's supervisory authority a payment service agent through which a foreign payment institution will provide services in the territory of the Slovak Republic, Národná banka Slovenska shall send its opinion to the home Member State's supervisory authority; if Národná banka Slovenska suspects that the provision of payment services through that agent in the territory of the Slovak Republic might lead to the laundering of proceeds from criminal activity or the financing of terrorism, Národná banka Slovenska shall indicate that fact in its opinion.

(11) Liability for any damages caused during the provision of payment services by the payment service agent shall be borne by the payment institution.

Article 76

(1) A payment institution shall file the auditor's report on its audited financial statements in the public section of the Register of Financial Statements by not later than 30 June of the year following the calendar year to which the audit relates. The auditor's letter of recommendations to the management of the payment institution shall be submitted by the payment institution to Národná banka Slovenska by not later than 30 June of the year following the calendar year to which the audit relates.

(2) A payment institution shall keep accounting books in accordance with the separate law²⁹⁾; every accounting transaction related to its payment operations or any other operations shall be recorded in the accounting books on the date such accounting transaction has occurred.

(3) The auditor who audits the payment institution's financial statements shall without undue delay inform Národná banka Slovenska of any facts established during the auditing which may

- (a) lead to possible expression of reservations to the payment institution's financial statements or affect the continuous functioning of the payment institution,
- (b) indicate any established violation of laws, other generally binding legal provisions or the conditions laid down in the authorisation granted under Article 64(1), or
- (c) affect sound performance of the payment institution.

(4) A payment institution shall ensure through provisions in the agreement made in writing with the auditor or auditor firm⁴⁶⁾ that an auditor's report be prepared on the audit of information in the reports requested by Národná banka Slovenska in accordance with the generally binding legal provision adopted pursuant to Article 96. The payment institution shall submit such report to Národná banka Slovenska no later than 30 June of the year following the calendar year to which the audit relates.

(5) A payment institution shall at no charge and in a timely manner prepare and submit to Národná banka Slovenska comprehensible and clear statements, notifications, reports and other information and documents on facts related to its economic and financial situation, property circumstances and the transacting and provision of payment services both at the request of Národná banka Slovenska and in accordance with the generally binding legal provision adopted pursuant to Article 96(1)(i). Information in the statements, notifications, reports and other information and documents so submitted shall be complete, current, correct, true and provable. Where the statements, notifications, reports and other information and documents submitted fail to contain the required information, comply with the specified methodology, or where a reasonable doubt arises as to their completeness, currentness, correctness, veracity, provability or authenticity, the payment institution shall, on

request, submit to Národná banka Slovenska the supporting documents and explanations within the time limit defined by Národná banka Slovenska.

(6) A payment institution shall give Národná banka Slovenska a written notice of the auditor who has been appointed to audit its financial statements, this notice shall be given by 30 June of the calendar year or by the mid-fiscal year to which the audit relates; this also applies to auditors who provide the payment institution with audit services on behalf of and on the account of another auditor. After delivery of this notice, Národná banka Slovenska may not accept the selected auditor by 31 August of that calendar year or within eight months of the commencement of the respective fiscal year. Where a payment institution authorised in the course of a calendar year is concerned, the notice shall be given within three months after the decision to grant the authorisation becomes valid. In this case Národná banka Slovenska may not accept the auditor within 30 days of the notification delivery. The payment institution shall give Národná banka Slovenska a written notice of a new auditor within 45 days after the decision to reject the previous auditor becomes valid. Where Národná banka Slovenska rejects the new auditor, it shall determine in accordance with a separate law^{55a)} another auditor who will audit the financial statements.

(7) Provisions of paragraph 3 shall equally apply to the auditor who audits financial statements of entities belonging to the same group with close links as the payment institution.

(8) Any person with special relation to the payment institution on grounds of a separate law^{55a)}, or any auditor who does not comply with paragraph 3, may not be selected as auditor; this also apply to a natural person who conducts auditor activities on behalf of an auditor who is an audit firm.

(9) An auditor shall provide Národná banka Slovenska at its written request with information referred to in paragraph 3 and other information and findings that emerged during audit activities in the payment institution.

(10) A payment institution shall ensure the protection of electronic processing and storage of data to prevent their misuse, destruction, damage, theft or loss.

Article 77

(1) In addition to the provision of payment services pursuant to Article 2(1), a payment institution may also pursue the following business activities:

- (a) provision of operational services and pertaining supplementary services, in particular facilitation of the execution of payment transactions, money exchange business, data safekeeping and data storage and processing;
- (b) operation of payment systems under this Act;
- (c) other business activities.

(2) For the purposes of execution of a payment transaction by a payment institution, "transfer of funds" shall also refer to cashless purchase or cashless sale of funds in one currency for funds in another currency pursuant to Article 1(2), executed on instruction given to the payment institution by the payer or the payee at the payment institution's own account or at the account of the payment service user, or intermediation of such a transfer; such a transfer may only be used for the provision of payment services in accordance with Article 2(1)(c) to (f).

(3) Where the payment institution provides any of the payment services specified in Article 2(1) and at the same time pursues other business activities in accordance with paragraph 1, Národná banka Slovenska shall have the right to request that an autonomous payment institution be established if the activities pursued by the payment institution that are not linked to the provision of payment services impair or may impair financial stability of the payment institution or the ability of competent authorities to supervise whether the payment institution complies with all obligations laid down in the Act.

(4) A payment institution shall hold payment accounts for the provision of payment services that shall be used solely for payment transactions. Any funds received by the payment institution from payment service users with a view to the provision of payment services shall not constitute a deposit⁵⁷⁾ or electronic money.

(5) A payment institution may grant credit related to payment services referred to in Article 2(1)(d)(f) and (g) only if the following conditions are met:

- (a) the credit is ancillary and granted exclusively in connection with the execution of a payment transaction; the foregoing shall be without prejudice to separate laws or other generally binding legal provisions relating to the granting of credits to consumers⁵⁸⁾;
- (b) the repayment term is not longer than 12 months;
- (c) such credit is not granted from the funds received for the purpose of executing a payment transaction;
- (d) the own funds of the payment institution are at all times and to the satisfaction of the supervisory authorities appropriate in view of the overall amount of credit granted.

(6) A payment institution shall not take deposits.⁵⁷⁾

(7) A payment institution shall not commingle funds which have been received from payment service users with the funds of any persons other than the payment service users; where such funds have not been delivered to the payee or transferred to another payment service provider by the end of the business day following the day when the funds have been received, the payment institution shall deposit them in a separate account in a bank or a branch of a foreign bank or invest them in secure, liquid low-risk assets.

(8) Where the payment institution does not act in accordance with paragraph 7, it shall have an insurance policy or some other comparable guarantee from an insurance company, bank or electronic money institution that does not belong to the same group as the payment institution itself, for an amount equivalent to that which would have been segregated in the absence of the insurance policy or other comparable guarantee, payable in the event that the payment institution is unable to meet its financial obligations.

(9) Any funds received by the payment institution from payment service users shall not constitute part of the payment institution's assets nor be subject to enforcement of a decision under separate regulations³³⁾, and shall be excluded therefrom.

(10) Where the payment institution performs any of the activities referred to in paragraph 1 and a part of funds received from payment service users is to be used for payment transactions and a part of the funds serves for purposes other than payment transactions the payment institution shall act in accordance with paragraph 7 or paragraph 8 as regards the part of funds received from payment service users to be used for payment transactions. Where the part of funds received from payment service users to be used for payment transactions is unknown in advance, the payment institution shall determine the value of the average of such funds as an estimate of their projected amount on the basis of available time series of data on funds intended or used for payment transactions. Where the value of the average of such funds received from payment service users cannot be determined on the basis of time series data, it shall be determined on the basis of a business plan taking account of the requirements of Národná banka Slovenska and the proposed strategy of the applicant's activities as contained in its application under Article 64(4)(i).

Article 77a

(1) A payment institution shall be obliged to

- (a) introduce, implement and observe adequate risk management strategies and procedures to identify risks related to its activities, processes, systems and new types of transactions,
- (b) take effective measures, processes and mechanisms to manage risks related to its activities, processes, systems and new types of transactions,
- (c) monitor
 - 1. the adequacy and effectiveness of its risk management strategies and procedures,
 - 2. the level of compliance with measures, processes and mechanisms taken by a payment institution in accordance with point (b),
 - 3. the adequacy and effectiveness of corrective measures taken to remedy shortcomings of these strategies and procedures, measures, processes and mechanisms including shortcomings which stem from their non-observance.

(2) In its risk management strategy and procedures, a payment institution shall specify in particular

- (a) risks it considers significant,
- (b) principles and procedures for individual risks' management,
- (c) an acceptable level of risks taken,
- (d) procedures for contingency plan preparation in case of a liquidity crisis and for ensuring its business continuity in case of emergency.

(3) A payment institution shall include in its organisational structure a function of risk management officer(s), which function for the purpose of this Act means

- (a) the application of strategies and procedures in accordance with paragraph 1,
- (b) reporting to and advising the members of the statutory body.

(4) The risk management function shall be performed by one or more employees of a payment institution or other persons on a contractual basis, independent of other organisational units and bodies of the payment institution.

(5) A payment institution shall not be obliged to introduce a risk management function in accordance with paragraph 3 where it is inadequate as to the nature, scope and complexity of its activities or the scope of provided services and the payment institution is able to prove effective strategies and procedures in place as referred to in paragraph 1.

Article 78

(1) Activities of payment institutions, payment service agents and persons to which operational functions have been outsourced shall be subject to supervision exercised by Národná banka Slovenska in accordance with this Act and separate regulations³⁹⁾, unless this Act provides otherwise.

(2) Where Národná banka Slovenska establishes irregularities in the operation of a payment institution that rest in non-compliance with the conditions laid down in the authorisation, requirements and obligations arising from other decisions of Národná banka Slovenska imposed on the payment institution, non-compliance with or circumvention of the provisions of this Act, legally binding acts of the European Union concerning payment services, separate laws²⁰⁾ or other generally binding legal regulations concerning payment services, depending on the severity, extent, duration, consequences and nature of the irregularities so established, Národná banka Slovenska shall:

(a) impose on the payment institution an obligation to adopt corrective measures;

(b) impose on the payment institution a fine of up to EUR 300, 000 or, in case of a repeated or severe irregularity, of up to EUR 600,000;

(c) impose on the payment institution an obligation to submit special statements, notifications, reports and other information;

(d) limit or suspend the pursuit by the payment institution of any of the activities listed in the authorisation for payment services;

(e) withdraw the payment institution's authorisation for the pursuit of any of the activities listed in the authorisation for payment services;

(f) impose on the payment institution an obligation to make corrections in its accounting records or other records in accordance with the findings of Národná banka Slovenska or the auditor;

(g) impose on the payment institution an obligation to publish correction of any incomplete, incorrect or false information previously published by the payment institution regarding its business or other activity, its economic or financial situation or its property circumstances;

(h) impose on the payment institution an obligation to recognise in its accounting losses from management:

1. of its retained profits of previous years, reserves created from profits and capital reserves;

2. of the payment institution's registered capital;

(i) withdraw the payment institution's authorisation for payment services,

(j) impose on the payment institution an obligation to take any measures necessary for meeting its obligations in accordance with Article 77(7) to (10) when using funds taken from payment service users.

(3) Where Národná banka Slovenska finds that a payment institution provides payment services it is not authorised to provide under its authorisation for payment services, Národná banka Slovenska shall impose a ban on the provision of these services by the payment institution. This ban is without prejudice to provisions of paragraph 2 above.

(4) Imposition of corrective measures, fine or other sanction under paragraphs 2 and 3 shall be without prejudice to the liability of the payment institution under separate laws³⁸⁾.

(5) Corrective measures, a fine or other sanctions pursuant to paragraphs 2 and 3 may be imposed concurrently and repeatedly. A fine shall be due in 15 days from the date the decision imposing the fine becomes final. A fine so imposed shall constitute state budget revenue.

(6) Corrective measures, a fine or other sanctions pursuant to paragraphs 2 and 3 may be imposed within two years from the establishment of the irregularities but no later than 10 years from their occurrence. The limitation periods under the first sentence shall be discontinued due to the occurrence of facts that constitute a reason for the termination of the limitation period in accordance with a separate law^{43a)}, while a new limitation period starts to run from the time of discontinuance of the previous limitation period. Irregularities specified in the Protocol on the carried out on-site supervision shall be considered to be established from the day when the on-site supervision was finished in accordance with a separate law^{43b)}.

(7) Národná banka Slovenska shall have the right to discuss irregularities in the operation of the payment institution with members of its statutory body, members of its supervisory board, its chief executives or the chief executive of its internal control body even outside a proceeding on imposition of corrective measures, a fine or other sanction pursuant to paragraphs 2 and 3. Such persons shall provide Národná banka Slovenska with all assistance it requires.

(8) Where the suspicion of unauthorised provision of payment services is reasonable, Národná banka Slovenska may request necessary information related to such suspicion from the person providing these services. This person shall provide without undue delay Národná banka Slovenska at its request with required information in the required form, shape and structure, while the information can be verified directly at that person's place of business. This verification and its procedure are equally governed by a separate law^{58b)}.

(9) If Národná banka Slovenska finds in accordance with paragraph 8 that payment services are provided without any authorisation referred to in Article 64(1) or other provisions are disobeyed or circumvented of this Act, legally binding acts of the European Union relating to the provision of payment services, separate laws²⁰⁾ or other generally binding legal regulations relating to the provision of payment services, it shall prohibit the provision of these services and impose sanction against this person in accordance with paragraph 2(b) depending on the gravity, scope, duration, impacts and character of shortcomings found, and report that fact to competent law enforcement authorities if required by generally binding regulations.

(10) For the breach of obligations which arise from this Act or generally binding legal regulations relating to the conduct of activities provided for by this Act or to the conduct of supervision, from a payment institution's articles of association or from other internal regulations or for the breach of requirements or obligations imposed by a decision of Národná banka Slovenska, Národná banka Slovenska may, depending on the gravity, degree of culpability, scope, duration, impact and character of shortcomings found,

(a) impose on a member of a payment institution's statutory body or supervisory board a fine of up to 12 times his monthly average of total remuneration received during the previous year from the payment institution; where this person's remuneration was received from the payment institution only during a part of the previous year, the monthly average shall be calculated from the total remuneration for that part of the year;

(b) impose on a chief administrative officer in a payment institution a fine of up to 12 times his monthly average of total remuneration received during the previous year from the payment institution; where this officer's remuneration was received from the payment institution only during a part of the previous year, the monthly average shall be calculated from the total remuneration for that part of the year.

(11) A payment institution must, without undue delay, release from their position any person who became, on grounds of the lawful imposition of fine, unreliable in accordance with Article 2(31).

Article 79

(1) A payment institution may also provide payment services referred to in Article 2(1) in another Member State through its branch or without establishing a branch, subject to the conditions laid down in this Act.

(2) A payment institution wishing to provide payment services in another Member State for the first time shall notify to Národná banka Slovenska:

(a) the name and registered office of the payment institution;

(b) the host Member State in the territory of which it intends to provide payment services;

(c) the type of payment services it intends to provide in the territory of the host Member State;

(d) where a branch is to be established, also:

1. the registered office of the branch in the Member State;

2. the full name and permanent address of the person responsible for management of the branch;

3. the organisational structure of the branch.

(3) Národná banka Slovenska shall submit such information to the host Member State's supervisory authority within one month from receipt of notification pursuant to paragraph 2, and inform the payment institution accordingly.

(4) The payment institution shall notify Národná banka Slovenska and the host Member State's supervisory authority in writing of any changes in the information specified in paragraph 2 no later than 30 days before the date when the intended changes become effective.

(5) A foreign payment institution having its registered office in the territory of another Member State may provide payment services referred to in Article 2(1) in the territory of the Slovak Republic through its branch or, without establishing a branch, through a payment service agent if it has authorisation for such payment services granted in another Member State, subject to delivery to Národná banka Slovenska of written notification from the competent supervisory authority of the home Member State. A foreign payment institution having its registered office in the territory of another Member State shall be liable for any damage caused by the foreign payment institution's branch or payment service agent. Supervision of the branch of the foreign payment institution in the territory of the Slovak Republic shall be exercised by the supervisory authority of the home Member State.

