



General Act on the
EURO

and Implementing
Regulations

General Act on the Euro

and Implementing Regulations

2008

Published by:
National Bank of Slovakia
October 2008

*The English language version of the General Act on the Euro is for information only.
The Slovak language version published in the Collection of Laws of the Slovak Republic
is the legal and definitive version of this Act.*

The author of the Informative Commentary on the Act on the Introduction of the Euro
in the Slovak Republic: JUDr. Štefan Hrčka

Address:
Národná banka Slovenska
Imricha Karvaša 1
813 25 Bratislava
Slovakia

Contact:
Legal Services Department
Tel.: +421/02/5787 2452
Fax: +421/02/5787 1147

Communication Section
Tel.: +421/02/5787 2141
Fax: +421/02/5787 1128

<http://www.nbs.sk>

ISBN 978-80-8043-130-3

Contents

Act on the Introduction of the Euro in the Slovak Republic	7
Background to the bill	97
Informative Commentary on the Act on the Introduction of the Euro in the Slovak Republic	123
97 DECREE of the Ministry of Economy of the Slovak Republic of 12 March 2008 concerning the details of dual display with regard to consumer protection...	189
DECREE of the Ministry of Finance of the Slovak Republic No. 75/2008 Coll. of 27 February 2008 determining the rules for reporting, conversion and rounding of monetary data in relation to the changeover to the euro, for the purposes of accounting, taxes, and for customs purposes.....	191
DECREE of the Ministry of Finance of the Slovak Republic No. 220/2008 Coll. of 21 May 2008 determining the scope of prices, payments and other values subject to dual display in the field of gambling games and the method of their dual display	199
DECREE of the National Bank of Slovakia No. 221/2008 Coll. of 10 June 2008, determining certain rules for the dual display of prices, payments and other amounts in the field of financial market and services of financial institutions in the areas of banking, capital market, insurance industry and pension saving...	201
DECREE of the National Bank of Slovakia No. 240/2008 Coll. of 24 June 2008 specifying the number of decimal places for rounding in redenomination of certain securities from the Slovak currency to the euro.....	205
DECREE of the Ministry of Justice of the Slovak Republic No. 246/2008 Coll. of 18 June 2008 determining rules and procedures for the redenomination of nominal values of contributions to capital and nominal values of share capital from the Slovak currency to the euro.....	206
DECREE of the Ministry of Health of the Slovak Republic No. 247/2008 Coll. of 25 June 2008 regulating procedures, methods and other detailed rules for the dual display and for the conversion, rounding and reporting of monetary data in the changeover to the euro in the field of health care.....	213
DECREE of the Ministry of Labour, Social Affairs and Family of the Slovak Republic No. 251/2008 Coll. of 14 May 2008 determining other detailed rules for the dual display and for the conversion and rounding of prices, unit prices, payments and other amounts in the changeover from Slovak currency to the euro in the field of wages, salaries and other remuneration for work, reimbursement of travel expenses, employment services, social insurance and retirement pension saving, social benefits, social assistance benefits, assistance in material need and other social support, and social services	218
DECREE of the Ministry of Interior of the Slovak Republic No. 265/2008 Coll. of 11 June 2008 determining other details concerning the dual display, conversion and rounding of payments and other amounts for the changeover from the Slovak currency to the euro in regard to social insurance of police officers and professional soldiers.....	235

Act on the Introduction of the Euro in the Slovak Republic

The full wording of Act No. 659/2007 Coll. of 28 November 2007 on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts), as amended by section IX of Act No. 70/2008 Coll., section IV of Act No. 270/2008 Coll. and section IV of Act No. 397/2008 Coll. and section II of Act No. 421/2008 Coll.

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

Section I

PART ONE INTRODUCTORY PROVISIONS

Article 1

(1) This Act governs certain measures and procedures relating to the preparation for the introduction and to the introduction of the euro currency in the Slovak Republic (hereinafter the “introduction of the euro”) as the sole legal tender, of the single currency and currency unit under legally binding acts of the European Communities.¹ The aim of this Act is to ensure organized and smooth process of change of the lawful money and unit of currency in the Slovak Republic ensuing from the changeover from the Slovak currency to the euro (hereinafter the “changeover to the euro”), to prevent the euro changeover from causing a rise in the inflation rate, to ensure protection of economic interests of the citizens and consumers during the changeover to the euro, to protect the continuity of existing legal relations, and to secure neutrality where money, prices, payments and other financial and asset values are converted from the Slovak currency into the euros; it also aims to give natural persons and legal persons the opportunity of gradually preparing for and adapting to the assessment of the fair value of income, expenses, prices, payments and living costs in euros through the dual display of prices, payments and other amounts.

(2) For the purposes of preparation for the introduction and introduction of the euro:
a) ‘euro’ means the single currency and currency unit under separate legal provisions¹ which is used in all participating Member States of the European Union which have

¹ For example, Sections 4(2), 106, 121(1) and (2), 122(2) and 123(5), and Sections 249, 253 and 254 of the Treaty establishing the European Community, as amended (OJ C 321E of 29 December 2006); Section 16 and 44 of the Protocol No. 18 on the Statute of the European System of Central Banks and of the European Central Bank annexed to the Treaty establishing the European Community, as amended (OJ C 321E of 29 December 2006); Protocol No. 21 on the convergence criteria referred to in Section 121 of the Treaty Establishing the European Community, as amended (OJ C 321E of 29 December 2006); Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended; Council Regulation (EC) No. 2866/98 of 31 December 1998 on the conversion rates between the euro and the currencies of the Member States adopting the euro (OJ L 359 of 31 December 1998), as amended; Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended; Council Regulation (EC) No. 2182/2004 of 6 December 2004 concerning medals and tokens similar to euro coins (OJ L 373 of 21 December 2004).

- introduced the euro² (hereinafter the “participating Member State”), and in participating third countries which have introduced the euro on the basis of a monetary agreement made with the European Community in accordance with separate legal provisions;³
- b) ‘euro area’ means the regional area within the European Union comprising the participating Member States in which the common monetary policy is set by the European Central Bank;⁴ the Slovak Republic will become a participating Member State and a member of the euro area as of the euro introduction date;
 - c) ‘conversion rate’ means the entire irrevocably fixed conversion rate⁵ between the euro and the Slovak currency which is to be determined by the EU Council pursuant to separate legal provisions⁶, and at which the Slovak currency will be replaced by the euro from the euro introduction date in the Slovak Republic;
 - d) ‘conversion rate adoption date’ means the publication date of the legally binding act of the EU Council adopted under separate legal provisions⁶ by which the conversion rate for the introduction of the euro in the Slovak Republic is to be set;
 - e) ‘euro introduction date’ means the date of the changeover to the euro in cash and non-cash circulation in the Slovak Republic; the euro introduction date is the same as the date of adoption of the euro which is to be determined by the EU Council pursuant to separate legal provisions,⁷ and as at which abrogation of the temporary exemption from the adoption of the euro shall take effect for the Slovak Republic;
 - f) ‘dual cash circulation period’ means the temporary fixed period of cash circulation in the Slovak Republic which begins on the euro introduction date and during which valid euro banknotes and valid euro coins, including commemorative euro coins on which the denomination is stated in euros or euro cents and which were issued by the European Central Bank, the National Bank of Slovakia, elsewhere in the euro area or in participating third countries, and Slovak banknotes and Slovak coins, including commemorative Slovak coins on which the denomination is stated in Slovak korunas or haliers, which were issued by the National Bank of Slovakia and which were valid as at the euro introduction date are legal tender for all cash payments made in the Slovak Republic, in the respective denomination;
 - g) ‘asset values’ mean contributions in kind and other funds, pecuniary claims, obligations and payments, real estates, apartments, non-residential premises, movable assets, equity securities, debt securities and other financial instruments, lots, duty stamps, postage stamps and other stamped stationery, tax labels and other official tokens of value, capital contributions, capital participations and other proprietary rights and payment instruments expressed in monetary terms, as well as financially assessed

² Section 123 (4) and (5) of the Treaty establishing the European Community, as amended. Section 1(a) and (f) and Section 2 of Council Regulation (EC) No. 974/98. Section 1, 2nd and 5th bullet of Council Regulation (EC) No. 1103/97. Section 1(a) of Council Regulation (EC) 2182/2004.

³ For example, Section 111(3) of the Treaty establishing the European Community, as amended; the Monetary Agreement of 29 November 2000 between the Italian Republic, on behalf of the European Community, and the Republic of San Marino (OJ C 209 of 27 July 2001), the Monetary Agreement of 29 December 2000 between the Italian Republic, on behalf of the European Community, and Vatican City State and, on its behalf, the Holy See (OJ C 299 of 25 October 2001); the Monetary Agreement of 26 December 2001 between the Government of the French Republic, on behalf of the European Community, and the Government of the Principality of Monaco (OJ L 142 of 31 May 2002).

⁴ For example, Section 105(2) of the Treaty establishing the European Community, as amended; Section 3(3.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

⁵ Section 1, 3rd bullet, and Section 4(1) to (3) of Council Regulation (EC) No. 1103/97. Section 1(c) and Section 3 of Council Regulation (EC) No. 974/98.

⁶ Sections 123(5), 249, 253 and 254 of the Treaty establishing the European Community, as amended. Council Regulation (EC) No. 694/2008 of 8 July 2008 amending Regulation (EC) No. 2866/98 as regards the conversion rate to the euro for Slovakia (OJ L 195, 24.7.2008). Council Regulation (EC) No. 694/2008 of 8 July 2008 amending Regulation (EC) No. 2866/98 as regards the conversion rate to the euro for Slovakia (OJ L 195, 24.7.2008).

⁷ Sections 122(2), 249, 253 and 254 of the Treaty establishing the European Community, as amended. Council Decision of 8 July 2008 in accordance with Article 122(2) of the Treaty on the adoption by Slovakia of the single currency on 1 January 2009 (OJ L 195, 24.7.2008). Council Regulation (EC) No. 693/2008 of 8 July 2008 amending Regulation (EC) No. 974/98 as regards the introduction of the euro in Slovakia (OJ L 195, 24.7.2008)

prices of property, and other tangible or intangible financial or asset values expressed in monetary terms, including assets and liabilities expressed in monetary terms; equity securities are shares, temporary share certificates, fund units, cooperative shares or other securities representing contributions to the share capital or a corresponding capital of legal persons, shares in the capital of legal persons, capital participations in collective investment undertakings or shares in other collective assets of participants therein; debt securities are bonds, treasury bills, deposit certificates or other securities representing obligation of the issuer or other designated person to provide for monetary performance;

- h) 'unit prices' mean final prices for a kilogram, liter, meter, square meter, cubic meter of a product or a different unit of amount that is generally used at sale of particular product, including price schedules, price tariffs and other price components or other asset values which are expressed in monetary terms and which serve as factors or basis for partial calculations or resulting conversions of final financial amounts to be actually paid or accounted for;
- i) 'dual display of prices, payments and other amounts' (hereinafter the "dual display") means displaying and stating the prices of products, goods, drugs, utilities, water, rent, services, performances, works and real estates,⁸ including insurance premiums, tariffs in the field of transport, posts, electronic communications and network industries, paid wages, salaries and other remunerations, allowances and compensations,⁹ insurance benefits, social insurance benefits, social security benefits, retirement pension benefits, and supplementary pension benefits¹⁰, social assistance benefits, social support benefits, and other social benefits,¹¹ taxes and fees,¹² customs duties,¹³ fines and other monetary

⁸ For example, Articles 1(1), 2(1) and (2), and Article 15 of Act of the National Council of the Slovak Republic No. 18/1996 Coll. on prices, as amended; Article 589 of the Civil Code; Article 19(1)(b) of Act of the National Council of the Slovak Republic No. 164/1996 Coll. on railroads, amending the Act No. 455/1991 Coll. on licensed trading (the Trade Licensing Act), as amended; Article 14(2) and (4) of Act of the National Council of the Slovak Republic No. 168/1996 Coll. on road traffic; Article 13(2)(o) of Act No. 276/2001 Coll. on regulation in network industries (including amendments to certain acts), as amended by Act No. 658/2005 Coll.; Article 37(1) and (3) of Act No. 483/2001 Coll. on banks (including amendments to certain acts), as amended; Article 41(1) and (2)(a) of Act No. 610/2003 Coll. on electronic communications; Article 4(1) (c) and (d), Article 8 (6) (c), Articles 14 and 16(1)(e) of Act No. 250/2007 Coll. on consumer protection, amending the Act of the Slovak National Council No. 372/1990 Coll. on misdemeanors, as amended.

⁹ For example, Articles 11(1), 76, 118, and 224(2)(c) of the Labour Code; Articles 78 and 105a of Act No. 312/2001 Coll. on civil service (including amendments to certain acts), as amended; Act No. 283/2002 Coll. on travel expense reimbursements, as amended; Article 4 of Act No. 553/2003 Coll. on remuneration of certain employees for work performed in the public interest (including amendments to certain acts); Act No. 462/2003 Coll. on income compensation during temporary work incapability of the employee (including amendments to certain acts), as amended; Articles 97, 138, 159, 160, 169, 173 and 205 of Act No. 346/2005 Coll. on civil service of professional soldiers of the armed forces of the Slovak Republic (including amendments to certain acts).