(6) If Národná banka Slovenska wishes to carry out on-site supervision at a branch or an agent of a payment institution or a person to which operational functions have been outsourced in the territory of a host Member State, Národná banka Slovenska shall notify the competent supervisory authority of that State and cooperate with it. Národná banka Slovenska may agree with the competent supervisory authority of the host Member State that the on-the-spot supervision be carried out by that supervisory authority.

(7) Národná banka Slovenska may agree with the competent supervisory authority of the home Member State that it will carry out on-site supervision at the branch or agent of the foreign payment institution or the person to which operational functions have been outsourced in the territory of the Slovak Republic.

(8) Národná banka Slovenska shall provide competent supervisory authorities of other Member States with any necessary information, particularly in cases where violation of obligations by a branch or agent of a foreign payment institution or a person to which operational functions have been outsourced in the territory of the Slovak Republic has occurred or is suspected.

Article 79a

(1) The payment institution under Article 63(b) may provide payment services limited in scope exclusively to the provision of payment transactions under Article 2(1)(f) only on the basis of an authorisation to provide this payment service, if the average amount of payment transactions made by the payment institution during the past 12 months does not exceed EUR 3,000,000 per month, including payment transactions made by the payment institution through payment service agents. Where the average amount of payment transactions referred to in the first sentence is not available, the payment institution under Article 63(b) shall instead use the value stated in the business plan taking account of the requirements of Národná banka Slovenska and the proposed strategy of the applicant's activities as contained in its application under Article 64(4)(i).

(2) An application for authorisation under Article 63(b) is subject to the provisions of Article 64(2)(a), (b) second point, (c), (d), (i) to (m) and (p), (3)(a), (b), (d) to (g) and (4)(a) to (d), (f) to (m).

(3) An application for authorisation under Article 63(b) is subject to the provisions of Article 64(2)(e), (3)(c) and (4)(e) in relation to verifying compliance with the requirements of professional competence in accordance with Article 2(30) and credibility in accordance with Article 2(31) in the case of natural persons nominated for members of the statutory body, chief administrative officer, chief executives and chief executive responsible for performance of internal audit and which are responsible for the activity of payment service provision. In the case of natural persons nominated for members of a supervisory board, the provisions referred to in the first sentence apply only to verifying compliance with the requirement of credibility in accordance with Article 2(31).

(4) The payment institution under Article 63(b) is not subject to the provisions of Article 65(2)(b), Article 66(1)(f), Article 69(5), Article 72(1) to (3), Article 73(5) and (8) and Article 76(2).

(5) A prior consent by Národná banka Slovenska shall be required for acquiring a qualifying holding or any increase in this qualifying holding under Article 66(1)(a) in a payment institution under Article 63(b) in the form of a direct holding. A person wishing to dispose of or decrease its qualifying holding in a payment institution so that its direct holding would fall below 20%, 30% or 50%, or so that the payment institution would cease to be a subsidiary of this entity, shall be obliged to notify Národná banka Slovenska of this fact in advance in writing.

(6) A prior consent by Národná banka Slovenska in accordance with Article 66(1)(b) shall also be required for the election or appointment of persons nominated for members of the statutory body of a payment institution under Article 63(b), appointment as chief administrative officer of this payment institution, a chief executive and a chief executive responsible for performance of internal audit who are responsible for the activity of payment service provision.

(7) In addition to the provision of payment services in accordance with Article 2(1)(f), the payment institution under Article 63(b) shall be authorised to provide business activities in accordance with Article 77(1).

(8) The payment institution under Article 63(b) shall keep accounts in accordance with a separate regulation²⁹⁾.

(9) The payment institution under Article 63(b) may not
(a) provide payment services under Article 2(1), and
(b) perform activities under Article 77(1)(a)
in another Member State.

(10) Where the payment institution under Article 63(b) does not satisfy the requirement referred to in paragraph 1, it shall apply within 30 days to Národná banka Slovenska for authorisation under Article 63(a) and, after the authorisation has been granted, return forthwith and in writing the authorisation under Article 63(b); the return of the authorisation is not subject to the provision of Article 66(1)(d). If the payment institution does not apply for authorisation under Article 63(a) within the set time limit, it may not continue in providing payment services and shall be obliged to apply for a prior consent under Article 66(1)(d) to return the authorisation under Article 63(b). A legal entity whose authorisation to provide payment services under Article 2(1)(f) has lapsed shall settle all its claims and liabilities incurred from and related to the payment service provision.

(11) Once a month, the payment institution under Article 63(b) shall be obliged to inform Národná banka Slovenska of the amount of payment transactions made for the previous calendar month, including payment transactions made by the payment institution through payment service agents, unless Národná banka Slovenska decides on a different periodicity of reporting.

(12) The payment institution under Article 63(b) shall comply with the requirements under paragraphs 1 to 11 throughout the validity term of the authorisation under Article 63(b). The payment institution shall notify Národná banka Slovenska without undue delay and in writing of any change in the information and matters decisive for the granting of authorisation.

(13) A foreign payment institution which provides a limited scope of payment services cannot provide payment services in the territory of the Slovak Republic.

PART FIVE

ELECTRONIC MONEY AND AN ELECTRONIC MONEY INSTITUTION

Article 80

(1) Electronic money means electronically, including magnetically, stored monetary value as represented by a financial claim on the electronic money issuer which is issued on receipt of funds for the purpose of making payment transactions and which, based on a contract, is accepted by a person other than the electronic money issuer.

(2) Electronic money may be issued only on previous receipt of funds in an amount equal to the nominal value of received funds. Received funds, for which the electronic money issuer has immediately issued electronic money, shall not constitute a deposit.⁵⁷⁾

(3) The electronic money issuer means

- (a) a bank, a foreign bank or a branch of a foreign bank whose banking licence includes electronic money issue and administration;
- (b) an electronic money institution in accordance with Article 81(1), a foreign electronic money institution or a branch of a foreign electronic money institution;
- (c) a post office institution⁷⁾ where it is entitled under a separate law to issue electronic money;
- (d) Národná banka Slovenska or the European Central Bank when not acting in their capacity as monetary authority or where activities are concerned other than those related to their capacity as public authorities, and when issuing electronic money;
- (e) the State Treasury, Export-Import Bank of the Slovak Republic, local authorities, municipalities and higher regional authorities when entitled to issue electronic money in accordance with separate laws and where activities in their capacity as public authorities are concerned.

(4) The electronic money issuer issues electronic money on a basis of a contract on electronic money issue which shall include information about

- (a) the electronic money issuer as follows
 1. its trade name and registered office and its identification number if assigned,
 2. the registered office of its branch established in the Slovak Republic,
 3. other addresses including electronic address relevant for the communication with the electronic money issuer,
 4. if agreed, the conditions under which the electronic money issuer reserves the right to block a payment instrument where electronic money is deposited,
 5. information about an authorisation to issue electronic money, the number of Národná banka Slovenska's decision granting the authorisation to issue electronic money, information about a register where the electronic money issuer authorisation is registered or equivalent identification used by the register, and information about relevant supervisory authorities;
- (b) the electronic money holder, which includes identification data in the scope of Article 88(3)(a) first and second points;
- (c) conditions of issue and redemption of electronic money;
- (d) services to be provided to an electronic money holder when using electronic money;
- (e) the sum of fees under paragraphs 8 to 10;
- (f) the language in which the contract will be concluded and communication during this contractual relationship undertaken;
- (g) changes in and termination of the contract including:
 1. the duration of the contract,
 2. the right of the electronic money holder to terminate the contract;
- (h) redress including:
 1. any contractual clause on the law applicable to the contract or the competent courts,
 2. the complaint procedures and disputes available to the electronic money holder in accordance with Articles 89 to 95.

(5) The contract referred to in paragraph 4 may be part of the contract referred to in Article 31(2).

(6) The electronic money issuer shall inform, prior to the conclusion of the contract, the electronic money holder about the contractual conditions referred to in paragraph 4.

(7) The electronic money issuer shall redeem, upon request by the electronic money holder and at par value, the monetary value of the electronic money; it shall do so either by means of cash payment or crediting the electronic money holder's payment account.

(8) The electronic money holder may, at any time during his contractual relationship, request the electronic money issuer to redeem the issued electronic money in whole or in part.

(9) Where redemption is requested by the electronic money holder on the date of the termination of the contract in accordance with paragraph 4 or up to one year after the date of the termination of the contract, the electronic money issuer shall, free of charge:

(a) redeem the total monetary value of the electronic money; or

(b) redeem the required amount of electronic money where the electronic money issuer is the electronic money institution performing one or more of the activities in accordance with Article 81(2)(e) and it is unknown in advance what proportion of funds is to be used as electronic money.

(10) The electronic money issuer may make the redemption subject to a fee only if stated in the contract in accordance with paragraph 4 and only where

(a) the redemption is requested before the termination of the contract;

(b) the contract provides for a termination date and the electronic money holder terminates the contract before that date; or

(c) the redemption is requested more than one year after the date of termination of the contract.

(11) Any fee referred to in paragraph 10 shall not exceed the actual costs of the electronic money redemption incurred by the electronic money issuer.

(12) Conditions of electronic money redemption for a person, other than a consumer, who accepts electronic money from an electronic money holder shall be subject to a contract between the electronic money issuer and that person.

(13) Without prejudice to Article 86(13), the electronic money may only be issued by electronic money issuers referred to in paragraph 3 in the Slovak Republic.

(14) The electronic money issuer shall not derogate, to the detriment of an electronic money holder, from the provisions of this Act and separate laws⁵⁹⁾.

(15) The electronic money issuer shall be responsible for the correct issue of electronic money, correct redemption of electronic money and for safe administration of electronic money.

(16) It shall be prohibited to grant interest or any other benefit related to the length of time during which the electronic money holder holds electronic money.

Article 81

(1) An electronic money institution is a legal entity having its registered office in the territory of the Slovak Republic that is authorised, on the basis of an authorisation to issue electronic money, to issue electronic money, administer electronic money and conduct payment operations related to the issue of electronic money

(a) without limiting the amount of electronic money issued; or

(b) in a limited amount pursuant to Article 87.

(2) In addition to activities in accordance with paragraph 1, the electronic money institution referred to in paragraph 1 shall be entitled to engage in any of the following activities:

(a) the provision of payment services referred to in Article 2(1) which are specified in its authorisation to issue electronic money; the provision of payment services is provided for in Part Two of this Act;

(b) the granting of credits to payment service users related to payment services referred to in Article 2(1)(d), (f) or (g) provided this activity is included in its authorisation to issue electronic money; such credits shall not be granted from the funds received for issued electronic money or funds received for the purpose of providing payment services; the granting of credit is stipulated in Article 77(5);

(c) the provision of operational services and closely related ancillary services in respect of

1. the issuance of electronic money, or

2. the provision of payment services;

(d) the operation of payment systems, provided this activity is authorised in accordance with Article 57;

(e) business activities other than the issuance of electronic money.

(3) Where an electronic money institution provides any of the payment services listed in paragraph 2(a) and (b) and, at the same time, is engaged in activities listed in paragraph 2(c) to (e), Národná banka Slovenska may require the establishment of a separate electronic money institution if these activities of the electronic money institution which do not relate to the electronic money issue impair or are likely to impair either the financial stability of the electronic money institution or the ability of competent authorities to monitor its compliance with the obligations laid down by this Act.

(4) An electronic money institution shall be prohibited from accepting deposits.⁵⁷⁾

(5) When dealing with funds received for issued electronic money, an electronic money institution shall equally comply with requirements referred to in Article 77(7) to (10). The electronic money institution need not comply with the first sentence hereof unless these funds are credited to the electronic money institution's account or are otherwise made available to the electronic money institution; once the funds have been made available to the electronic money institution, this institution shall be obliged to comply with the requirements of the first sentence hereof by no later than five business days after the issue of electronic money. When dealing with these funds, the electronic money institution shall act so as to ensure its liquidity and minimize related market risks. For these purposes, the electronic money institution shall comply with requirements referred to in Article 77(7) to (10) when managing financial and other risks to which it is exposed, and establish a relevant functional, efficient and prudent risk management system, necessary administrative procedures and an adequate internal control system.

(6) When dealing with funds received for rendering payment services, an electronic money institution shall equally comply with requirements referred to in Article 77(4) and (7) to (10).

(7) An electronic money institution shall not issue electronic money through other persons.

(8) Without prejudice to provisions of Article 87(6), an electronic money institution may provide payment services in another Member State by engaging, on a basis of a written contract, a payment service agent referred to in Article 75.

(9) Without prejudice to provisions of Article 87(6), an electronic money institution in accordance with paragraph 1(a) may perform its activities in another Member State through its branch or without establishing a branch.

(10) An electronic money institution may distribute or redeem electronic money through other persons which act on its behalf and on a basis of a written contract.

(11) An electronic money institution shall inform Národná banka Slovenska by means of a written statement

(a) in advance of any change in measures taken for meeting requirements referred to in Article 77(7) to (10) when dealing with funds that have been received for issued electronic money, which comprise:

1. the list of changes with a description, analysis of individual reasons and an impact on risk analysis as well as an effect on the protection of administered funds,
2. rationale behind and description of taken and expected changes which are to improve the protection of administered funds taken,

(b) subsequently of the efficiency assessment of the taken changes to measures under point (a);

(c) of persons acting on its behalf in accordance with paragraph 10, namely

1. in case of a natural person, the full name, permanent address, nationality and date of birth,
2. in case of a natural person being an entrepreneur, the full name, permanent address, nationality, date of birth, trade name, address of the place of business, and identification number if assigned,
3. in case of a legal entity, the trade name, address of its registered office and identification number.

Article 82

(1) Decision on the granting or a change of an authorisation to issue electronic money shall be made by Národná banka Slovenska on the basis of an application filed in writing. An application for authorisation to issue electronic money shall be filed by the applicant wishing to become an electronic money institution and an application for a change in the authorisation shall be filed by the applicant being the electronic money institution.

(2) Granting of an authorisation to issue electronic money shall be subject to satisfaction by the applicant of the following requirements:

(a) the electronic money institution is a legal entity established as business company liable to the obligation to create registered capital⁴⁵⁾ and which has a supervisory board established;

(b) the paid-up contribution to the electronic money institution's registered capital is at least EUR 350,000;

(c) a transparent, credible and legal origin of the monetary contribution to registered capital, as well as other sources of funds of the electronic money institution;

- (d) suitability of persons with qualifying holding in the electronic money institution and transparency of those persons' relationships with other persons, particularly transparency of their holdings in registered capital and voting rights in other legal persons;
- (e) professional competence and credibility of natural persons nominated as members of the statutory body, chief administrative officer, members of the supervisory board, chief executive and chief executive responsible for performance of internal audit;
- (f) transparency of the group with close links to which the person with qualifying holding in the electronic money institution belongs;
- (g) the close links referred to in point (f) do not prevent the exercise of supervision of the electronic money institution and its operation;
- (h) the law, the method of its application and its enforceability in the state within the territory of which the group has close links does not hinder the exercise of supervision;
- (i) the electronic money institution's articles of association;
- (j) adequate and proportionate technical systems, resources and procedures for the sound issuing and administering of electronic money;
- (k) the electronic money institution's registered office, head office and the issuing of electronic money must be located in the territory of the Slovak Republic;
- (l) an analysis of risks involved in the electronic money institution's operation, the risk management system and a safe risk management methodology;
- (m) the arrangements to ensure protection of the electronic processing, storage and backup of data on payment service users and on the issuing of electronic money and to ensure protection of such data against disclosure, misuse, damage, destruction, loss or theft;
- (n) persons with qualifying holding in the electronic money institution must provide evidence of their financial ability to overcome any possible adverse financial situation of the institution;
- (o) the functional system of funds protection in accordance with Article 77(7) and (8);
- (p) other requirements whose fulfilment is prerequisite for the provision of payment services in accordance with Article 64(2) where the authorisation to issue electronic money also includes the authorisation to provide payment services;
- (q) the applicant has not been convicted of any criminal offence; this fact is to be proved and documented with a proof of a clean criminal record, no older than three months.