¹⁰ For example, Act No. 461/2003 Coll. on social insurance, as amended; Act No. 328/2002 Coll. on social security for police officers and soldiers (including amendments to certain acts), as amended; Act No. 43/2004 Coll. on retirement pension saving (including amendments to certain acts), as amended; Act No. 650/2004 on supplementary pension saving (including amendments to certain acts), as amended.

¹¹ For example, Act No. 195/1998 Coll. on social assistance, as amended; Act No. 235/1998 Coll. on childbirth allowance and on allowances for parents who have three or more children born at the same time or twins more than once in two years (including amendments to certain acts), as amended; Act No. 280/2002 Coll. on parental allowance, as amended; Act No. 599/2003 Coll. on assistance in material need (including amendments to certain acts), as amended; Act No. 600/2003 Coll. on child allowance, amending the Act No. 461/2003 Coll. on social insurance, as amended by Act No. 485/2004 Coll.; Act No. 452/2004 Coll. on substitute alimony, as amended by Act No. 613/2004 Coll.; Act No. 627/2005 Coll. on allowances to support child custody, as amended by Act No. 494/2006 Coll.; Act No. 592/2006 on providing Christmas allowance to certain pensioners (including amendments to certain acts).

¹² For example, Act of the Slovak National Council No. 511/1992 Coll. on the administration of taxes and fees and on changes in the system of territorial financial authorities, as amended; Act of the National Council of the Slovak Republic No. 145/1995 Coll. on administrative fees, as amended; Act No. 595/2003 on income tax, as amended; Act No. 582/2004 on local taxes and local charges for municipal waste and minor construction waste, as amended.

¹³ Section 4(10) and (11) of Council Regulation (EEC) No. 2913/92 establishing the Community Customs Code (OJ Special Edition Chapter 02 Volume 04), as amended.

sanctions,¹⁴ including contractual sanctions and monetary damages,¹⁴ compensations for expropriation¹⁵, and other monetary amounts, financial performances and asset values, including unit prices (hereinafter the “prices, payments and other amounts”), simultaneously in the Slovak currency and in the euros, solely in accordance with the conversion rate and other rules for the changeover to the euro;¹⁶ this shall mean that before the euro introduction date, the dual display shall include, for payment purposes, the monetary amounts of prices, payments and other amounts stated in Slovak korunas, including haliers (hereinafter “Slovak korunas”), and simultaneously, for information purposes, the monetary amounts in euros, including euro cents (hereinafter the “euros”), and that as of the euro introduction date inclusive, the dual display shall include, for payment purposes, the monetary amounts of prices, payments and other amounts stated in euros, and simultaneously, for information purposes, the monetary amounts in Slovak korunas.

Article 2 **Applicable principles and rules**

(1) For the purposes connected with preparation for the changeover and the changeover to the euro, including dual display, all relations shall be governed¹⁶ by the principle of protection of economic interests of citizen and consumers, the principle of neutrality in exchange and conversion of money, prices, payments and other values from the Slovak currency into the euros, as well as the principle of continuity of existing legal relations while observing freedom of contract, without change in the actual financial value of subject matter of legal relations and without change in their parties, validity or other content, unless all parties of the respective legal relation agree otherwise or a act or separate legal provision stipulates otherwise.¹⁶

(2) For the purposes connected with preparation for the changeover and the changeover to the euro, including dual display, conversions and exchanges of all amounts from the Slovak currency to the euros shall mandatorily be performed only according to the conversion rate, rounding rules and other rules adopted for the changeover to the euro¹⁶, and by following the procedure set forth in this Act and separate legal provisions so that partial calculations and resulting conversions of final financial amounts from the Slovak currency to the euros are as accurate as possible and have no impact on increase in their actual financial value and price level in consequence of preparation for the changeover and the changeover to the euro.

(3) If conversion from the Slovak currency to the euros at the conversion rate results in final financial amounts in the euro which shall be actually paid or accounted for (hereinafter the “final amounts”), in particular final amounts accounted for in statements of account or final amounts of price, payment or other value stated in invoices, other accounting documents or payment documents, such final amount in the euro shall, after conversion at the conversion rate, be rounded to a number with two decimal places, i.e. to the nearest euro cent, pursuant to rules set forth in the separate legal provision.¹⁷ Total calculated remainder of final amount which is lower than one half of one euro cent shall, pursuant to the separate legal provision¹⁷, be rounded down to the nearest euro cent, and total calculated remainder of final amount which equals to or is higher than one half of one euro cent shall, pursuant to the separate legal provision¹⁷, be rounded up to

¹⁴ For example, Act of the Slovak National Council No. 372/1990 Coll. on misdemeanors, as amended, Article 45(1) of Act No. 71/1967 Coll. on administrative proceedings (Administrative Procedure Code), as amended by Act No. 527/2003 Coll.; Articles 300 to 302, 355, 368, 369 and 378 of the Commercial Code; Article 13(2), Articles 442(1) to (3), 517(2), 544, and 545 of the Civil Code; Articles 56 and 57 of Act No. 355/2007 Coll. on protection, support and development of public health (including amendments to certain acts).

¹⁵ For example, Articles 111 to 114 of Act No. 50/1976 Coll. on town and country planning and building regulation (the Building Act), as amended.

¹⁶ For example, Sections 4(2), 106, 121(1) and (2), 122 (2), 123(5), and 220, 234, 249, 253 and 254 of the Treaty establishing the European Community, as amended; Section 1 and Section 3 to 6 of Council Regulation (EC) No. 1103/1997 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended by Council Regulation (EC) No. 2595/2000 of 27 November 2000 (OJ Special Edition Chapter 10 Volume 01); Sections 1 to 4, and Sections 9a to 17, and Annex to Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended.

¹⁷ Section 5 of Council Regulation (EC) No. 1103/97.

the nearest euro cent, unless the parties of the legal relation agree otherwise or this Act or a separate legal provision stipulates otherwise.¹⁶ Final amounts representing revenues of the state budget or another type of general government budget shall preferentially be rounded down in favour of the persons obliged to make the respective payments, and final amounts representing expenditures of the state budget or another type of general government budget shall preferentially be rounded up in favour of the authorized beneficiaries of the respective payments, unless a separate legal provision stipulates otherwise.