(3) An application for authorisation pursuant to paragraph 1 shall contain:

- (a) the applicant's business name, registered address, identification number, amount of registered capital and scope of business or activity;
- (b) a list of persons who will have qualifying holding and an amount of the qualifying holding; information in the list shall include:
 1. the full name, permanent address, nationality and date of birth in case of natural persons;
 2. the full name, permanent address, nationality, date of birth, business name, address of the place of business and the identification number, if any, in case of a natural person being an entrepreneur;
 3. the business name, registered office and identification number in case of a legal entity;
- (c) the full name, permanent address, nationality and date of birth of the natural person nominated as member of the statutory body, chief administrative officer, member of the supervisory board, chief executive and chief executive responsible for performance of internal audit, and information proving their credibility and professional competence;
- (d) an applicant's declaration that the submitted application and its enclosures are complete, correct, true and current;
- (e) the place and date of the preparation of the application and the officially authenticated signature of the applicant;
- (f) a type of required payment services and other required activities in accordance with Article 81(2)(b) and (c).

(4) Enclosed with the application pursuant to paragraph 3 shall be:

- (a) the applicant's excerpt from the Commercial Register;³⁵⁾
- (b) a document evidencing that the monetary contribution to registered capital has been paid up;
- (c) the deed of foundation, foundation agreement or memorandum of association;
- (d) draft articles of association of the electronic money institution;
- (e) a concise professional curriculum vitae and a document evidencing the level of education and years of practice, and documentary proof of credibility of the persons referred to in Article 2(e), not older than three months, and a solemn declaration of their compliance with the requirements laid down in this Act;
- (f) a draft of organisational structure and draft of organisational regulations of the electronic money institution;
- (g) draft internal rules regulating the governance and internal control mechanisms of the electronic money institution, including risk management procedures, and draft internal rules regulating anti-money laundering and anti-terrorist financing mechanisms;
- (h) a business plan, based on the electronic money institution's proposed business strategy and supported by realistic economic calculations, including a forecast budget calculation for the first three fiscal years that demonstrates that the electronic money institution is able to employ the appropriate and proportionate technical systems, resources and procedures to issue and administer electronic money soundly; such plan shall indicate

the total target sum of financial liabilities related to the issuing of electronic money for at least the first six months of the issuing of electronic money starting from the taking up of business;

- (i) documentary evidence credibly demonstrating and proving the financial ability of persons with qualifying holding in the institution to overcome any possible adverse financial situation of the applicant;
- (j) a description of measures taken to safeguard funds in accordance with Article 77(7) and (8);
- (k) a detailed description of outsourcing of operational functions where the electronic money institution plans to outsource operational functions to another entity;
- (l) a description of operational functions which the electronic money institution plans to provide to a third person and a detailed description of how these functions will be provided to that third person;
- (m) a detailed description of the electronic money institution's participation in a payment system;
- (n) a draft of contract on electronic money issuance; if trading terms and a price list are integral part of a contract on issuance of electronic money, both the draft trading terms and a draft price list must also be submitted;
- (o) further evidence to be submitted in order to provide payment services in accordance with Article 64(4)(h), (k) and (n) where the authorisation to issue electronic money also includes the authorisation to provide payment services.

(5) Národná banka Slovenska shall decide on the application for the granting or a change of an authorisation no later than three months from the date the complete application for authorisation is filed.

(6) Národná banka Slovenska shall refuse the application for authorisation if the applicant has failed to satisfy or has not proven satisfaction of any of the conditions stipulated in paragraph 2 or if, based on information acquired on the persons listed in accordance with paragraph 3(b), it has not been convinced or doubts that the listed persons are fit and proper persons to ensure sound and prudent operation of the electronic money institution. Refusal of an application shall not be justified by economic needs of the market.

(7) The requirements in paragraph 2 must be complied with continuously throughout the validity term of the authorisation.

(8) Before being granted the authorisation in accordance with paragraph 1, an applicant who wants to become an electronic money institution shall prove to Národná banka Slovenska:

- (a) its technical, organisational and personal readiness for sound and safe issuing of electronic money, existence of a functional, efficient and prudent management and control system, including a risk management system and an internal control unit;
- (b) adjustment, where appropriate, of the total target sum of financial liabilities related to the electronic money issued, as indicated in the business plan submitted under Article 4(h);
- (c) the regulation of relationships with members of the electronic money institution's statutory body through a contract in writing to which provisions of labour law⁶⁰⁾ do not apply; such contract in writing shall neither exclude nor limit the liability of the members of the electronic money institution's statutory body for any damage caused during the acting in its capacity owing to a breach of its obligation as a member of the statutory body arising from generally binding legal provisions or the electronic money institution's articles of association, internal legal rules and management rules.

Article 83

(1) The authorisation pursuant to Article 82(1) shall be granted for an indefinite period of time and shall not be transferable to another person nor assignable to a legal successor of the electronic money institution.

(2) In addition to the general essentials of a decision pursuant to the separate law⁴⁷⁾, the statement part of the decision on granting the authorisation to issue electronic money shall also contain:

- (a) the full name, permanent addresses and dates of birth of the natural persons who will act as members of the statutory body, members of the supervisory board and chief administrative officers;
- (b) approval of the electronic money institution's articles of association.

(3) The authorisation may also lay down requirements that must be satisfied by the electronic money institution prior to making use of its authorisation to issue electronic money or complied with in the course of making use of the authorisation to issue electronic money.

(4) Article 82 shall apply mutatis mutandis to an application for a change in authorisation. The electronic money institution shall notify Národná banka Slovenska in advance of any changes in the facts on which the granting of authorisation was based.

(5) The electronic money institution shall file with the competent court of registration a petition for registration of the authorised activities with the Commercial Register within 30 days from the date the authorisation comes into force. The electronic money institution shall submit to Národná banka Slovenska its excerpt from the Commercial Register within 10 days from the date the decision of the court of registration on the registration entry or a change in the registration entry in the Commercial Register becomes final.

(6) The requirements in paragraphs 1 to 5 and Article 82 must be complied with by the electronic money institution continuously throughout the validity term of the authorisation for the issuing of electronic money. The electronic money institution shall provide Národná banka Slovenska with credible evidence of the compliance in accordance with paragraph 7.

(7) An electronic money institution or a branch of a foreign electronic money institution shall at no charge and in a timely manner prepare and submit to Národná banka Slovenska comprehensible and clear statements, notifications, reports and other information and documents on facts related to its economic and financial situation, property circumstances and the transacting and issuing of electronic money both at the request of Národná banka Slovenska and in accordance with the generally binding legal provision adopted pursuant to Article 96(1)(c). Information in the statements, notifications, reports and other information and documents so submitted shall be complete, current, correct, true and provable. Where the statements, notifications, reports and other information and documents submitted fail to contain the required information or comply with the specified methodology, or where a reasonable doubt arises as to their completeness, currentness, correctness, veracity, provability or authenticity, the electronic money institution or the branch of a foreign electronic money institution shall, on request, submit to Národná banka Slovenska the supporting documents and explanations within the time limit defined by Národná banka Slovenska.

(8) An electronic money institution or a branch of a foreign electronic money institution having its registered office in another Member State, which has established a branch in the territory of the Slovak Republic, shall be an obligated person pursuant to a separate law⁴⁸⁾.

Article 84

(1) The authorisation granted under Article 82(1) shall lapse:

- (a) on the date of dissolution of the electronic money institution on grounds other than withdrawal of the authorisation granted under Article 82(1);
- (b) on the date the decision to declare bankruptcy over property of the electronic money institution or the decision to dismiss the bankruptcy proceeding or cancel bankruptcy on grounds of insufficiency of assets of the electronic money institution under a separate law⁵⁰⁾ becomes final;
- (c) on the date the authorisation is renounced; an authorisation may be renounced only in writing and with prior approval from Národná banka Slovenska, with the exception of the renouncement in accordance with Article 87(8);
- (d) if the electronic money institution did not file a petition for its registration in the Commercial Register within the time limit laid down in Article 83(5).

(2) Národná banka Slovenska shall have the right to withdraw an authorisation granted to an electronic money institution under Article 82(1) if:

- (a) it was granted on the basis of information that is incomplete or false;
- (b) major changes have occurred in matters that are decisive for the granting of the authorisation;
- (c) the electronic money institution has repeatedly or grossly violated the conditions on which the authorisation was issued;
- (d) the electronic money institution did not commence its activity for which the authorisation is granted within 12 months from the time at which it was granted;
- (e) the electronic money institution has ceased the issuing of electronic money for a period of six consecutive months;
- (f) the electronic money institution hinders the exercise of supervision; or
- (g) sanctions imposed under this Act or a separate law³⁹⁾ have failed to result in correction of the irregularities established.

(3) Where the electronic money institution may constitute a threat to the stability of the payment system by conducting its activities in the area of electronic money issue or payment services provision, provided it is a provider or a participant in the payment system, Národná banka Slovenska shall withdraw its authorisation granted in accordance with Article 82(1) and Article 87(1).

(4) In cases referred to in paragraph 2(d) or (e), the electronic money institution shall apply to Národná banka Slovenska for a change in or renouncement of the authorisation.

(5) The founder of the electronic money institution or the electronic money institution itself shall without undue delay notify Národná banka Slovenska in writing of the matters referred to in paragraph 1(b) and in paragraph 2(b), (d) and (e).

(6) Národná banka Slovenska shall publish a notice of lapse or withdrawal of an authorisation in the Journal of Národná banka Slovenska or on its website.

Article 85

(1) Prior approval from Národná banka Slovenska shall be required for:

- (a) the acquisition of a qualifying holding in an electronic money institution or any increase in this qualifying holding in an electronic money institution, where the holdings of the electronic money institution's registered capital or voting rights would reach or exceed 20%, 30% or 50% or the electronic money institution would become a subsidiary of the entity which acquired these holdings through a single transaction or a series of transactions or by concerted action;
- (b) election or designation of persons nominated as members of the electronic money institution's statutory body or supervisory board as well as the appointment of a chief administrative officer in the electronic money institution and designation of a chief executive and chief executive responsible for performance of internal audit;
- (c) a change in the articles of association of the electronic money institution;
- (d) renouncement of the authorisation to issue electronic money;
- (e) dissolution of the payment institution with liquidation;
- (f) change of the electronic money institution's business name or registered office.

(2) Granting of prior approval:

- (a) pursuant to paragraph 1(a) shall be subject to the satisfaction of requirements in accordance with Article 82(2)(c), (d), (f) and (h) and the provision of evidence of a transparent and credible origin, adequacy and appropriate structure of funds for such action;
- (b) pursuant to paragraph 1(b) shall be subject to satisfaction of requirements in accordance with Article 82(2)(e);
- (c) pursuant to paragraph 1(c) shall be subject to submission of a draft amendment to the articles of association in accordance with this Act;
- (d) pursuant to paragraph 1(d) shall be subject to submission of credible documents and a written declaration of the electronic money institution evidencing that by the date of renouncement of the authorisation it shall fulfil its liabilities to its payment service users, electronic money holders and persons who are not consumers and who accept electronic money from electronic money holders;
- (e) pursuant to paragraph 1(e) shall be subject to submission of the resolution of the electronic money institution's statutory body on the proposed dissolution⁴⁹⁾, the extraordinary financial statements²⁹⁾ and any other document evidencing facts related to the dissolution of the electronic money institution;
- (f) pursuant to paragraph 1(f) shall be subject to submission of documents evidencing facts in accordance with a separate law⁶¹⁾.

(3) Provisions of paragraph 1 shall be without prejudice to provisions of a separate law⁶²⁾.

(4) Any entity shall provide Národná banka Slovenska, upon its written request and at time specified by it, with information required for the purposes of ascertaining whether activities have been performed for which a prior approval referred to in paragraph 1 is needed, namely information about shareholders of business companies and information about the exercise of voting rights.

(5) An application for prior approval shall be submitted

- (a) pursuant to paragraph 1(a) by entities who want to acquire or increase their qualifying holding in an electronic money institution, or entities who want to become a parent undertaking of an electronic money institution;
- (b) pursuant to paragraph 1(b) by an electronic money institution, a shareholder or a partner with qualifying holding in an electronic money institution who is authorised for such an act in accordance with the electronic money institution's articles of association;
- (c) pursuant to paragraph 1(c) to (f) by an electronic money institution.

(6) An application pursuant to paragraph 1(a), (d) and (e) shall be considered by Národná banka Slovenska within three months of the delivery of a complete application. An application pursuant to paragraph 1(b) shall be considered by Národná banka Slovenska within 30 days of the delivery of a complete application. An incomplete application shall be considered a ground for its refusal.

(7) Where Národná banka Slovenska decides to refuse the application for prior approval referred to in paragraph 1(a), it shall forward this decision in writing within 2 business days of the day when this decision was taken.

(8) In its decision on the granting of prior approval pursuant to paragraph 1(a), (d) and (e), Národná banka Slovenska shall determine the time limit upon expiry of which the prior approval shall lapse if the act for which the prior approval was granted is not carried out. Such time limit shall not be shorter than three months and longer than one year from the date at which the decision becomes valid.

(9) For the purposes of a proceeding on the application for prior approval, Národná banka Slovenska may additionally request the electronic money institution to submit a report prepared by an auditor.

(10) An electronic money institution shall, within 10 days from registration of changes in the Commercial Register or deletion of information entered in the Commercial Register for which Národná banka Slovenska has granted its prior approval, submit to Národná banka Slovenska an excerpt from the Commercial Register.

(11) When considering the satisfaction of requirements referred to in paragraph 2, Národná banka Slovenska shall consult the competent authorities of other Member States where the application under paragraph 1(a) was submitted by

- (a) a foreign electronic money institution, a foreign securities dealer or a foreign asset management company authorised in another Member State, an insurance undertaking from another Member State, or a reinsurance undertaking from another Member State;
- (b) a parent undertaking of any of entities referred to in point (a); or
- (c) an entity that controls any of entities referred to in point (a).

(12) Where a holding in a foreign electronic money institution is acquired by a bank, an electronic money institution, an insurance undertaking, a reinsurance undertaking, a securities dealer, or an asset management company registered in the Slovak Republic, Národná banka Slovenska shall consult with relevant authorities of other Member States the compliance with requirements for the acquisition of a holding in a foreign electronic money institution in accordance with legal regulations of those Member States.

(13) The subject of the consultations in accordance with paragraphs 11 and 12 shall be the timely provision of information on the assessment of compliance with requirements for the acquisition of a holding in an electronic money institution or a foreign electronic money institution. Národná banka Slovenska shall provide, at its own discretion or upon request of a competent authority of another Member State, all necessary data to this competent authority. Národná banka Slovenska shall request a competent authority of another Member State for any necessary information.

(14) The decision on prior approval referred to in paragraph 1(a) shall include the position or reservation, delivered to Národná banka Slovenska, of the competent authority of another Member State which supervises the applicant referred to in paragraph 11.

(15) Any act for which a prior approval by Národná banka Slovenska is required in accordance with this Part of the Act and which was performed without such a prior approval, shall be deemed void. A legal act performed on the basis of a prior approval granted on grounds of false data shall also be deemed void.

(16) An entity which wants to dispose of a qualifying holding in an electronic money institution, or reduce its share in registered capital of an electronic money institution, as a result of which its holding would fall below 20%, 30% or 50%, or so that the electronic money institution would cease to be its subsidiary, shall give an advanced notice of this fact to Národná banka Slovenska.

Article 85a

(1) An electronic money institution shall keep record of contracts and other records related to the electronic money issue and activities under Article 81(2). These records shall be available without undue delay to Národná banka Slovenska at its request.

(2) An electronic money institution shall keep the documentation under paragraph 1 for at least five years from the day of a contract termination or production of related records.

(3) An electronic money institution shall keep the documentation referred to in paragraph 1 and other documentation related to the electronic money issue and activities under Article 81(2) in the form of physical documents or in the electronic form recorded on a durable medium, where the condition of traceability is met and the electronic money institution has in place a data-protection system, including protection against the loss of data.

Article 85b

(1) An electronic money institution's own funds shall not fall below the amount of its paid-up contribution to registered capital in accordance with Article 82(2)(b). The foregoing is without prejudice to paragraph 2.

(2) An electronic money institution shall have own funds of financing amounting to at least 2% of the average outstanding electronic money.

(3) The average outstanding electronic money shall mean the average of the total financial liabilities resulting from the issued electronic money at the end of each calendar day, for the period of the previous six calendar months; the average amount of the total financial liabilities shall be calculated on the first calendar day of each calendar month and shall be valid for that calendar month.

(4) Where an electronic money institution has been issuing electronic money for the period of less than six months, the average outstanding electronic money shall be determined as a planned average of outstanding electronic money as projected in the business plan.

(5) The own funds of an electronic money institution which performs activities referred to in Article 81(2)(a) not related to the electronic money issue shall be calculated as the sum of the amount determined in accordance with Article 72(2) and (3) and the amount calculated in accordance with paragraphs 1 and 2.

(6) Where an electronic money institution conducts other activities than the electronic money issue or belongs to the same group as other electronic money institution, a bank, a payment institution, a securities dealer, an asset management company, an insurance undertaking, or a reinsurance undertaking, the multiple use of elements eligible for the calculation of its own funds shall not be allowed.

(7) Where an electronic money institution performs any of activities referred to in Article 81(2)(a) which do not relate to the electronic money issue or any activity under Article 81(2)(b) to (e), and the average of outstanding electronic money is not known in advance, its value shall be determined with the consent of Národná banka Slovenska as an estimated expected average value of outstanding electronic money derived from the available time series of outstanding electronic money. Where the average of outstanding electronic money may not be derived in such a way, its value shall be determined on the basis of the approved business plan that takes into account requirements of Národná banka Slovenska and the proposed business strategy of the applicant's activities in his application in accordance with Article 82(4)(h).

(8) An electronic money institution shall keep accounting books in accordance with the separate law²⁹⁾; every accounting transaction related to the electronic money issue shall be recorded in the accounting books on the date such accounting transaction has occurred.

(9) An electronic money institution shall file the auditor's report on its audited financial statements²⁹⁾ in the public section of the Register of Financial Statements by not later than 30 June of the year following the calendar year to which the audit relates. The auditor's letter of recommendations to the management of electronic money institution shall be submitted by the electronic money institution to Národná banka Slovenska by not later than 30 June of the year following the calendar year to which the audit relates.

(10) An electronic money institution shall ensure through provisions in the agreement made in writing with the auditor⁴⁶⁾ that an auditor's report be prepared on the audit of information in the reports requested by Národná banka Slovenska in accordance with Article 96. The electronic money institution shall submit such report to Národná banka Slovenska no later than 30 June of the year following the calendar year to which the audit relates.

(11) The auditor who audits the electronic money institution's financial statements shall without undue delay inform Národná banka Slovenska of any facts established during the auditing which may

- (a) lead to possible expression of reservations to the electronic money institution's financial statements or affect the continuous functioning of the electronic money institution;
- (b) indicate any established violation of laws, other generally binding legal regulations or the terms and conditions laid down in the authorisation granted under Article 82(1); or
- (c) affect sound performance of the electronic money institution.

(12) An electronic money institution shall give Národná banka Slovenska a written notice of the auditor who has been appointed to audit its financial statements, this notice shall be given by 30 June of the calendar year or by mid-fiscal year to which the audit relates; this also applies to auditors who provide the electronic money institution with audit services on behalf of and on the account of another auditor. After delivery of this notice, Národná banka Slovenska may not accept the selected auditor by 31 August of that calendar year or within eight months of the commencement of the respective fiscal year. Where an electronic money institution authorised in the course of a calendar year is concerned, the notice shall be given within three months after the decision to grant the authorisation becomes valid. In this case Národná banka Slovenska may not accept the auditor within 30 days of the notification delivery. The electronic money institution shall give Národná banka Slovenska a written notice of a new auditor within 45 days after the decision to reject the previous auditor becomes valid. Where Národná banka Slovenska rejects the new auditor, it shall determine, in accordance with a separate law^{55a)}, another auditor who will audit the financial statements.

(13) Provisions of paragraph 11 shall equally apply to the auditor who audits financial statements of entities belonging to the same group with close links as the electronic money institution.

(14) Any person with special relation to the electronic money institution on grounds of a separate law^{55a)}, or any auditor who does not comply with paragraph 11, may not be selected as auditor. This also applies to a physical person who conducts auditor activities on behalf of an auditor who is an audit firm.

(15) An auditor shall provide Národná banka Slovenska at its written request with information referred to in paragraph 11 and other information and findings that emerged during audit activities in the electronic money institution.

(16) An electronic money institution shall ensure the protection of electronic processing and storage of data to prevent their misuse, destruction, damage, theft or loss.

Article 85c

(1) An electronic money institution may outsource, on the basis of a contract made in writing, operational functions to another entity that carries out the outsourced functions within the frame of its scope of business; operational functions for this purpose mean operational functions related to the activities specified in the authorisation to issue electronic money. The electronic money institution may outsource its operational functions only on the condition that it has given Národná banka Slovenska prior notice of such intent and the outsourcing of operational functions does not result in:

- (a) a change in the electronic money institution's relationships and obligations towards electronic money holders and payment service users;
- (b) a change in the facts constituting preconditions for the granting of authorisation to issue electronic money;
- (c) a transfer of liability between the electronic money institution and the entity to which operational functions have been outsourced when conducting operational functions;
- (d) an impairment of the quality of internal control of the electronic money institution; and such outsourcing shall not hinder the exercise of supervision of the electronic money institution, including oversight of its operational functions.

(2) An electronic money institution shall ensure that electronic money holders and payment service users be informed of the outsourcing of operational functions pursuant to paragraph 1.

(3) The conditions and requirements in paragraphs 1 and 2 must be complied with throughout the duration of the outsourcing of operational functions.

(4) Liability for any damages caused during the provision of operational functions by the entity to which operational functions have been outsourced shall be borne by this entity. Outsourcing of operational functions shall not affect the compliance of the electronic money institution with its obligations under this Act. An electronic money institution acting pursuant to paragraph 1 shall prepare in advance and maintain internal rules for ensuring compliance with the provisions of this Act.

(5) An electronic money institution may conduct, on the basis of a contract made in writing, operational functions for a third person only on the condition that it has given Národná banka Slovenska prior notice of such intent.

(6) The conduct of operational functions for a third person must not result in:

- (a) a change in the electronic money institution's relationships and obligations towards electronic money holders and payment service users under this Act;
- (b) a change in the facts constituting preconditions for the granting of authorisation to issue electronic money;
- (c) a transfer of liability for the activities resulting from the authorisation to issue electronic money between the electronic money institution and the third entity for which the electronic money institution conducts the operational functions;
- (d) an impairment of the quality of internal control of the electronic money institution and a hindrance to the exercise of supervision of the electronic money institution, including oversight of its operational functions.

(7) Requirements and obligations specified in paragraphs 5 and 6 must be observed continuously throughout the whole period of conduct of operational functions for a third person.

(8) The electronic money institution shall be liable for any damage caused by its conduct of operational functions for a third person. The conduct of operational functions for a third person shall be without prejudice to the fulfilment of the electronic money institution's obligations under this Act. The electronic money institution which conducts services in accordance with paragraph 5 shall prepare in advance and observe its internal rules for ensuring the compliance with the provisions of this Act.

Article 85d

(1) Národná banka Slovenska shall maintain a list of:

- (a) electronic money institutions to which an authorisation has been granted pursuant to Article 82(1);
- (b) electronic money institutions to which an authorisation has been granted pursuant to Article 87(1), and the foreign electronic money institutions registered in another Member State in accordance with Article 86(13);
- (c) branches of electronic money institutions;
- (d) branches of foreign electronic money institutions.

(2) The list under paragraph 1 shall also indicate the payment services for which the electronic money institution, branch of an electronic money institution or branch of a foreign electronic money institution is authorised, as well as the payment services provided by the payment service agent.

(3) Národná banka Slovenska shall publish the information referred to in paragraphs 1 and 2 on its website.

Article 85e

(1) An electronic money institution shall be obliged to

- (a) introduce, implement and observe adequate risk management strategies and procedures to identify risks related to its activities, processes, systems and new types of transactions;
- (b) take effective measures, processes and mechanisms to manage risks related to its activities, processes, systems and new types of transactions;
- (c) monitor
 - 1. the adequacy and effectiveness of its risk management strategies and procedures,
 - 2. the level of compliance with measures, processes and mechanisms taken by an electronic money institution in accordance with point (b),
 - 3. the adequacy and effectiveness of corrective measures taken to remedy shortcomings of these strategies and procedures, measures, processes and mechanisms including shortcomings which stem from their non-observance.

(2) In its risk management strategy and procedures, an electronic money institution shall specify in particular

- (a) risks it considers significant;
- (b) principles and procedures of individual risks' management;
- (c) an acceptable level of risks taken;
- (d) procedures for contingency plan preparation in case of a liquidity crisis and for ensuring its business continuity in case of emergency.

(3) An electronic money institution shall include in its organisational structure a function of risk management officer(s), which function for the purpose of this Act means

- (a) the application of strategies and procedures in accordance with paragraph 1;
- (b) reporting to and advising the members of the statutory body.

(4) The risk management function shall be performed by one or more employees of an electronic money institution or other persons on a contractual basis, independent of other organisational units and bodies of the electronic money institution.

(5) An electronic money institution shall not be obliged to introduce a risk management function in accordance with paragraph 3 where it is inadequate as to the nature, scope and complexity of its activities or the scope of provided services and the electronic money institution is able to prove effective strategies and procedures in place as referred to in paragraph 1.

Article 86

(1) Activities of an electronic money institution shall be subject to supervision exercised by Národná banka Slovenska in accordance with this Act and the separate regulations³⁹⁾, unless this Act provides otherwise; provisions of the separate law regulating the supplementary supervision of financial conglomerates⁶⁴⁾ shall apply to electronic money institutions.

(2) Where Národná banka Slovenska establishes irregularities in the operation of an electronic money institution that rest in non-compliance with the conditions laid down in the authorisation, requirements and obligations arising from other decisions of Národná banka Slovenska imposed on the payment institution, non-compliance with or circumvention of the provisions of this Act, legally binding acts of the European Union concerning the issuing of electronic money, separate laws²⁰⁾ or other generally binding legal provisions concerning the issuing of electronic money, depending on the severity, extent, duration, consequences and nature of the irregularities so established, Národná banka Slovenska shall:

- (a) impose on the electronic money institution an obligation to adopt remedial measures;
- (b) impose on the electronic money institution a fine of up to EUR 300,000 or, in case of a repeated or severe irregularity, of up to EUR 600,000;
- (c) impose on the electronic money institution an obligation to submit special statements, notifications, reports and other information;
- (d) limit or suspend the pursuit by the electronic money institution of any of the activities listed in the authorisation to issue electronic money;

- (e) withdraw the electronic money institution's authorisation for the pursuit of any of the activities listed in the authorisation to issue electronic money;
- (f) impose on the electronic money institution an obligation to make corrections in its accounting records or other records in accordance with the findings of Národná banka Slovenska or the auditor;
- (g) impose on the electronic money institution an obligation to publish correction of any incomplete, incorrect or false information previously published by the electronic money institution regarding its business or other activity, its economic or financial situation or its property circumstances;
- (h) impose on the electronic money institution an obligation to recognise in its accounting losses from management of:
 1. electronic money institution's retained profits of previous years, reserves created from profits and capital reserves,
 2. electronic money institution's registered capital;
- (i) place the electronic money institution under special administration;
- (j) withdraw the electronic money institution's authorisation to issue electronic money;
- (k) impose on the electronic money institution an obligation to take any measures necessary for meeting its obligations under Article 77(7) to (10) when using funds taken for the issued electronic money.

(3) Where Národná banka Slovenska finds that an electronic money institution provides payment services it is not authorised to provide under its authorisation to issue electronic money, Národná banka Slovenska shall impose a ban on the provision of these payment services by the electronic money institution. This ban is without prejudice to provisions of paragraph 2 above.

(4) The imposition of corrective measures, fine or other sanction under paragraphs 2 and 3 shall be without prejudice to the liability of the electronic money institution under separate laws³⁸⁾.

(5) Corrective measures, a fine or other sanctions pursuant to paragraphs 2 and 3 may be imposed concurrently and repeatedly. A fine shall be due in 15 days from the date the decision imposing the fine becomes final. A fine so imposed shall constitute state budget revenue.

(6) Corrective measures, a fine or other sanctions pursuant to paragraphs 2 and 3 may be imposed within two years from the establishment of the irregularities but no later than 10 years from their occurrence. The limitation periods under the first sentence shall be discontinued due to the occurrence of facts that constitute a reason for the termination of the limitation period in accordance with a separate law^{43a)}, while a new limitation period starts to run from the time of discontinuance of the previous limitation period. Irregularities specified in the Protocol on the carried out on-site supervision shall be considered to be established from the day when the on-site supervision was finished in accordance with a separate law^{43b)}.

(7) Where Národná banka Slovenska decides to withdraw the authorisation issued in accordance with Article 82(1), the liquidation and dissolution of the electronic money institution and the appointment of a liquidator shall be equally governed by the provisions of Article 67(7) to (9), (11) and (12) and Article 68.

(8) Národná banka Slovenska shall have the right to discuss irregularities in the operation of the electronic money institution with members of its statutory body, members of its supervisory board, the chief executive responsible for its internal control unit or other its chief executives, even outside a proceeding on imposition of corrective measures, a fine or other sanction pursuant to paragraphs 2 and 3. Such persons shall provide Národná banka Slovenska with all assistance it requires.

(9) Národná banka Slovenska may suspend the exercise of the right of a person to participate in and vote at the general meeting of an electronic money institution, or the right to request for summoning an extraordinary general meeting of an electronic money institution, if this person committed an act violating Article 85(1)(a) or obtained a prior approval under Article 85(1)(a) on grounds of false data. Národná banka Slovenska may also suspend the exercise of these rights of the person whose performance in relation to the electronic money institution harms the proper and prudential conduct of the electronic money institution's business.

(10) An electronic money institution wishing to issue and administer electronic money in another Member State for the first time shall notify to Národná banka Slovenska:

- (a) the name and registered office of the electronic money institution;
- (b) the host Member State in whose territory it intends to issue and administer electronic money;
- (c) a business plan based on proposed business strategy and supported by realistic economic calculations;
- (d) where a branch is to be established, also:
 1. the registered office of the branch in the Member State,
 2. the full name and permanent address of the person responsible for management of the branch,
 3. the organisational structure of the branch.

(11) Národná banka Slovenska shall submit such information to the host Member State's supervisory authority within one month from receipt of notification pursuant to paragraph 10, and inform the electronic money institution accordingly.

(12) The electronic money institution shall notify Národná banka Slovenska and the host Member State's supervisory authority in writing of any changes in the information specified in paragraph 10 no later than 30 days before the date when the intended changes become effective.

(13) A foreign electronic money institution having its registered office in the territory of another Member State may issue electronic money in the territory of the Slovak Republic through its branch or without establishing a branch if it has authorisation to issue electronic money granted in another Member State, subject to delivery to Národná banka Slovenska of written notification from the competent supervisory authority of the home Member State. Supervision of the branch of the foreign electronic money institution in the territory of the Slovak Republic shall be exercised by the supervisory authority of the home Member State.

(14) If Národná banka Slovenska wishes to carry out on site supervision at a branch of an electronic money institution in the territory of a host Member State, Národná banka Slovenska shall notify the competent supervisory authority of that state and cooperate with it. Národná banka Slovenska may agree with the competent supervisory authority of the host Member State that the on-site supervision shall be carried out by that supervisory authority.

(15) Národná banka Slovenska may agree with the competent supervisory authority of the home Member State that it will carry out on site supervision at the branch of the foreign electronic money institution in the Slovak Republic.