(4) Conversion of certain non-cash final amounts to corresponding final amounts with higher number of decimal places and higher level of accuracy than to the nearest euro cent may be determined by a separate legal provision in order to secure protection of interests of citizen and consumers, continuity of legal relations, and to maintain neutrality and sufficient level of accuracy of conversions within the changeover to the euro. Higher degree of rounding of certain final amounts in the euro than to the nearest euro cent may be determined by a separate legal provision in order to secure legal certainty and clarity of final amounts calculated by the changeover to the euro. However, in relation to payments which are revenues of the state budget or another type of general government budget, higher degree of rounding than to the nearest euro cent may be determined and executed pursuant to a separate legal provision only downwards, in favour of the persons obliged to make the respective payments; in relation to payments which are expenditures of the state budget or another type of general government budget, higher degree of rounding than to the nearest euro cent may be determined and executed pursuant to a separate legal provision only upwards, in favour of the authorized beneficiaries of the respective payments.

(5) Unit prices which are expressed in the Slovak currency and which serve as factors or basis for partial calculations or resulting conversions of final amounts shall not be subject to obligatory rounding after their conversion to the euro, unless this Act or a separate legal provision stipulate otherwise. In order to maintain neutrality within the changeover to the euro, while considering different fair value of the Slovak koruna and the euro, unit prices shall be converted from the Slovak currency to the euros at the conversion rate with such number of decimal places and such level of accuracy as might be necessary to avoid any negative effect on accuracy of partial calculations and resulting conversions of final amounts of prices, payments and other values in the euro which are subject to rounding to the nearest euro cent according to separate legal provisions.¹⁶ In the process, unit prices after their conversion from the Slovak currency to the euros at the conversion rate shall be stated in such a way that unit prices in the euro have in principle at least one more decimal place than the same unit prices stated in the Slovak korunas; nevertheless, unit prices stated in the euro shall have at least three decimal places, unless this Act or a separate legal provision governs displaying of certain unit prices with different number of decimal places, in particular stating of a higher number of decimal places in unit prices of products, articles, goods or services which are usually retailed, supplied or provided in larger unit amounts, for instance in the industry of utilities supplies, petrochemical industry and electronic communication industry. The unit prices in euro can be rounded and stated only with two decimal places, if their conversion and rounding to two decimal places are carried out in line with the principles for the preparations for the changeover and the changeover from the Slovak currency to the euro; the unit prices in euros can be also stated only with two decimal places, if, after their conversion according to the conversion rate, no other figure than a mathematically insignificant zero or several zeros follows the second decimal place after the decimal point.

(6) Basis and factors included in calculation of value of intermediary or other operations which are derived from price or unit price shall be expressed with at least the same number of decimal places as the respective price or unit price from which the factors or basis in question are derived.

(7) For the purposes connected with the preparation for the changeover and the changeover to the euro, the rules applicable to conversions and rounding of final amounts when converted from the Slovak currency to the euro shall also be applicable to the calculations and rounding of other monetary amounts representing final amounts converted from the Slovak currency to the euro, unless this Act or a separate legal provision stipulates otherwise.

**PART TWO
CASH CIRCULATION**

**Dual cash circulation
and the exchange and use of Slovak banknotes and coins**

Article 3

(1) As of the euro introduction date, the cash in circulation in the Slovak Republic shall change over from the Slovak currency to the euro, with euro banknotes and coins, including collector's euro coins issued by the National Bank of Slovakia,¹⁸ becoming legal tender in their respective denomination for all cash transactions in the Slovak Republic; the dual cash circulation period shall begin as of the euro introduction date and last for sixteen calendar days including the euro introduction date.

(2) During the dual cash circulation period, natural person who are entrepreneurs, legal persons, state authorities, local self-government bodies, and other public authorities may, after receiving a payment in Slovak banknotes and Slovak coins in excess of the amount payable, give change only in euro banknotes and euro coins, unless otherwise agreed with the recipient of the change. The monetary amount of the change given in accordance with the first sentence shall be calculated as the difference between the payment made and the amount paid, whereas the amount paid, if expressed in Slovak korunas, and the payment made in Slovak banknotes and Slovak coins shall be converted to euros and rounded in accordance with the conversion rate and other rules governing the changeover to the euro.¹⁵

(3) By expiry of the dual cash circulation period, all banknotes and coins issued in the territory of the Slovak Republic before the euro introduction date shall cease to be legal tender in the Slovak Republic and shall no longer be valid; by expiry of the dual cash circulation period, euro banknotes and euro coins shall become the sole legal tender in their respective denomination for all cash payments in the Slovak Republic.

(4) As of the euro introduction date, Slovak banknotes and Slovak coins shall be gradually withdrawn from circulation by being exchanged for euros at the conversion rate and during the exchange periods under paragraph 8 hereof.

(5) The exchange of Slovak banknotes and Slovak coins for euros shall be performed by the National Bank of Slovakia as well as by banks and other credit institutions, branches of foreign banks and branches of other foreign credit institutions, foreign banks, and other foreign financial institutions conducting banking activities in the territory of the Slovak Republic¹⁹ (hereinafter the "bank"), namely in all their establishments used for the performance of cash operations in the territory of the Slovak Republic.

(6) Slovak banknotes and Slovak coins shall be exchanged for the euros either by being exchanged free of charge in cash for euro banknotes and euro coins, or by being deposited free of charge with a bank as a cash deposit in a current account or deposit account (hereinafter the "bank account"), or by being deposited free of charge with a bank as a cash deposit confirmed by a passbook, certificate of deposit or other physical security (hereinafter the "passbook"). In the case of a deposit in a bank account or passbook, the whole amount of the deposit shall be credited to the respective bank account or to the respective passbook in euros according to the cash amount being exchanged, and where the exchange is made in cash, the person requesting the exchange shall be issued with a written confirmation of the cash exchange and he/she shall be paid the whole cash amount in euro banknotes and euro coins. The cash amount being exchanged shall first

¹⁸ *Articles 6(2)(e) and 15 of Act of the National Council of the Slovak Republic No. 566/1992 Coll. on the National Bank of Slovakia, as amended.*

¹⁹ *Article 2(1), (5), (7) and (8), Article 5(p) and (r), and Articles 11(1) to (3) of Act of the National Council of the Slovak Republic No. 483/2001 Coll., as amended.*

be converted to euros at the conversion rate and if the amount so calculated can not be divided into a denomination of euro banknotes and euro coins without a remainder, the total remainder of the exchanged cash which is less than one euro cent shall be rounded according to rules governing the changeover to the euro. Free of charge exchange shall mean such an exchange for which a person requesting exchange can not be charged any fee, costs or consideration for exchange, processing, calculation, account deposit, or other acts or activities related to the exchange of the Slovak banknotes and Slovak coins for the euros.

(7) The National Bank of Slovakia and also a bank may require²⁰ that the exchange of Slovak banknotes and Slovak coins in an aggregate denomination exceeding EUR 15,000 be notified in writing at least one business day in advance. The National Bank of Slovakia and a bank may also request²¹ that the Slovak banknotes and Slovak coins submitted for exchange be sorted by their denominations. From the second business day of the expiry of the dual cash circulation period, the National Bank of Slovakia and a bank shall have the right²⁰ to limit the free of charge exchange of the Slovak banknotes and Slovak coins for the euros depending on the number of exchanged Slovak banknotes and Slovak coins in one exchange, whereas the limit of such free of charge exchange can not be lower than 100 banknotes and 100 coins in total per exchange. Should the National Bank of Slovakia or the bank exercise any of their rights hereunder, they shall publish markedly information about it on their website and also in all their establishments used for the performance of cash operations in the territory of the Slovak Republic.

(8) The National Bank of Slovakia and banks shall exchange the Slovak banknotes and Slovak coins as of the euro introduction date for the following exchange periods:

- a) Slovak coins:
 - 1. shall be exchangeable at banks for a period of six months from the euro introduction date;
 - 2. shall be exchangeable at the National Bank of Slovakia:
 - 2.1. for a period of five years from the euro introduction date in the case of the Slovak coins other than the commemorative Slovak coins;
 - 2.2. for an indefinite period in the case of the commemorative Slovak coins;
- b) Slovak banknotes
 - 1. shall be exchangeable at banks for a period of one year from the euro introduction date;
 - 2. shall be exchangeable at the National Bank of Slovakia for an indefinite period.

(9) The exchange of the Slovak banknotes and Slovak coins for the euros shall be without prejudice to the obligations laid down by separate legal provisions²² concerning the establishing and proving the identity of clients in executing banking transactions and the protection against the laundering of proceeds from criminal activities.

Article 4

(1) As of the last day of the dual cash circulation period, Slovak banknotes and Slovak coins must not be used in circulation of money, except for the exchange of Slovak banknotes and Slovak coins at the National Bank of Slovakia and at banks during the exchange periods defined in Article 3(8); nevertheless, before the end of the dual cash circulation period, the Slovak banknotes and Slovak coins shall be accepted for cash payments according to the procedure laid down by this Act and separate legal provisions.

²⁰ Section 15(3) of Council Regulation (EC) No. 974/98 as amended.

²¹ Section 15(2) of Council Regulation (EC) No. 974/98 as amended.

²² For example, Article 89 of Act No. 483/2001 Coll. as amended; the Act No. 297/2008 Coll. on Protection Against Legalization of Income from Criminal Activity and on Protection against Terrorism Financing (including amendments to certain acts); 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 of 8 December 2006).

(2) Before the end of the dual cash circulation period, legal persons and natural persons may refuse to accept Slovak banknotes and Slovak coins in their denomination where the recipient does not have the opportunity to check their validity, authenticity and correct number at the time of receipt, whereas the payer shall, if so requested by the recipient, sort the Slovak banknotes and Slovak coins by their denominations.

(3) Before the end of the dual cash circulation period, a legal person and natural person other than the National Bank of Slovakia and banks may refuse to accept valid Slovak banknotes and Slovak coins in any of the following cases:

- a) the coins are commemorative;
- b) they are received in a single cash payment that includes more than 20 coins of the same denomination or more than a total of 30 coins of different denominations;
- c) the banknotes and coins show damage, including wear and tear of circulation, unless otherwise stipulated herein; nevertheless, legal persons and entrepreneurs shall accept within cash payments also the valid banknotes and coins that show wear and tear of circulation, provided that these are complete and intact, whereas the banknotes and coins which show damage or wear and tear of circulation must not be put back into circulation.

(4) When cash payments are made during the dual cash circulation period, neither natural persons who are not entrepreneurs nor other natural persons, while not performing their business activities, shall accept valid Slovak banknotes and Slovak coins. Any legal person and natural person, except for the National Bank of Slovakia and the bank, may also refuse²¹ to accept valid Slovak banknotes and Slovak coins for payments made during the dual cash circulation period, if the total of their nominal values is more than four times as large as the value of the respective payment being made; value of the payment in question in the euros and the Slovak korunas shall be determined based on the dual display and, if the payment being made is not subject to dual display, its value in the euros and the Slovak korunas shall be determined by conversion and rounding according to the conversion rate and other rules adopted for the changeover to the euro. Furthermore, during the dual cash circulation period neither slot machines designed for self-service retail of goods or providing non-monetary services nor technical devices designed for operation of gambling games²³ shall be mandatorily adjusted for simultaneous receiving of euro banknotes and euro coins as well as of Slovak banknotes and Slovak coins, provided that it is established that due to technical reasons or unreasonably high financial costs such modifications are impossible.

(5) In compensation for incomplete or otherwise damaged Slovak banknotes and Slovak coins, undamaged valid banknotes and coins shall be provided through an exchange made in accordance with this Act and separate legal provisions, whereas as of the euro introduction date, damaged Slovak banknotes and coins shall be exchangeable only for euros and only until the end of the periods specified herein during which Slovak banknotes and Slovak coins are exchangeable for euros. Damaged Slovak banknotes and Slovak coins shall be exchangeable upon request for undamaged valid banknotes and coins at the National Bank of Slovakia and at banks in accordance with the rules set forth in this Act and separate legal provisions. Compensation for incomplete Slovak banknotes shall be provided where the identifiable part of the Slovak banknote presented in exchange has an intact surface area exceeding one half of the original surface area of the banknote.

(6) Slovak banknotes and Slovak coins shall not be replaced where there is a suspicion that they are counterfeit or altered, that they show criminal damage, or that they are proceeds of crime. Nor shall compensation be provided for destroyed or lost Slovak banknotes and Slovak coins, for Slovak banknotes and Slovak coins unidentifiable as the result of damage, for incomplete Slovak coins, for Slovak banknotes and Slovak coins damaged for the purpose of their invalidation, or for incomplete Slovak banknotes whose intact surface area does not exceed one half of the original surface area of the banknote;

²³ *Articles 1(c), 7 and 8 of Act No. 171/2005 Coll. on gambling games (including amendments to certain acts).*

this is subject to the exceptional discretion of the National Bank of Slovakia to provide a compensation in justified cases. An applicant submitting damaged Slovak banknotes or Slovak coins for compensation must not require in exchange undamaged collector's coins, commemorative coins, or banknotes or coins of a certain design, type or series.

(7) A natural person presenting damaged Slovak banknotes or Slovak coins for compensation shall be required to prove his identity with an identity document, and to submit to the National Bank of Slovakia or to the bank at its request a signed written statement on the circumstances of the damage; this is also applicable to a natural person acting on behalf of a legal person requiring such a compensation. A person seeking compensation for damaged Slovak banknotes or Slovak coins may be obliged to pay a handling fee stipulated for the coverage of costs related to examining the compensation claim and providing the compensation. Banks shall deliver all incomplete banknotes and otherwise damaged banknotes and coins for which compensation was provided to the National Bank of Slovakia which shall validate the provision of compensation and pay the bank an amount equal to the compensation correctly provided.