(16) Národná banka Slovenska shall provide competent supervisory authorities of other Member States with all necessary information, particularly in cases where violation of obligations by a branch of a foreign electronic money institution in the territory of the Slovak Republic has occurred or is suspected.

(17) Where the suspicion of unauthorised issue and administration of electronic money is reasonable, Národná banka Slovenska may request necessary information related to such suspicion from the person conducting this action. This person shall provide without undue delay Národná banka Slovenska at its request with required information in the required form, shape and structure, while the information can be verified directly at that person's place of business. This verification and its procedure is equally governed by a separate law^{58a)}.

(18) If Národná banka Slovenska finds in accordance with paragraph 17 that the issue and administration of electronic money are provided by a person without any authorisation under this Act or other provisions are disobeyed or circumvented of this Act, legally binding acts of the European Union relating to the issue and administration of electronic money, separate laws²⁰⁾ or other generally binding legal regulations which relate to the issue and administration of electronic money, it shall prohibit further issue and administration of electronic money and impose sanction against this person in accordance with paragraph 2(b) depending on the gravity, scope, duration, impacts and character of shortcomings found, and report that fact to competent law enforcement authorities if required by generally binding regulations.

(19) For the breach of obligations which arise from this Act or generally binding legal regulations relating to the conduct of activities provided for by this Act or conduct of supervision, from an electronic money institution's articles of association or from other internal regulations, or for the breach of requirements or obligations imposed by a decision of Národná banka Slovenska, Národná banka Slovenska may, depending on the gravity, degree of culpability, scope, duration, impact and character of shortcomings found,

(a) impose on a member of an electronic money institution's statutory body or supervisory board a fine of up to 12 times his monthly average of total remuneration received during the previous year from the electronic money institution; where this person's remuneration was received from the electronic money institution only during a part of the previous year, the monthly average shall be calculated from the total remuneration for that part of the year;

(b) impose on a chief administrative officer in an electronic money institution a fine of up to 12 times his monthly average of total remuneration received during the previous year from the electronic money institution; where this officer's remuneration was received from the electronic money institution only during a part of the previous year, the monthly average shall be calculated from the total remuneration for that part of the year.

(20) An electronic money institution must, without undue delay, release from their position any person who became, on grounds of the lawful imposition of fine, unreliable in accordance with Article 2(31).

Article 87

(1) An electronic money institution referred to in Article 81(1)(b) may issue electronic money to a limited extent only on the basis of authorisation to issue electronic money if the average amount of outstanding electronic money for all business activities together is at all times not greater than EUR 5,000,000. When calculating the limit of outstanding electronic money, Article 85b(4) and (7) shall be followed.

(2) The application for the authorisation under Article 81(1)(b) shall be subject to Article 82(2)(a) to (e) and (j) to (m), Article 82(3)(a) to (e) and Article 82(4)(a) to (e) and (h).

(3) The provisions of Article 85(b)(1), (2), (5) and (6) shall not apply to an electronic money institution referred to in Article 81(1)(b).

(4) Along with the issue of electronic money, an electronic money institution in accordance with Article 81(1)(b) may also perform other activities referred to in Article 81(2)(a) under conditions provided for in paragraph 5 and activities referred to in Article 81(2)(b) and (e), provided they are specified in its authorisation to issue electronic money in accordance with paragraph 1.

(5) An electronic money institution in accordance with Article 81(1)(b) may provide payment services referred to in Article 81(2)(a) not related to the issue of electronic money, provided the average value of the total sum of payment operations for the previous 12 months, including all payment service agents through which it provides payment services, does not exceed EUR 3,000,000 per month. This requirement shall be considered on the basis of the total sum of payment operations projected in the business plan while also taking into account comments of Národná banka Slovenska.

(6) An electronic money institution in accordance with Article 81(1)(b) shall not be allowed, in another Member State, to

(a) issue electronic money;

(b) provide activities referred to in Article 81(2)(a) to (c).

(7) An electronic money institution in accordance with Article 81(1)(b) shall communicate any change related to the compliance with paragraphs 1 to 3 and submit once a month to Národná banka Slovenska a report on the average amount of issued electronic money, unless the deadline for the report submission is otherwise decided by Národná banka Slovenska.

(8) Where an electronic money institution in accordance with Article 81(1)(b) does not comply with paragraphs 1 to 3, it shall apply within 30 days with Národná banka Slovenska for the authorisation in accordance with Article 82; after such authorisation has been issued the electronic money institution shall return in writing and without undue delay the authorisation in accordance with Article 81(1)(b). If this electronic money institution does not apply for authorisation within the set period, it must not continue with the issue of electronic money. In such a case, the electronic money institution shall redeem, at its own initiative within 30 days of the termination of the issue of electronic money, the monetary value of the electronic money issued by itself and return in writing the authorisation referred to in Article 81(1)(b).

(9) An electronic money institution in accordance with Article 81(1)(b) shall comply with the requirements in paragraphs 1 to 8 throughout the validity term of the authorisation. The electronic money institution shall provide, in accordance with Article 83(7) and separate regulations⁶⁵⁾, Národná banka Slovenska with credible evidence of such compliance.

(10) A foreign electronic money institution issuing electronic money to a limited extent shall not be allowed, in the territory of the Slovak Republic, to

(a) issue electronic money,

(b) provide payment services.

PART SIX

DATA PROTECTION

Article 88

(1) Payment service providers shall respect the confidentiality of any information and documents concerning matters relating to payment service users and their transactions,⁶⁶⁾ other than those that are publicly available, which payment service providers obtain during their operation under this Act, including in particular information concerning payment transactions and the use of funds by means of payment instruments. Payment service users shall keep any such information and documents concerning payment service users and their transactions in confidence and store, appropriately backup and safeguard them against unauthorised access, disclosure, misuse, alteration, damage, destruction, loss or theft. Payment service providers shall be allowed to provide any information and documents concerning matters relating to payment service users and their transactions to third parties only with prior approval given or on instruction given in writing by the payment service user concerned, unless this Act provides otherwise.

(2) The provisions of the separate law⁶⁷⁾ concerning matters protected by bank secret, disclosure of matters protected by bank secret and the confidentiality obligation of employees, members of bodies and other persons involved in the operation of banks and branches of foreign banks shall equally apply to any matters that are subject to protection under paragraph 1, the reporting by payment services users on matters that are subject

to protection under paragraph 1 and the confidentiality obligation of employees, members of bodies and other persons involved in the activities of payment service providers.

(3) For the purposes of ascertaining, verifying and checking identity of payment service users and their representatives, for the purposes of entering and executing transactions⁶⁶⁾ with payment service users in the provision of payment services under this Act, for the purposes of accepting and handling complaints of payment service users and for the other purposes referred to in paragraph 5, in any transactions with a payment service provider, payment service users and their representatives shall at the payment service provider's request, with or without approval from the persons concerned:

(a) provide to the payment service provider:

1. in case of a natural person, including a natural person representing a legal entity, the full name, permanent address, temporary address, personal ID, if any, date of birth, nationality, type and number of the identity document, and if the natural person is an entrepreneur, the place of business, scope of business, a reference to the official register or other official records⁶⁸⁾ in which he is registered, as well as the registration number;
2. in case of a legal entity, the name, identification number, if any, address of its registered office, scope of business or other activity, address where the business or its organisational units are located and address of the place where the activity is carried out; a list of persons constituting the legal entity's statutory body and information about them to the extent provided for in Point 1; a reference to the official register or other official records⁶⁸⁾ in which the legal entity is registered and the registration number ;
3. a contact telephone number, fax number and electronic address, where applicable;
4. documents demonstrating and evidencing:
 - 4a. the payment service user's ability to fulfil its liabilities from the transaction;
 - 4b. the requested security for the liabilities from the transaction;
 - 4c. authorisation for the representation, if the person is a representative;
 - 4d. satisfaction of all other requirements and conditions for the entering into or execution of a transaction laid down in this Act or separate regulations or agreed with the payment service provider;

(b) allow the payment service provider to obtain by copying, scanning or otherwise recording:

1. a face image and the title, full name, surname at birth, personal ID, date of birth, place and district of birth, permanent address, temporary address; nationality; notice of limited legal capacity; identity document type, number, issuing authority, date of issue and date of expiry; and
2. any other information from the documents that demonstrates and proves the information to which point (a) applies.

(4) For the purposes of ascertaining, verifying and checking the identity of payment service users and their representatives, for the purposes of entering and executing transactions⁶⁶⁾ with a payment service user in the provision of payment services under this Act, for the purposes of accepting and handling complaints of payment service users and for the other purposes referred to in paragraph 5, a payment service provider shall have the right in any transaction to ask the payment service user and its representative to provide the information defined in paragraph 3 and receive such information, in the manner described in paragraph 3(b), repeatedly at every transaction. The payment service user and the payment service user's representative shall accommodate every such request from the payment service provider.

(5) For the purposes of ascertaining, verifying and checking the identity of payment service users and their representatives, for the purposes of entering and executing transactions⁶⁶⁾ with payment service users in the provision of payment services under this Act, for the purposes of accepting and handling complaints of payment service users, for the other purposes of resolving disputes with payment service users arising from the provision of payment services, for the purposes of protecting and enforcing payment service provider's rights against payment service providers, for the purposes of exercising the supervision of payment service providers and their operation and compliance with their duties and obligations under this Act or separate regulations⁶⁹⁾, the payment service provider shall have the right, with or without approval from and notice to the persons concerned,⁷⁰⁾ to ascertain, obtain, record, store, use and otherwise process⁷¹⁾ personal data and other information to the extent provided for in paragraph 3; in doing so, the payment service provider shall have the right to make copies of identity documents and process personal IDs⁷²⁾ and other information and documents using automated or non-automated means to the extent provided for in paragraphs 1 and 3.

6) A payment service provider shall make available and provide⁷³⁾ any information to which paragraph 1 and paragraphs 3 to 5 apply, with or without approval from and notice to the persons concerned,⁷⁰⁾ for processing by other persons designated by law only if the conditions laid down in this Act or a separate law⁷⁴⁾ have been met, and to Národná banka Slovenska for the purposes of operating payment systems and performing the duties, supervision and activities in accordance with this Act and separate regulations. For the purposes referred to in paragraph 5, Národná banka Slovenska shall have the right to process and provide⁷³⁾ to providers of payment services, from its information systems, any information to which paragraph 1 and paragraphs 3 to 5 apply and which is kept in operational payment systems.

(7) A payment service provider shall be competent to make available and provide⁷³⁾ from its information system any information to which paragraph 1 and paragraphs 3 to 5 apply, with or without approval from and

notice to the persons concerned,⁷⁰⁾ to such persons and authorities to which it is required or authorised by virtue of law to provide information protected by the confidentiality obligation under paragraphs 1 and 2, provided that this competence shall be limited to the provision and to the extent of the provision of information protected by the confidentiality obligation under paragraphs 1 and 2.

(8) A payment service provider shall be allowed to make available or provide to foreign entities any information to which paragraph 1 and paragraphs 3 to 5 apply only if the conditions laid down in the separate law⁷⁵⁾ have been met, or if so stipulated in an international treaty by which the Slovak Republic is bound and which has precedence over laws of the Slovak Republic.

(9) Paragraphs 3 to 8 shall equally apply to the permanent court of arbitration referred to in Article 90, including the provision, obtaining, making accessible and processing of information for the purposes of that permanent court of arbitration's proceeding and deciding on disputes arising from the provision of payment services between payment service providers and their payment service users, as well as for the purposes of documenting activities of the permanent court of arbitration. However, the permanent court of arbitration shall make available and provide⁷³⁾ any information to which paragraph 1 and paragraphs 3 to 5 apply only to Národná banka Slovenska for the purposes of performing the duties, supervision and activities in accordance with this Act and separate regulations, only to Member States' authorities to a necessary extent for the purposes of cooperation in the out-of-court settlement of disputes arising from the provision of payment services, and only to parties to an arbitration before the permanent court of arbitration to a necessary extent for the purposes of the arbitration.

Article 88a

(1) In the case of a payment transaction made by means of a payment card, the recipient of the presented payment card (hereinafter "the merchant") is entitled to require proof of the cardholder's identity in the form of presentation of an identity document for the purposes of lodging and handling claims or solving disputes related to the use of payment cards; the cardholder shall be obliged to comply with the merchant's request and prove their identity by submitting an identity card, passport or other identity document in accordance with separate regulations^{75a)}. If the cardholder refuses to prove their identity, the merchant is entitled to refuse to execute the payment card transaction.

(2) The merchant may also record the type and number of the cardholder's identity document on the printed voucher from the payment terminal and is required to archive them for the period of five years from the date of the payment card transaction for the purposes of receiving and handling claims or solving disputes related to the use of payment cards. For these purposes, the merchant may provide the payment service provider with whom he has concluded a contract of payment card acceptance the voucher from the payment terminal containing the type and number of the identity document even without notifying the cardholder and without obtaining his consent. For the same purposes, the payment service provider may, even without notifying the cardholder and without obtaining his consent, provide another payment service provider the voucher from the payment terminal containing the identity document type and number of the payer who is the authorised holder of the card presented to the merchant.

(3) At payment terminals, each merchant shall make visibly accessible and readable the following information in the state language on the purpose of the merchant's authorisation to require proof of the cardholder's identity and to record the type and number of the identity document on the voucher from the payment terminal: "In the case of payment made by means of a payment card at this sales point, the merchant may require the cardholder to present an identity document (ID card, passport or other identity document) for the purpose of verifying their identity and may record the type and number of the identity document on the voucher from the payment terminal for the case of a claim regarding the correctness of a payment card transaction.

PART SEVEN

HANDLING OF COMPLAINTS AND OTHER PETITIONS AND RESOLUTION OF DISPUTES IN CONNECTION WITH PAYMENT SERVICES

Handling of complaints and other petitions in connection with the provision of payment services

Article 89

(1) A payment service user and any other interested party, including consumer associations, have the right to submit to Národná banka Slovenska a complaint if they believe that a payment service provider whose supervision is exercised by Národná banka Slovenska has infringed the provisions of this Act or any other generally binding provisions concerning payment services; for the purposes of handling complaints and other petitions and for the purposes of resolving disputes in connection with payment services, the issuing and use of electronic money shall be considered as a payment service, an electronic money issuer shall also be considered

as a payment service provider and an electronic money holder shall also be considered as a payment service user.

(2) When handling a petition received pursuant to paragraph 1, Národná banka Slovenska shall act without undue delay and obtain and review information and inputs concerning the matters which constitute the subject of the petition with a view to establishing the facts and legal status of the case and the irregularities, if any, in conduct of the payment service provider whose supervision is exercised by Národná banka Slovenska, the causes and consequences of such irregularities and the persons liable therefor. Where, based on a petition referred to in paragraph 1, Národná banka Slovenska establishes that the payment service provider whose supervision is exercised by Národná banka Slovenska has infringed the provisions of this Act or any other generally binding legal provisions concerning payment services, Národná banka Slovenska shall launch against the payment service provider a proceeding on imposition of a corrective measure, penalty or other sanction under this Act and separate regulations concerning supervision of the financial market.³⁹⁾

(3) Included in a notice of examination and decision of a petition pursuant to paragraph 1 by Národná banka Slovenska shall be information on the available dispute resolution procedures pursuant to Articles 90 to 95.

(4) Where the payment service user or the other interested party, including a consumer association, believes that a payment service provider whose supervision is exercised by an authority other than Národná banka Slovenska has infringed the provisions of this Act or any other generally binding legal provisions concerning payment services, it shall have the right to submit a complaint to such other competent supervisory authority⁷⁶⁾ and that authority shall handle the complaint so received in accordance with the complaint procedure provided for in paragraphs 2 and 3.

(5) A payment service provider shall accept any complaint concerning the provision of payment services. The form, shape and method of receiving complaints shall be regulated in a framework contract.