(8) Where an applicant presents damaged Slovak banknotes and Slovak coins for which no compensation is provided, the National Bank of Slovakia and banks shall withdraw the damaged Slovak banknotes and Slovak coins from the applicant without providing compensation. In the case of any such withdrawal, the National Bank of Slovakia and the bank shall draw up a written confirmation of the circumstances of the withdrawal, one copy of which shall be given to the applicant, and the withdrawn Slovak banknotes or Slovak coins shall, in the presence of the applicant, be placed in a suitable container which shall be secured against unauthorized manipulation; such container shall contain also original or copy of the confirmation of withdrawal of incomplete or otherwise damaged banknotes or coins, perhaps also explanation of the applicant of the circumstances of the damage of these banknotes and coins. The bank shall deliver without delay to the National Bank of Slovakia all containers containing withdrawn incomplete or otherwise damaged Slovak banknotes and Slovak coins; should the Slovak banknotes or Slovak coins be withdrawn by a bank on suspicion that they have a criminal provenance, the bank shall also be required to notify without delay the criminal law enforcement authorities.²⁴ Should the Slovak banknotes and Slovak coins be withdrawn on suspicion that they have a criminal provenance or that by damaging the banknotes or coins a crime has been committed, and it is established that according to a legally effective decision of a criminal law enforcement authority²⁴ such suspicion is not substantiated, the National Bank of Slovakia shall provide the applicant with compensation of money upon delivery of the respective legally effective decision of the criminal law enforcement authority,²⁴ either directly or through the bank which withdrew the Slovak banknotes or Slovak coins in question.

(9) Commemorative Slovak coins, special issues of banknotes and coins designed for collector's purposes, as well as invalid banknotes and invalid coins may be sold and bought for collector's purposes at prices different from their denomination. The National Bank of Slovakia shall sell commercial coins for price determined by the National Bank of Slovakia.

(10) The procedure under paragraphs (1) to (9) shall be without prejudice to the obligations laid down by separate legal provisions²² concerning the establishing and proving the identity of clients in executing banking transactions and the protection against the laundering of proceeds from criminal activities.

(11) The National Bank of Slovakia may issue a generally binding legal regulation in which, for the purpose of facilitating the withdrawal of Slovak banknotes and Slovak coins from circulation, it will stipulate detailed rules for the acceptance of Slovak banknotes and Slovak coins as legal tender until the end of the dual cash circulation period, and also for the exchange of Slovak banknotes and Slovak coins for euros, including treatment of the establishment and quantification of the amount of compensation and the proce-

²⁴ *Article 10(1) and (8) of Act No. 301/2005 Coll., the Criminal Procedure Code.*

cedure for replacing incomplete or otherwise damaged Slovak banknotes and Slovak coins by their exchange for undamaged banknotes and coins, the procedure for withdrawing damaged Slovak banknotes and Slovak coins for which compensation is not provided, the procedure for withdrawing counterfeit or altered Slovak banknotes and Slovak coins presented for replacement, as well as the material and technical equipment, rules and procedures of banks and of processors of banknotes and coins when processing Slovak banknotes and Slovak coins, and also the methods and statistical monitoring of exchanges of Slovak banknotes and Slovak coins for euros. After fixing the euro introduction date, the National Bank of Slovakia shall issue a generally binding legal regulation which, as at the euro introduction date, will repeal the implementing regulations on banknotes and coins issued before the euro introduction date.

Protection of Slovak banknotes and Slovak coins

Article 5

(1) Reproductions of valid or invalid Slovak banknotes and Slovak coins, their electronic images, and any objects which are even partially similar in their appearance or properties to any Slovak banknote or Slovak coin, including medals and tokens, on which are written in any grammatical form the words “slovenská koruna” (Slovak koruna), “halier” (haler), “Národná banka Slovenska” (National Bank of Slovakia) or “Slovenská republika” (Slovak Republic), the abbreviation or code of the Slovak koruna “Sk” or “SKK”, or any depiction of a state symbol of the Slovak Republic, may be made and used only if the conditions laid down by separate legal provisions on the protection of intellectual property or by international treaties binding upon the Slovak Republic are met, and provided that such reproductions or imitations are not confusable with genuine Slovak banknotes and Slovak coins, nor usable in slot machines, mainly by virtue of their appearance, dimensions, properties, material used, technical parameters, colour and other graphic elements; such reproductions or imitations, including their electronic images, must be produced in such a way that they can not be used or misused to make counterfeit or altered Slovak banknotes or Slovak coins. Such reproductions or imitations, including their electronic images, may only be made and used in a respectable way that corresponds to the importance of the reproduced or imitated Slovak banknotes and Slovak coins. For Slovak coins, only their non-metallic graphic reproductions may be made and used. Metallic medals and tokens must not include inscriptions, designs, symbols or motifs which are found on coins issued by the National Bank of Slovakia, including the depiction of a state symbol of the Slovak Republic. The provisions of this paragraph shall also apply to reproductions and imitations of commercial coins and physical securities issued by the National Bank of Slovakia; any reproduction or imitation of physical securities may only be made and used where it is distinctly marked so as to make quite clear it is a reproduction or imitation, especially by using the distinctive word “VZOR” (specimen) or “SPECIMEN”. The provisions of this paragraph are without prejudice to the provisions of separate legal provisions.²⁵

(2) The restrictions mentioned in paragraph (1) shall not apply to the National Bank of Slovakia in the performance of its tasks, mainly when testing equipment and performing other necessary activities in order to detect counterfeit or altered Slovak banknotes, Slovak coins, commercial coins and physical securities issued by the National Bank of Slovakia, and when disclosing information on the security features of Slovak banknotes, Slovak coins, commercial coins, and physical securities issued by the National Bank of Slovakia. The restrictions mentioned in paragraph (1) shall also not apply to other per-

²⁵ For example, Article 10 of Act No. 618/2003 Coll. on copyright and on rights related to copyright (the Copyright Act), as amended by Act No. 84/2007 Coll.; Decree of the National Bank of Slovakia No. 456/2001 Coll. laying down details of the conditions for making and using reproductions of banknotes, commemorative banknotes, coins, commemorative coins, commercial coins, and securities issued by the National Bank of Slovakia, as well as objects imitating their design, including their electronic images.

sons participating in the performance of the tasks of the National Bank of Slovakia on the basis of a written agreement made with the National Bank of Slovakia; such persons shall ensure that any reproductions or imitations which they make of Slovak banknotes, Slovak coins, commercial coins, and physical securities issued by the National Bank of Slovakia, including their electronic images, can not be misused, in particular, by being introduced into circulation.

(3) The National Bank of Slovakia may issue a generally binding legal regulation laying down detailed rules under which it is permitted to make and use reproductions of Slovak banknotes, Slovak coins, commercial coins, and physical securities issued by the National Bank of Slovakia, and objects imitating their design, including electronic images thereof.

Article 6

(1) Slovak banknotes and Slovak coins are protected against counterfeiting, alteration, unauthorized production and damage and against groundless refusal of legal tender acceptance by separate legal provisions.²⁶

(2) A withdrawal of counterfeit or altered Slovak banknotes and Slovak coins, or objects similar to Slovak banknotes and Slovak coins, including a withdrawal after the euro introduction date, shall be made in accordance with this Act and separate legal provisions.²⁷

Article 7

The processing of Slovak banknotes and Slovak coins, including their processing after the euro introduction date, shall be governed by this Act and separate legal provisions.²⁸

PART THREE NON-CASH TRANSACTIONS AND PAYMENT SYSTEM

Article 8 Conversion and transfers of funds

(1) As at the euro introduction date the Slovak currency shall be changed over to the euro in non-cash circulation in the Slovak Republic. As at the euro introduction date, banks shall ensure and perform at no charge the conversion into euros of non-cash payment instruments which they hold on deposit or have provided in Slovak korunas, namely by their converting and rounding into euros in accordance with the conversion rate and other rules governing the changeover to the euro¹⁶ and by following the procedure laid down by this Act and separate legal provisions. After the conversion of funds held in bank accounts in Slovak korunas, the bank shall at no charge state the account balance in euros in the first account statement issued after the conversion. Where an account statement is not issued, the bank

²⁶ For example, Articles 17, 270 to 273, and 280 of Act No. 300/2005 Coll., the Criminal Code; the International Convention for the Suppression of Counterfeiting Currency and Protocol (Decree No. 15/1932 Coll.).

²⁷ For example, Article 17e of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended; Decree of the National Bank of Slovakia No. 465/2001 Coll. laying down details of the procedure in accepting and handling legal tender, and details of the provision of replacements for incomplete banknotes or otherwise damaged banknotes and coins.

²⁸ For example, Article 17f of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended; Decree of the National Bank of Slovakia No. 464/2001 Coll. laying down details of the conditions under which businesses may process banknotes and coins for other persons and the procedure for banks and businesses in processing banknotes and coins.

shall provide the client, upon his/her request and at no charge, with a confirmation of the account balance after the conversion of the account funds from Slovak korunas to euros. Where a monetary deposit confirmed in a passbook is converted from Slovak korunas to euros, the bank shall at no charge enter in the relevant passbook the deposit balance in euros when the passbook is first presented to the bank following the conversion of the confirmed deposit, unless different amount of deposit is proved.²⁹

(2) Not later than one month before the euro introduction date, each bank shall publish markedly, on its website and at all its business premises used in communicating with clients, information for the clients about the rules under which the funds it holds on deposit in Slovak korunas will be converted into euros as at the euro introduction date.

(3) As of the euro introduction date, fund transfers shall not be performed anymore in Slovak korunas. As of the euro introduction date, it shall not be permitted to give or accept transfer orders denominated in Slovak korunas for the purpose of making domestic or cross-border transfers of funds through the payment system under separate legal provision³⁰ (hereinafter the “bank payment system”), nor postal orders denominated in Slovak korunas for the purpose of making a postal payments³¹; nevertheless, during the dual cash circulation period, the payer’s right to make deposit and cash payment using Slovak banknotes or Slovak coins in the amount corresponding to that of a transfer denominated in euros shall not be prejudiced within the bank or postal payment systems.

(4) Unless otherwise stipulated in separate legal provision, monetary transfers made in Slovak korunas through bank payment system³⁰ or postal payment system³¹, initiated but not completed before the euro introduction date, shall be completed in accordance with the rules applicable when these transfers were initiated, whereas as at the euro introduction date, the transfer amount shall be converted and rounded from Slovak korunas into euros and, at the end of the transfer, the converted amount shall be credited to the bank account of the recipient or paid in cash to the recipient in euros in accordance with the conversion rate and other rules governing the changeover to the euro¹⁶ and the procedure laid down by this Act and in separate legal provisions on the bank payment system³⁰ or the postal payment system.³¹

(5) At the changeover to the euro, the periods of time and deadlines for performing monetary transfers and the periods of time and deadlines for meeting the monetary obligations³² shall be extended and postponed by one business day immediately following the euro introduction date; if the monetary transfers or monetary obligations that should have been performed or met within the extended period of time or within that postponed deadline are performed or met not later than the first business day after that extension or postponement, these monetary transfers or monetary obligations shall be treated as performed and met³² in a due and timely manner and shall not incur a delay or the rights and obligations related with a delay.³²

(6) Not later than one month before the euro introduction date, each bank and each postal enterprise shall publish markedly, on its website and at all its business premises used in communicating with clients, information for the clients about the cessation of non-cash transactions and fund transfers in Slovak korunas as of the euro introduction date.

(7) Paragraphs (1) through (6) shall also apply to the National Bank of Slovakia and to the State Treasury, with the exception that paragraph (2) and (6) shall not apply to the State Treasury in the extent of business premises.

²⁹ Article 781(2) of the Civil Code.

³⁰ Act No. 510/2002 Coll. on the payment system (including amendments to certain acts), as amended.

³¹ Act No. 507/2001 Coll. on postal services, as amended.

³² For example, Articles 7(1), (2) and (4), 11, 16(1), and Article 20 of Act No. 510/2002 Coll. as amended; Articles 559, 563, 567(2), 420(2), 517(2), and 121(3) of the Civil Code; Article 424(1), Articles 339, 373 and 374 of the Commercial Code.

PART FOUR
PROCEDURE FOR THE REDENOMINATION OF ASSET VALUES AND
MONETARY AMOUNTS AND THE CONTINUITY OF LEGAL RELATIONS

Article 9
General provisions

(1) As of the euro introduction date, asset values denominated in the Slovak currency, except for Slovak banknotes and Slovak coins, shall be treated as asset values denominated in the euros with their monetary expression converted and rounded in accordance with the conversion rate and other rules governing the changeover to the euro.¹⁶ The redenomination, conversion and rounding of the monetary expression of an asset value (hereinafter the “redenomination of an asset value”) from the Slovak currency to equivalent in the euros, in accordance with the conversion rate and other rules governing the changeover to the euro, shall not be subject to any prohibitions or restrictions laid down by separate legal provisions³³ which apply to change in amount of monetary expression of certain asset values from one monetary currency to another monetary currency, including restrictions requiring the nominal values of certain capital participations, securities, contributions to capital, or other asset values to be rounded to integers or multiples of integers. Furthermore, the redenomination of an asset value from the Slovak currency to the euro equivalent, in accordance with the conversion rate and other rules governing the changeover to the euro, shall in no other way, under separate legal provisions¹⁶, affect the respective asset value or continuity of legal relations associated with the respective asset value, unless otherwise agreed by all concerned parties of the respective legal relation or otherwise stipulated in this Act or in a separate legal provision.