(6) The payment service provider shall without undue delay establish whether the complaint is justified. The foregoing is without prejudice to the provisions of Article 10 concerning the authentication verification and evidence, Article 14 regulating the time limits for the refund, and Articles 21 and 22 concerning the assessment of payment service provider's liability. The payment service provider shall without undue delay and in the manner agreed in the framework contract notify the complaint procedure result to the payment service user.

(7) Paragraph 6 shall apply mutatis mutandis to the handling of complaints concerning payment services provided in currencies referred to in Article 1(2)(b) or (c), provided that the total duration of the complaint procedure shall be no longer than 30 calendar days, and no longer than six months in intricate cases. The payment service provider shall notify that fact to the payment service user within the 30-day time limit.

(8) Any expenses incurred in connection with the complaint procedure shall be borne by the payment service provider. Any expenses incurred in connection with the preparation and submission of the complaint and its enclosures shall be borne by the complainant.

(9) Payment service providers shall provide each other mutual assistance in the complaint procedures.

(10) A payment service provider shall:

(a) develop and make available the rules for claims;

(b) keep records of complaints and, on request, submit the same to Národná banka Slovenska for consultation.

Dispute resolution by the permanent court of arbitration

Article 90

(1) Payment service providers shall, either jointly or through their professional association⁷⁷⁾, establish a permanent court of arbitration and facilitate its operation in accordance with the separate law on arbitration⁷⁸⁾, which shall have its registered office in Bratislava; branches of the permanent court of arbitration may be established by way of the court's statute.

(2) The permanent court of arbitration shall be competent to decide in particular disputes arising between payment service providers and payment service users in the provision of payment services.

(3) A payment service provider shall offer to its payment service user an irrevocable proposal for conclusion of an arbitration agreement stipulating that any mutual disputes arising between them in connection with payment services be decided by arbitration before the permanent court of arbitration referred to in paragraph 1 in a manner that allows the payment service user to elect whether to accept the proposal to conclude the arbitration agreement. When proposing the conclusion of an arbitration agreement, the payment service provider shall also provably inform the payment service user of implications of the conclusion of the proposed arbitration agreement for the resolution of their mutual disputes in connection with payment services.

(4) The payment service provider shall submit the proposal to conclude an arbitration agreement to the payment service user, as referred to in paragraph 3, as part of the framework contract defined in Article 31. The payment service user shall not be obligated to accept the proposed draft of arbitration agreement. If the payment service user does not accept the proposal to conclude an arbitration agreement, any disputes between the payment service user and its payment service provider shall be resolved through a procedure in accordance with separate regulations⁷⁹⁾.

Article 91

(1) Expenses on the operation of the permanent court of arbitration shall be covered from annual contributions made by payment service providers which have their registered office or have established a branch in the territory of the Slovak Republic.

(2) The amount of annual contributions shall be proposed by the founder of the permanent court of arbitration and determined by Národná banka Slovenska on the basis of a proposal from the founder of the permanent court of arbitration. At the proposal from the founder of the permanent court of arbitration, Národná banka Slovenska may determine that the annual contribution be not payable if previous years' income of the permanent court of arbitration is sufficient to cover its operation.

(3) The founder of the permanent court of arbitration shall submit a proposal for the annual contribution amount to Národná banka Slovenska no later than 15 April of a calendar year. The annual contribution amount shall be determined no later than 30 April and the contribution shall be due on 31 May of the calendar year to which the contribution relates.

Article 92

Proceedings before the permanent court of arbitration on disputes between payment service users and their payment service providers shall be free of charge. A proceeding before the permanent court of arbitration on a dispute other than arising between payment service users and their payment service providers shall be subject to payment of the costs in accordance with the rules on arbitration costs, as stipulated in the rules of procedure of the permanent court of arbitration.⁸⁰⁾

Article 93

(1) The parties to arbitration may agree that the place of arbitration be the head office or a branch of the permanent court of arbitration, if established. Where the parties to arbitration do not make such an agreement, at the proposal of the payment service provider being a party to arbitration, the permanent court of arbitration shall determine that the place of arbitration will either be its head office or any of its branches, if established.

(2) The payment service user shall have the right to arbitration conducted in the language of the arbitration agreement or the language in which he usually negotiates with the payment service provider.

(3) The parties to arbitration shall contribute to the consummation of the purpose of arbitration particularly by describing truly and completely all necessary matters, identifying the means of evidence and following the instructions given by the permanent court of arbitration.

(4) Where the payment service user is not able to submit in the arbitration any proposed document, deed or other evidence related to the arbitration because such document, deed or other evidence is possessed by the payment service provider, at the request of the payment service user or of the permanent court of arbitration, the payment service provider shall without undue delay submit such document, deed or other evidence to the permanent court of arbitration.

Article 94

The founder of the permanent court of arbitration shall submit to Národná banka Slovenska a report on the operation and financial management of the permanent court of arbitration for a calendar year no later than 31 March of the next calendar year. The founder of the permanent court of arbitration shall also notify Národná banka Slovenska of any adopted statute, the adopted rules of procedure of the permanent court of arbitration and any adopted change; such notification shall be given without undue delay after the adoption.

Article 95

(1) The permanent court of arbitration shall cooperate in any disputes in connection with payment services with Member States' authorities that are competent with regard to the out-of-court decision of disputes in connection with payment services.

(2) The permanent court of arbitration or an arbitrator shall notify Národná banka Slovenska of any infringement by payment service providers of the rules for the provision of payment services that the permanent court of arbitration establishes in the course of deciding disputes in connection with payment services.

PART EIGHT

ENABLING, COMMON, TRANSITIONAL AND FINAL PROVISIONS

Article 96 Enabling provisions

(1) Regulation⁸¹⁾ shall be adopted by Národná banka Slovenska and promulgated in the Collection of Laws of the Slovak Republic, laying down:

(a) particulars of the conditions for granting authorisation to issue electronic money pursuant to Article 82(2) and (7); the manner of demonstrating and proving compliance with those conditions; the extent and method of and time limits for demonstrating and proving compliance with the other conditions, requirements and limitations in accordance with Articles 82 to 84; and particulars of applications for the granting or a change of authorisation to issue electronic money pursuant to Article 82(1)(3) and (4) including essential elements and enclosures of such applications;

(b) the manner and methods of calculating values and risk weights of investments, assets, designated risk-weighted assets and own funds of an electronic money institution and payment institution, time limits and due dates for such calculations, as well as what constitutes risks, investments, assets, designated risk-weighted assets and own funds of an electronic money institution and payment institution; further particulars of investments and own funds of an electronic money institution and payment institution; rules and methods for identifying and calculating risks and the method and procedure for the risk management of an electronic money institution and payment institution, and particulars of the risk management system, administrative procedures and internal control system of an electronic money institution and payment institution;

(c) the structure of statements, reports, notifications and other information that an electronic money institution or a branch of a foreign electronic money institution is required under Article 83(7) to prepare and submit to Národná banka Slovenska; the scope, content, breakdown, and due dates, form, shape, method, procedure and place of submission of such statements, reports, notifications and other information, including the methodology for their preparation;

(d) particulars of the conditions and limitations laid down in Article 85(1); the extent and method of and due dates for demonstrating and proving compliance with those conditions and limitations;

(e) the manner of proving compliance with the conditions for granting authorisation for payment services pursuant to Article 64(2);

(f) what constitutes own funds of a payment institution and the method of their calculation, as well as the meaning of safe, liquid and low-risk assets referred to in Article 77(7);

(g) the structure, manner of formation and verification of a bank connection including bank account numbers and identification codes of payment service providers or operators of payment systems; the structure of the international bank account number (IBAN); and particulars of the issuing, publishing and distributing a converter of identification codes;

(h) the structure of statements, reports, notifications and other information submitted by payment institutions under Article 76(5), as well as the scope, content, breakdown, and due dates, form, shape, method, procedure and place of submission of such statements, reports, notifications or other information, including the methodology for their preparation;

(i) particulars of the conditions and requirements laid down in Article 87; the extent and method of and time limits for demonstrating and proving compliance with those conditions and limitations; and particulars of applications for granting authorisation pursuant to Article 87, including the essential elements and enclosures of such applications.

(2) Regulation⁸¹⁾ may be adopted by Národná banka Slovenska and promulgated in the Collection of Laws of the Slovak Republic, laying down:

(a) the structure of statements, reports, notifications and other information submitted by operators of payment systems under Article 45(3)(b) to (d), as well as the scope, content, breakdown, and due dates, form, shape, method, procedure and place of submission of such statements, reports, notifications or other information, including the methodology for their preparation;

(b) the structure of statements, reports, notifications and other information on the provision of payment services or on the execution of payment transactions, submitted by payment institutions and branches of foreign payment institutions, as well as the scope, content, breakdown, and due dates, form, shape, method, procedure and place of submission of such statements, reports, notifications or other information, including the methodology for their preparation;

(c) the structure of statements, reports, notifications and other information on the issuing and use of electronic money submitted by electronic money institutions and branches of foreign electronic money institutions, as well as the scope, content, breakdown, and due dates, form, shape, method, procedure and place of submission of such statements, reports, notifications or other information, including the methodology for their preparation;

- (d) the application and assigning procedure for a direct debit payee identifier for the purposes of the execution of direct debits within the Single Euro Payments Area (SEPA), elements of an application for assigning a direct debit payee identifier; rules on maintenance and use of a registry of direct debit payee identifiers and a specific registry of misused direct debit payee identifiers, as well as the scope, method and conditions for lodging data at these registries and making them available, and technical protection of lodged and provided sources; this provision may also lay down the amount or rate of the fee for assigning a direct debit payee identifier as well as further details on these fees, the method of calculating their value and details on their payment;
- (e) the structure of statements, reports, notifications and other information submitted by operators of payment systems pursuant to Article 34(d), as well as to the scope, content, breakdown, due dates, form, shape, method, procedure and place of submission of such statements, reports, notifications, and other information including the methodology for their preparation;
- (f) the list pursuant to Article 44a.

Common provisions

Article 97

This act transposes the legally binding acts of the European Union listed in the Annex.

Article 97a

Limited provider and its services

(1) A limited provider means a person which provides services based on a use of payment instruments or similar technical instruments for the specific purpose and within a limited network in accordance with Article 1(3)(k).

(2) Within 30 calendar days before the day planned for the start of the services provision in accordance with Article 1(3)(k), a limited provider shall notify Národná banka Slovenska in writing of the planned start of the use of payment instruments or similar technical instruments for payment operations or electronic storage of equity values within a limited network, submitting at least these data:

(a) identification data of the limited provider:

1. in case of a legal entity, the name, identification number, if any, address of its registered office, scope of business or other activity, address where the business or its organisational units are located and any other address of the place where the activity is carried out; a reference to the official register or other official records⁶⁸⁾ in which the legal entity is registered and its registration number therein,
2. in case of a natural person being an entrepreneur, his name, surname, birth name, personal ID, if any, date of birth, place and district of birth, permanent address, temporary address, if any, nationality, type and number of the identity document, identification number, if any, place of business, scope of business, a reference to the official register or other official records⁶⁸⁾ in which he is registered, as well as his registration number therein;

(b) the day of the planned start of payment operations or electronic storage of equity values in payment instruments or similar technical instruments;

(c) terms and conditions for the provision of services based on a use of payment instruments or similar technical instruments for the specific purpose and within a limited network in accordance with Article 1(3)(k), in particular for the provision of payment operations or the use of equity values stored electronically, namely:

1. the way the limited network referred to in Article 1(3)(k) is specified,
2. the list of listed premises if the limited network is specified in accordance with Article 1(3)(k) first indent, including all premises that belong to the limited network in accordance with Article 1(3)(k) first indent, and the specification of these premises identification data; the premises identification data are particularly the address of the premises, the legal relation of the limited provider to the premises,
3. the list of listed providers of services if the limited network is specified in accordance with Article 1(3)(k) second indent, including identification data of all providers of services which specify the limited network in accordance with Article 1(3)(k) second indent, namely:
 - 3a. in the case of a legal entity, the name, identification number, if any, address of its registered office, address where the business or its organisational units are located and any other address of the place where the activity is carried out; a reference to the official register or other official records⁶⁸⁾ in which the legal entity is registered and its registration number therein,
 - 3b. in the case of a natural person being an entrepreneur, his name, surname, personal ID, if any, the place of business, a reference to the official register or other official records⁶⁸⁾ in which he is registered, as well as his registration number therein,
4. the list of groups, classes and categories of goods and services if the limited network is specified in accordance with Article 1(3)(k) third indent, which list includes all goods or services specifying the limited network in accordance with Article 1(3)(k) third indent on the basis of a contract with the limited provider,
5. a description of a relation between the limited provider and a person to which services under Article 1(3)(k) are provided, and a description of a relation between the limited provider and listed providers or providers of a limited scope of goods and services;

- (d) a contact telephone number, fax number and e-mail address, if any, of the limited provider;
- (e) the name, surname and position of a person representing the limited provider and responsible for the provided data, information, reports, statements, certificates, documents or explanations;
- (f) a statement that the provided data, information, reports, statements, certificates, documents or explanations and their annexes are complex, correct, true and fair and up to date, while the limited provider is responsible for the veracity of that statement; this is without prejudice to the provisions of paragraph 6.

(3) A limited provider shall, without undue delay, inform Národná banka Slovenska about the establishment of any further limited network, any merger of limited networks or when payment instruments or similar technical instruments for the specific purpose are shared by another limited network or more limited networks.

(4) A limited provider shall be obliged to discontinue the use of payment instruments or similar technical instruments for payment operations and electronic storage of equity values if, for any reason, the limited network ceases to exist or ceases to be a limited network, if a payment instrument or similar technical instrument for a specific purpose changes into a payment instrument or similar technical instrument for a general use, if the limited provider has ceased to provide payment operations and use equity values stored electronically, if the limited provider was dissolved, or bankruptcy was declared over its property, or a bankruptcy petition was rejected on grounds of insufficiency of assets in accordance with a separate regulation. The limited provider shall without undue delay notify Národná banka Slovenska about these facts.

(5) A limited provider shall inform Národná banka Slovenska every six months about any change to previously notified data, including any change to a limited network, this information shall be provided within one month after the end of each calendar half-year at the latest.

(6) The notification referred to in paragraphs 2 to 5 shall be submitted electronically to the specified electronic mail address of Národná banka Slovenska published by Národná banka Slovenska on its website. The limited provider shall be responsible for the correctness and completeness of data provided to Národná banka Slovenska. Where the delivered notification is not complete, Národná banka Slovenska, within 10 days after the incomplete notification was delivered, requests the limited provider to complete the notification and sets a deadline for the delivery of completed notification; where the repeatedly submitted notification is incomplete again, the procedure in accordance with paragraph 8 shall apply.

(7) Národná banka Slovenska may request information from a limited provider that is necessary to verify the provided data or check conditions, circumstances and facts related to activities and services of the limited provider. The limited provider shall provide the information requested by Národná banka Slovenska in a way, form, shape, structure and time requested; the limited provider shall, at the same time, cooperate with Národná banka Slovenska and allow that Národná banka Slovenska verifies the information directly at the registered office and places of business of the limited provider. The cooperation in the information provision by the limited provider and in the verification of the provided information, which information the limited provider is obliged to provide to Národná banka Slovenska, shall be equally governed by provisions of a separate law³⁹⁾.

(8) Where the limited provider breaches the obligation to provide notifications or information in accordance with paragraphs 2 to 7, Národná banka Slovenska, depending on the gravity, scope, duration, impacts and character of shortcomings found, shall impose a fine of up to EUR 5,000 on the limited provider, or of up to EUR 10,000 in case of repeated or serious shortcomings. Fine proceedings shall be governed by the provisions of a separate law^{81a)}.

Article 98

(1) A payment service provider and a payment service user may agree in writing that the provisions of Article 6, Article 8(3), Articles 10, 12 to 14, 22, and the provisions of Articles 31 to 44, except Article 44(2) and (3) not apply, in whole or in part, if the payment service user is not a consumer. The parties referred to in this paragraph may agree in writing on a time limit different from that defined in Article 9.

(2) In case of a dispute, the payment service provider shall be required to prove compliance with the obligations laid down in Articles 40 and 41.

(3) Payment service providers shall not be allowed to deviate from the provisions of this Act to the detriment of payment service users. However, payment service users may provide more advantageous terms to payment service users.

(4) Národná banka Slovenska and the Ministry of Finance of the Slovak Republic shall provide the European Commission with information on the provision of payment services and the electronic money issue to the extent required by the European Commission.

(5) Národná banka Slovenska shall inform the European Commission about any authorisation to establish a branch office in the territory of the Slovak Republic granted to any foreign electronic money institution with registered office or head office outside the European Union.

(6) Národná banka Slovenska shall inform the European Commission about the number of electronic money institutions in accordance with Article 81(1)(b) and once a year, as at 31 December each calendar year, about the total sum of outstanding electronic money issued by these electronic money institutions.

(7) As at 31 December of each calendar year, Národná banka Slovenska shall inform the European Commission of the number of payment institutions under Article 63(b) and, on an annual basis, the total number of payment transactions made by these payment institutions.

(8) Národná banka Slovenska shall inform the European Commission and the European Supervisory Authority (European Banking Authority) once every four years on the results of the reviewing and updating of the list.

(9) Národná banka Slovenska shall inform the European Commission regularly every two years on
(a) compliance with the provisions of Article 38(3), Article 44a and 44b;
(b) the number of payments accounts switched pursuant to Article 44d.

(10) Národná banka Slovenska shall grant, at their written request, an identification code to payment service providers in accordance with Article 2(3) and payment system operators in accordance with Article 45(3)(a), (b) or (c). A payment service provider pursuant to Article 2(3) and a payment system operator pursuant to Article 45(3)(a), (b) or (c) to which Národná banka Slovenska has assigned an identification code shall display on its operational premises, on paper or in electronic form in the state language, the current converter of identification codes assigned by Národná banka Slovenska, which is issued and updated by Národná banka Slovenska. For the purposes of prompt distribution of the converter of identification codes, a payment service provider and a payment system operator shall notify to Národná banka Slovenska their electronic addresses and other data necessary for the distribution of the converter.

(11) Národná banka Slovenska shall assign, based on a written application from a payment service provider, a direct debit payee identifier for the purposes of the execution of direct debits within the Single Euro Payments Area, maintain a registry of direct debit payee identifiers and may also maintain a specific registry of misused direct debit payee identifiers; Národná banka Slovenska may, even without a direct debit payee's consent, use data from these registries in the execution of its tasks, activities and competences under this Act and a separate law⁴⁰⁾ and make them available to payment service providers. For the purposes of submitting applications for assigning direct debit payee identifiers and sending the assigned direct debit payee identifiers, a payment service provider shall notify Národná banka Slovenska of its electronic address and other necessary data required by Národná banka Slovenska.

(12) Contractual legal relationships established under this Act shall be subject to general legal provisions on contractual business relationships⁸²⁾, unless this Act provides otherwise.

Article 98a

The payer's payment service provider referred to in Article 2(3)(a) to (d) shall not credit any payment to, nor provide any payment service to the credit of, the payee's account specified by number in a court order issued under a separate regulation⁸³⁾; the payment service provider shall meet this obligation without delay after being served a court order under a separate regulation⁸³⁾.

Article 99

Payment transactions involving the use of cash where the total amount cannot be divided without remainder into the nominal value of valid banknotes and coins and where the remainder is less than the nominal value of the lowest valid coin shall be rounded; a total remainder of payment transaction that is less than half of the nominal value of the lowest valid coin shall be rounded down, and a total remainder of payment transaction that is equal to or higher than half of the nominal value of the lowest valid coin shall be rounded up to the nominal value of the lowest valid coin, unless the parties to the legal relationship constituted by the payment transaction agree otherwise or a separate regulation otherwise regulates the rounding of certain payment transactions involving use of cash.

Article 100

Unless this Act provides otherwise, the separate regulations³⁹⁾ on supervision of the financial market shall apply mutatis mutandis to the exercise of supervision conferred on Národná banka Slovenska under this Act, provided that competent authorities with regard to the exercise of on-the-spot supervision and remote supervision and the first-instance proceeding and deciding within the scope this Act shall be the organisational units

designated by the organisational regulations of Národná banka Slovenska. The person competent to sign first-instance decisions and authorisations to carry out on-the-spot supervision shall be the head of the appropriate unit or an employee of that unit appointed thereby. The general provisions on administrative procedure⁵⁴⁾ shall not apply to proceedings on matters conferred by this Act on Národná banka Slovenska.

Article 101 Transitional provisions

(1) The provisions of this Act shall also govern the legal relationships regulated by this Act that originated before 1 December 2009; however, the origination of such legal relationships and claims arising therefrom that originated before 1 December 2009 shall be considered pursuant to the legislation in effect by 30 November 2009, unless this Act provides otherwise.

(2) An authorisation to pursue electronic money business granted to an electronic money institution to issue and administer electronic money payment instruments under Article 21(2)(d) and Articles 21a to 21c of Act No 510/2002 Coll. on the payment system and on amendments to certain acts, as amended, shall be considered as authorisation to issue electronic money under this Act.

(3) Legal entities to which authorisation to issue electronic money payment instruments was granted under Article 21d of Act No 510/2002 Coll. on the payment system and on amendments to certain acts, as amended, shall be allowed to pursue that business without bringing themselves into compliance with the provisions of Article 87 by 30 April 2010, and until that date the pursuit of business shall be governed by the legislation in effect by 30 November 2009.

(4) Payment system agreements made by Národná banka Slovenska as operator of a payment system with each participant of the payment system under the legislation in effect by 30 November 2009 shall be considered as payment system agreements made under this Act.

(5) Payment service providers shall bring their legal circumstances and legal relationships into compliance with this Act no later than 28 February 2010; the foregoing shall also apply to any payment institutions that were holders of foreign exchange licences to provide foreign exchange services by 30 November 2009. However, starting from 1 December 2009, no person shall be allowed to continue any activity that contravenes this Act; the foregoing is without prejudice to the provision of paragraph 8.

(6) A payer and his payment service provider may agree for the period by 31 December 2011 on a time limit for the execution of a payment transaction deviating from that defined in Article 15 of this Act, provided that such other time limit shall not be longer than three business days following the point in time of receipt of the payment order; this time limit may be extended by a further business day for payment orders on paper.

(7) Ancillary banking service undertakings that pursued activities related to the processing of transfer data under the legislation in effect by 30 November 2009 shall be allowed to pursue those activities without bringing themselves into compliance with this Act by 30 December 2010, and until that date the pursuit of those activities shall be governed by the legislation in effect by 30 November 2009.

(8) A legal entity that before 25 December 2007 started and has been pursuing activities comparable to business of a payment institution pursuant to this Act shall be allowed to pursue those activities within the territory of the Slovak Republic without an authorisation granted in accordance with Article 64(1) by 30 April 2011, and until that date the pursuit of those activities shall be governed by the legislation in effect by 30 November 2009.

(9) The permanent court of arbitration established under the legislation on arbitration and Act No 510/2002 Coll. on the payment system and on amendments to certain acts, as amended, shall be considered as permanent court of arbitration within the meaning of this Act. Arbitration agreements stipulating that any mutual disputes arising in connection with payment services be decided by arbitration before the permanent court of arbitration, made under the legislation in effect by 30 November 2009, shall be considered as arbitration agreements made under this Act.

(10) Any proceedings initiated and not completed with finality before 1 December 2009 shall be completed in accordance with the procedures laid down in this Act and the separate law³⁹⁾. Starting from the date when this Act becomes effective, any irregularities existing under the former legislation on the payment system on which a proceeding under the former legislation was not undertaken shall be examined and heard in accordance with this Act and the separate law³⁹⁾ insofar as the irregularities in question are considered as such also under this Act. However, as of the date when this Act becomes effective, only measures allowed by this Act may be imposed to remedy an illegal situation, fine or corrective measure. The legal effects of any action taken in a proceeding before 1 December 2009 shall remain unprejudiced. Time limits that shall have not lapsed by the date upon which this Act becomes effective shall be subject to provisions of this Act.

(11) Any on-site supervision commenced and not completed by 1 December 2009 shall be completed in accordance with this Act and the separate law³⁹). Legal effects of any action taken during on-site supervision before 1 December 2009 shall remain unprejudiced.

(12) The following terms, whenever used in other generally binding legal provisions, shall have the meanings ascribed thereto below:

- (a) "payment system" or "payment and settlement system" shall be understood as "payment services";
- (b) "bank payment card" shall be understood as "payment card";
- (c) "electronic payment instrument," "remote access payment instrument" or "electronic banking payment application" shall be understood as "payment instrument";
- (a) "electronic money payment instrument," "electronic purse" or "software purse" shall be understood as "electronic money";
- (e) "transfer of funds," "domestic transfer of funds" or "cross-border transfer of funds" shall be understood as "payment service" or "payment transaction";
- (b) "payment," if referring to an activity, shall be understood as "payment transaction";
- (g) "provider of payment and settlement system services," "performing institution" or "issuer of electronic payment instruments" shall be understood as "payment service provider";
- (h) "intermediary institution" shall be understood as "intermediary" within the meaning of Article 7(1).

Article 101a

Transitional provision for amendments in force as of 30 June 2011

Provisions on payment systems effective from 30 June 2011 shall apply to orders received, but not settled, prior to 30 June 2011.

Article 101b

Transitional provisions for amendments in force as of 1 December 2011

(1) The provisions of this Act shall also govern the legal relationships regulated by this Act that originated before 1 December 2011; however, the origination of such legal relationships and claims arising therefrom that originated before 1 December 2011 shall be considered pursuant to the legislation in effect by 30 November 2011, unless following provisions of this Act provide otherwise.

(2) An electronic money institution referred to in Article 81(1)(a) to which an authorisation to issue electronic money was granted by 30 November 2011 and which started to issue electronic money before 1 December 2011 shall be allowed to pursue that business on the basis of this authorisation without bringing itself into compliance with the provisions of this Act by 31 May 2012, and until that date the pursuit of business shall be governed by the legislation in effect by 30 November 2011. If the electronic money institution is not granted an authorisation in accordance with Article 82 effective from 1 December 2011, this electronic money institution must not issue electronic money and provide payment services after 31 May 2012. If the electronic money institution decides to continue with its activities in accordance with its current authorisation, it shall submit, by 28 February 2012, to Národná banka Slovenska information referred to in Article 82(2)(d) to (g), (j), (l) to (n), Article 82(3)(b), (d) and (e), Article 82(4)(a), (b), (e) to (i) and other information and documents requested by Národná banka Slovenska in order to examine the compliance of the electronic money institution and its activities with this Act. If the electronic money institution and its activities are in compliance with this Act, it shall be granted by Národná banka Slovenska the authorisation under Article 82(1) effective from 1 December 2011 and registered in the list under Article 85d. Where the electronic money institution and its activities are not in compliance with this Act, Národná banka Slovenska shall decide on measures necessary to correct inconsistency with this Act or on the revocation of the authorisation to issue electronic money.

(3) An electronic money institution referred to in Article 81(1)(b) to which an authorisation to issue electronic money was granted by 30 November 2011 and which started to issue electronic money before 1 December 2011 shall be allowed to pursue that business without bringing itself into compliance with the provisions of this Act until 31 January 2013, and up until that date this institution shall be governed by the legislation in effect up to 30 November 2011. If the electronic money institution has not by 31 January 2013 been granted an authorisation under Article 82(1) or Article 87(1) as effective from 1 December 2011, this electronic money institution may not after 31 January 2013 issue electronic money or provide payment services.

(4) An electronic money institution in accordance with paragraph 2 or 3 shall settle all its obligations related to its activities performed on the basis of its authorisation to issue electronic money within one month of the termination of this authorisation to issue electronic money in accordance with paragraph 2 or 3. For an electronic money institution in accordance with paragraph 2 which has not been granted an authorisation to issue electronic money before 1 June 2012, its authorisation to issue electronic money terminates on 1 June 2012. For an electronic money institution in accordance with paragraph 3 which has not been granted an authorisation to issue electronic money in accordance with Article 82(1) effective from 1 December 2011 before 1 February 2013, its authorisation to issue electronic money terminates on 1 February 2013.

(5) Národná banka Slovenska shall, without undue delay after this Act becomes effective, inform the European Commission about the application of national discretion in accordance with Article 87.

(6) A limited provider in accordance with article 97a which uses payment instruments or similar technical instruments for payment operations or electronic storage of equity values as at 1 December 2011 shall provably notify Národná banka Slovenska thereof in writing in accordance with Article 97a(2) by 31 December 2012.

Article 101c

A payment service provider shall meet its obligation to provide information in accordance with Article 38(5) by 1 June 2012 at the latest.

Article 101d

Transitional provisions for amendments in force as of 29 November 2012

(1) Národná banka Slovenska shall, without undue delay after this Act becomes effective, inform the European Commission of the application of national discretion under Article 79a.

(2) A payment institution authorised to provide payment services under Article 2(1) before 30 November 2012, shall after 29 November 2012 be deemed a payment institution under Article 63(a).

Article 101e

Transitional provision for amendments in force as of 22 July 2013

Ongoing proceedings that commenced before 22 July 2013 shall be governed by this Act and a separate law³⁹⁾ until their conclusion, and deadlines that have not expired before 22 July 2013 shall be governed by this Act and a separate law^{43a)}. Legal effects that arose from proceedings before 22 July 2013 shall be preserved.

Article 101f

Transitional provisions for amendments in force as of 1 January 2016

(1) The provisions of this Act shall also govern the legal relationships regulated by this Act that originated before 1 January 2016; however, the origination of such legal relationships and claims arising therefrom that originated before 1 January 2016 shall be considered pursuant to the legislation in effect until 31 December 2015.

(2) Národná banka Slovenska shall for the first time release the list pursuant to Article 44(a) no later than three months from the date on which the separate regulations on standardised terminology for services relevant to a payment account was released.

(3) Provisions of Article 38(3) to (6) and Articles 44a to 44c as amended effective as of 1 January 2016 shall be for the first time used no later than 3 months following the date on which Národná banka Slovenska released the list. The providers of payment services shall be obliged to use any updating of the list no later than three months from the date on which Národná banka Slovenska updated it.

(4) The period pursuant to Article 32(1) shall not be used when informing on the change of the framework contract related to the basic banking product^{24b)} and the payment account with basic functions^{24c)} as of 1 February 2016. The provider of payment services shall be obliged to inform the consumer on the changes in framework contract related to basic banking product^{24b)} and payment account with basic functions^{24c)} before 31 January 2016.

(5) Národná banka Slovenska shall inform the European Commission and the European Supervisory Authority (European Banking Authority) pursuant to Article 98(8) for the first time four years from release of the list pursuant to paragraph 2.

(6) Národná banka Slovenska shall inform the European Commission pursuant to Article 98(9) for the first time before 18 September 2018.

Article 101g

Transitional provision for amendments in force as of 1 July 2016

Proceedings that commenced but were not finally concluded before 1 July 2016 shall be brought to their conclusion in accordance with regulations in force until 30 June 2016.

Article 102
Repealing provision

The following shall be repealed:

1. Section I of Act No 510/2002 Coll. on the payment system and on amendments to certain acts, as amended by Section II of Act No 589/2003 Coll., Act No 604/2003 Coll.; Section II of Act No 554/2004 Coll.; Section XII of Act No 747/2004 Coll.; Section II of Act No 214/2006 Coll.; Section I, point 163 of Act No 209/2007 Coll.; Section XIII of Act No 659/2007 Coll.; Section I of Act No 270/2008 Coll.; Section V of Act No 552/2008 Coll.; Section IV of Act No 567/2008 Coll.

2. Decree No 10/2002 of Národná banka Slovenska of 12 December 2002 on reports submitted by issuers of electronic money payment instruments to Národná banka Slovenska (Notice No 699/2002 Coll.);

3. Decree No 11/2002 of Národná banka Slovenska of 12 December 2002 on reports submitted by payment system operators to Národná banka Slovenska (Notice No 700/2002 Coll.);

4. Decree No 7/2003 of Národná banka Slovenska of 12 December 2003 laying down the structure of bank and bank account details for the purposes of domestic transfers, the structure of an international bank account number for the purposes of cross-border transfers and particulars of the issuing of a converter of identification codes (Notice No 605/2003 Coll.);

5. Decree No 6/2004 of Národná banka Slovenska of 28 April 2004 laying down details of the conditions and methods of demonstrating and proving compliance with the conditions and of applications for the granting or a change of authorisation to issue and administer electronic money and electronic money payment instruments, including elements and enclosures of such applications (Notice No 305/2004 Coll.);

6. Decree No 8/2004 of Národná banka Slovenska of 11 June 2004 on own funds and investments of electronic money institutions (Notice No 370/2004 Coll.);

7. Section I of Decree No 2/2009 of Národná banka Slovenska of 7 April 2009 laying down essential elements of an application for authorisation to issue electronic money payment instruments under Article 21d of Act No 510/2002 Coll. on the payment system and on amendments to certain acts pursuant to later legislation and on amendments to Decree No 8/2008 of Národná banka Slovenska on charges for services of Národná banka Slovenska (Notice No 147/2009 Coll.).

Section II

Commencement

This Act entered into force on 1 December 2009, except the provisions of Section XI, point 17 [Articles 88a to 88d] which enter into force on 1 April 2010.

Act No 130/2011 Coll. entered into force on 30 June 2011.

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

Act No 520/2011 Coll., provisions of Section VIII, entered into force on 31 December 2011.

Act No 547/2011 Coll., provisions of Section XXXII, entered into force on 1 January 2013.

Act No 352/2012 Coll., provisions of Section III, entered into force on 29 November 2012.

Act No 206/2013 Coll. entered into force on 22 July 2013.

Act No 352/2013 Coll., Section XXXIII, entered into force on 1 January 2014.

Act No 405/2015 Coll. entered into force on 1 January 2016, except the provisions of Section I, point 17 [Article 44d to 44f] which enter into force on 15 March 2016.

Act No 91/2016 Coll. entered into force on 1 July 2016.

Act No 125/2016 Coll., provisions of Section CXLVI, entered into force on 1 July 2016.

Act No 386/2016 Coll., provisions of Section VIII, entered into force on 1 January 2017.

SCHEDULE OF TRANSPOSED LEGALLY BINDING ACTS OF THE EUROPEAN UNION

1. Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC (OJ L 319, 5.12.2007).

2. Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems (OJ Special Edition, Chapter 6 Volume 3; OJ L 166, 11.6.1998).

3. Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009).

4. Directive 2009/44/EC of the European Parliament and of the Council of 6 May 2009 amending Directive 98/26/EC on settlement finality in payment and securities settlement systems and Directive 2002/47/EC on financial collateral arrangements as regards linked systems and credit claims (OJ L 146, 10.6.2009).

5. Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 98/26/EC, 2002/87/EC, 2003/6/EC, 2003/41/EC, 2003/71/EC, 2004/39/EC, 2004/109/EC, 2005/60/EC, 2006/48/EC, 2006/49/EC and 2009/65/EC in respect of the powers of the European Supervisory Authority (European Banking Authority), the European Supervisory Authority (European Insurance and Occupational Pensions Authority) and the European Supervisory Authority (European Securities and Markets Authority) (OJ L 331, 15.12.2010).

6. Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (OJ L 257, 28.8.2014).

Endnotes

- 1) Article 2(l) of Act No 202/1995 Coll. - the Foreign Exchange Act (and amending Act No 372/1990 Coll. on non-indictable offences, as amended), as amended.
- 2) Act No 191/1950 Coll. on bills of exchange and cheques, as amended.
- 3) Article 4(2)(d) of Act No 507/2001 Coll. on postal services, as amended.
- 4) Article 3(4)(o) of Act No 429/2002 Coll. on stock exchanges, as amended by Act No 209/2007 Coll.
- 5) Article 5 and Article 99(3)(h) of Act No 566/2001 Coll. on securities and investment services (and amending certain laws) (the Securities Act), as amended.
- 6) For example, Article 4 of Act No 594/2003 Coll. on collective investment (and amending certain laws), as amended by Act No 213/2006 Coll.
- 7) Article 5 of Act No 507/2001 Coll., as amended.
- 8) Article 708 of the Commercial Code.
- 9) Article 7(19) of Act No 483/2001 Coll. on banks (and amending certain laws), as amended.
- 10) Criminal Code.
- 11) Articles 13(1) to (6) and Article 14(3)(f) Act No 330/2007 Coll. on the Criminal Register (and amending certain laws), as amended
- 12) Article 6(2)(a) and Articles 7 and 18 of Act No 186/2009 Coll. on financial intermediation and financial advisory services (and amending certain laws), as amended.
- 13) For example, Article 41(1) to (3) of Act No 186/2009 Coll., as amended.
- 14) For example, Article 8(b) of Act No 566/2001 Coll., as amended; Article 6(11) and (12) of Act No 594/2003 Coll.; Article 3(a) of Act No 8/2008 Coll. on insurance (and amending certain laws), as amended by Act No 186/2009 Coll.
- 14a) For example, Article 50 of Act No 483/2001 Coll., as amended.
- 15) For example, Article 201 of the Civil Non-Dispute Procedure Code; Act No 65/2001 Coll. on the enforcement of judicial claims, as amended; Article 96(3) of Act No 233/1995 Coll. on court executors and execution activities (and amending certain laws) (the Execution Code), as amended by Act No 32/2002 Coll.; Article 83a(6) of Act No 511/1992 Coll. on the administration of taxes and fees and on changes to the system of local financial authorities, as amended by Act No 215/2007 Coll.; Article 78(3) and (4) of Act No 71/1967 Coll. on administrative proceedings (the Administrative Procedure Code), as amended by Act No 527/2003 Coll.
- 16) Articles 93 to 95 of the Labour Code.
Act No 241/1993 Coll. on public holidays, non-working days and memorial days, as amended.
- 17) For example, Act No 297/2008 Coll. on the prevention of money laundering and terrorist financing (and amending certain laws), as amended; Articles 89 to 93b of Act No 483/2001 Coll., as amended.
- 18) Regulation No 87/1995 Coll. of the Slovak Government implementing certain provisions of the Civil Code, as amended by Regulation No 586/2008 Coll. of the Slovak Government.
- 19) Article 374 of the Commercial Code.
- 20) For example, Act No 297/2008, as amended; Articles 38 and 39 of Act No 202/1995 Coll., as amended by Act No 659/2007; Article 8(6) of Act No 118/1996 Coll. on the protection of bank deposits (and amending certain laws), as amended; Article 55(5) of Act No 483/2001 Coll.; Regulation (EC) No 1781/2006 of the European Parliament and of the Council of 15 November 2006 on information on the payer accompanying transfers of funds (OJ L 345, 8.12.2006).
- 21) For example, Act No 253/1998 Coll. on reporting the residency of citizens of the Slovak Republic and on the population register of the Slovak Republic, as amended; Act No 48/2002 Coll. on the residence of foreigners (and amending certain laws), as amended.
- 22) For example, Article 1(2), Article 269(2), Article 500(2), and Article 715(2) of the Commercial Code; Article 582(1) of the Civil Code.
- 23) For example, Article 4(g) of Act No 186/2009 Coll.
- 24) For example, Article 9 of Act No 108/2000 Coll. on consumer protection in doorstep selling and distance selling, as amended; Articles 1 and 2 of Act No 266/2005 Coll. on the protection of consumers in respect of the distance marketing of financial services.
- 24a) Articles 7 and 8 of Act No 182/1993 Coll. on the ownership of apartments and non-residential premises, as amended.
- 24b) Article 27c of Act No 483/2001 Coll., as amended.
- 24c) Article 27d of Act No 483/2001 Coll., as amended by Act No 405/2015 Coll.
- 24d) Article 5(3)(d) of Regulation (EU) No 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No 924/2009 (OJ L 94, 30.3.2012), as amended.
- 25) Article 273(2) of the Commercial Code.
- 26) For example, Act No 291/2002 Coll. on the State Treasury (and amending certain laws), as amended; Act No 80/1997 Coll. on the Export-Import Bank of Slovakia, as amended; Act No 566/2001 Coll., as amended.
- 27) Act No 215/2002 Coll. on electronic signatures (and amending certain laws), as amended.
- 28) For example, the Guideline of the European Central Bank No ECB/2007/2 (2007/600/EC) of 26 April 2007 on a Trans-European Automated Real-time Gross settlement Express Transfer system (TARGET2) (OJ L 237, 8.9.2007).
- 29) Act No 431/2002 Coll. on accounting, as amended.
- 30) Article 584 of the Civil Code.

- 31) Articles 11 to 23 of Act No 7/2005 Coll. on bankruptcy and restructuring (and amending certain laws), as amended.
- 32) For example, Articles 53 to 62 of Act No 483/2001 Coll., as amended; Articles 147 to 155 of Act No 566/2001 Coll., as amended.
- 33) For example, Act No 233/1995 Coll., as amended; Articles 71 to 80 of Act No 71/1967 Coll., as amended.
- 34) Article 177 of Act No 7/2005 Coll., as amended.
- 34a) Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010)
- 35) Act No 530/2003 Coll. on the Commercial Register (and amending certain laws), as amended.
- 36) Article 1(2), Article 6(3) and Article 8(3) of Regulation No 42/2004 Coll. of the Slovak Government on the Commercial Journal, as amended.
- 37) Articles 7 to 20 of Act No 483/2001 Coll., as amended.
- 38) For example, Articles 50 to 65 of Act No 483/2001 Coll., as amended.
- 39) For example, Act No 747/2004 Coll. on financial market supervision (and amending certain laws), as amended; Article 1(3), Article 6(2)(c) and (k), Articles 8, 34a, 34b, 36, 37, 41 and 44 of Act No 566/1992 Coll. on Národná banka Slovenska, as amended.
- 40) For example, Act No 566/1992 Coll., as amended; Act No 483/2001 Coll., as amended; Act No 747/2004 Coll., as amended.
- 41) Article 34a(2) and (3), Article 41 and Article 44(c) and (e) of Act No 566/1992 Coll., as amended. Article 2(6), Articles 3 and 4, Article 27(7), and Article 37(1)(d) of Act No 747/2004 Coll., as amended.
- 42) Act No 211/2000 Coll. on free access to information (and amending certain laws) (the Freedom of Information Act), as amended.
- 43) Article 2 of Act No 211/2000 Coll., as amended.
- 43a) Article 19(4) of Act No 747/2004 Coll., as amended.
- 43b) Article 10(5) of Act No 747/2004 Coll.
- 44) Articles 53 to 62 of Act No 483/2001 Coll., as amended.
- 45) Articles 56 to 75a and Articles 105 to 220a of the Commercial Code.
- 46) Act No 540/2007 Coll. on auditors, audit and audit oversight (and amending Act No 431/2002 Coll. on accounting, as amended).
- 47) Article 27 of Act No 747/2004 Coll., as amended.
- 48) Act No 297/2008 Coll., as amended.
- 49) Articles 68 to 75a and Articles 105 to 220a of the Commercial Code.
- 49a) Article 23 of Act No 431/2002 Coll., as amended by Act No 547/2011 Coll.
- 50) Article 20 of Act No 7/2005 Coll., as amended.
- 51) Article 68(7) of the Commercial Code.
- 52) Articles 70 to 75a of the Commercial Code.
- 53) Articles 12 to 34 of Act No 747/2004 Coll., as amended.
- 54) Act No 71/1967 Coll., as amended.
- 55) For example, Act No 297/2008 Coll., as amended; Regulation (EC) No 1781/2006 of the European Parliament and of the Council of 15 November 2006.
- 55a) Article 19 of Act No 540/2007 Coll., as amended by Act No 504/2009 Coll.
- 57) Article 3(1) and Article 5(a) of Act No 483/2001 Coll.
- 58) For example, Act No 455/1991 Coll. on small business activity (the Trade Licensing Act) as amended; the Commercial Code, as amended; Act No 483/2001 Coll., as amended; Act No 129/2010 Coll. on consumer credits and on other credits and loans for consumers (and amending certain laws).
- 58b) Articles 12 to 34 and Article 38 of Act No 747/2004 Coll., as amended.
- 59) For example Act No 250/2007 Coll. on consumer protection (and amending Act No 372/1990 Coll. on non-indictable offences), as amended; Act No 129/2010 Coll.
- 60) For example, the Labour Code.
- 61) Article 2(3) of the Commercial Code, as amended.
- 62) Act No 136/2001 Coll. on the protection of competition (and amending Act No 347/1990 Coll. on the organisation of ministries and other central state administration authorities of the Slovak Republic), as amended.
- (64) Articles 49a to 49o of Act No 483/2001 Coll., as amended.
- 65) For example, Articles 34a and 34b of Act No 566/1992 Coll., as amended; Act No 747/2004 Coll., as amended.
- 66) For example, Article 5(i) of Act No 483/2001 Coll., as amended.
- 67) Articles 91 to 93 of Act No 483/2001 Coll., as amended.
- 68) For example, Act No 530/2003 Coll., as amended; Article 3a and Articles 27 to 33 of the Commercial Code; Article 2(2) and Articles 10 and 11 of Act No 34/2002 Coll. on foundations (and amending the Civil Code), as amended; Article 9(1) and (2) and Article 10 of Act No 147/1997 on non-investment funds (and amending Act No 207/1996 Coll.), as amended by Act No 335/2007; Article 9(1) and (2) and Article 11 of Act No 213/1997 Coll. on non-profit organisations providing services beneficial to the public interest, as amended; Articles 6, 7, 9 and 9a of Act No 83/1990 on the association of citizens, as amended; Article 6(1) and Article 7 of Act No 182/1993 Coll. on the ownership of apartments and non-residential premises, as amended; Article 4(3) of Act No 515/2003 Coll. on regional offices and district offices (and amending certain laws), as amended by Act No 254/2007 Coll.
- 69) For example, Act No 297/2008 Coll., as amended; Act No 431/2002 Coll., as amended; Act No

395/2002 Coll. on archives and registries (and amending certain laws), as amended.

70) For example, Article 4(5) and Article 7(3) of Act No 428/2002 Coll. on protection of personal data, as amended by Act No 90/2005 Coll.

71) Article 4(1)(a), (b) and (c), Article 7(3), the second sentence in Article 7(5), the second sentence in Article 7(6), Article 8(2), and Article 10(6) of Act No 428/2002 Coll., as amended by Act No 90/2005 Coll.

72) Article 2 of Act No 301/1995 Coll. on the personal identification number.

73) Article 7(6) of Act No 428/2002 Coll., as amended by Act No 90/2005 Coll.

74) For example, Articles 12(1) and (2) and Article 22b of Act No 118/1996 Coll., as amended.

75) Articles 23 and 55 of Act No 428/2002 Coll., as amended by Act No 90/2005 Coll.

75a) Article 5 of Act No 480/2002 Coll. on asylum (and amending certain laws), as amended.
Article 2 of Act No 224/2006 Coll. on identity cards (and amending certain laws).
Articles 4 to 10 and Articles 12 to 15 of Act No 647/2007 Coll. on travel documents (and amending certain laws).
Articles 64 and 74 of Act No 404/2011 Coll. on the residence of foreigners (and amending certain laws).

76) For example, Article 39 and Article 41(1) of Act No 507/2001 Coll., as amended by Act No 15/2004 Coll.

77) Articles 20f to 20j of the Civil Code.

78) Act No 244/2002 Coll. on arbitration proceedings, as amended.

79) For example, the Civil Dispute Procedure Code; Act No 233/1995 Coll., as amended.

80) Article 14(1)(b) of Act No 244/2002 Coll.

81) Article 1(1) of Act No 1/1993 Coll. on the Collection of Laws of the Slovak Republic, as amended.

81a) Articles 6 to 35 and Article 38 of Act No 747/2004 Coll., as amended.

82) The Commercial Code. The Civil Code, in conjunction with Article 1(2) of the Commercial Code.

83) Article 15b(7), (12) and (13) of Act No 171/2005 Coll. on gambling games (and amending certain laws), as amended by Act No 386/2016.