(2) As of the euro introduction date, monetary amounts in the Slovak currency which are mentioned in generally binding legal provisions, in decisions, measures, attestations and other legal, administrative or organizational acts of courts, other state authorities, local self-government bodies, courts of arbitration or other public authorities, in contracts and agreements, as well as in registers, records and other listings, in accounts, in other legislative acts, proposals, announcements and other legal acts, in other legal documents, or in other legal instruments drawn up in any form or appearance, shall be treated as monetary amounts in the euros, converted and rounded in accordance with the conversion rate, this Act and other rules governing the changeover to the euro¹⁶; this shall not apply to the legal provisions on the denomination of Slovak banknotes or Slovak coins, to the legal provisions or other legal instruments governing the conversion of monetary amounts from the Slovak currency to the euros, nor to the legal provisions or other legal instruments which shall be inapplicable after the changeover to the euro. The conversion of monetary amounts mentioned in legal provisions, decisions of public authorities, contracts or other legal instruments, from the Slovak currency to equivalent in the euros, by conversion and rounding performed in accordance with the conversion rate and other rules governing the changeover to the euro, shall according to separate legal provisions¹⁶ in no way whatsoever affect the other contents, entities or the validity of legal relations arising from the respective legal provisions, decisions of public authorities, contracts or other legal instruments, unless otherwise agreed by the concerned parties of the respective legal relation or otherwise stipulated in this Act or in a separate legal provision.¹⁶

³³ For example, Article 109(2), second sentence, and Article 157(1), third sentence, of the Commercial Code; Article 3(2)(c), point 1, of Act No. 566/2001 Coll. on securities and investment services (including amendments to certain acts) – the Securities Act – as amended; Section I, Article 69 and Article 77(1), and Section II, Article 51, of Act No. 191/1950 Coll. on bills of exchange and cheques, as amended by the Act No. 659/2007 Coll.; Article 3(1)(c), point 1, and Article 3(4) of Act No. 530/1990 Coll. on bonds, as amended; Article 17b(1) of Act No. 42/1992 Coll. on regulation of property relations and settlement of possessory interests in cooperatives, as amended by Act of the National Council of the Slovak Republic No. 264/1995 Coll.

(3) Where operations that include mention of monetary amounts in Slovak korunas are performed in the context of court proceedings or other proceedings before public authorities which are not validly concluded prior to the euro introduction date, the legal consequences of such operations shall be upheld, whereas as of the euro introduction date, the monetary amounts in Slovak korunas shall be treated as monetary amounts in euros, converted and rounded in accordance with the conversion rate and other rules governing the changeover to the euro. This is without prejudice to the procedure laid down by separate legal provisions for the amendment, termination, withdrawal, supplementation, or other modification of the respective operations.

(4) Courts and other state authorities, local self-government bodies, and other public authorities, including legal persons which keep official registers and official records containing entries of asset values denominated in the Slovak currency, shall in the course of their activities be required under official authority and at their own initiative to take into account the changeover to the euro, including taking into account the conversion rate and other rules governing the changeover to the euro; these facts need not be demonstrated in the proceedings before public authorities³⁴. By virtue of their official authority and at their own initiative, public authorities shall also be entitled within their activities to perform conversions and validate correctness of conversions of monetary amounts from Slovak korunas to the euros, including conversions of monetary amounts on which the public authorities shall decide after the conversion rate is set and which shall become payable, or the instalments of which shall become payable, not earlier than after the euro introduction.

(5) A petition for registration, recording, entry or other mention (hereinafter the “registration”) of the redenomination of asset values from the Slovak currency to the euros, filed in relation to such redenomination within one year after the euro introduction date, shall not be subject in the Slovak Republic to a fee obligation or any court fees, administrative fees or other fees laid down by separate legal provisions;³⁵ this shall also apply to proceedings on such petitions, as well as other operations and proceedings related to the redenomination of asset values from the Slovak currency to the euros.

(6) If by the redenomination of asset values or the conversion of monetary amounts from the Slovak currency to the euros in accordance with the conversion rate and with the rules governing the changeover to the euro, a difference arises under the rounding performed within the limits of the rounding rules for the changeover from the Slovak currency to the euro, this rounding difference shall not give rise to unwarranted gains or damage and this rounding difference shall not establish a right to any other compensation. The subject of any lawsuit concerning the redenomination of asset values or the conversion monetary amounts in relation to the changeover to the euro shall be restricted to the case that the respective asset value or monetary amount is not subject to redenomination and conversion from the Slovak currency into the euros in relation to the changeover to the euro, or that the conversion rate was not used for the redenomination of the asset value or conversion of the monetary amount from the Slovak currency into the euros, or that the rounding rules or other rules governing the changeover to the euro were breached. The exercise of claims arising from liability for the redenomination of asset values or the conversion of monetary amounts from the Slovak currency into the euros in relation to the changeover to the euro shall be subject to the same statute of limitation as that which applies to claims arising from liability for damage in accordance with general civil law regulations.

³⁴ For example, Article 121 of the Civil Proceedings Code; Article 32(2) and Article 34(6) of Act No. 71/1967 Coll.; Article 29(3) of Act of the National Council of the Slovak Republic No. 511/1992 Coll.; Article 195(2) and Article 196(1) of Act No. 461/2003 Coll.; Article 24(4) of Act No. 747/2004 Coll. on financial market supervision (including amendments to certain acts).

³⁵ For example, Act of the Slovak National Council No. 71/1992 Coll. on court fees and the criminal register extract fee, as amended; Articles 6(1)(f) and 8(3) to (5) of Act No. 530/2003 Coll. on the Commercial Register (including amendments to certain acts), as amended; Article 114(1) of the Civil Proceedings Code; Act of the National Council of the Slovak Republic No. 145/1995 Coll. as amended; Article 30(1)(d) of Act No. 71/1967 Coll. as amended by Act No. 527//2003 Coll.; Articles 41 and 42 of Act No. 747/2004 Coll. as amended; Act No. 566/2001 Coll. as amended.

(7) As of the euro introduction date, data given in the Slovak currency must not be entered in the Commercial Register or other official registers or records; this is without prejudice to entries of data on the redenomination of asset values from the Slovak currency to the euros. Proceedings on petitions for the registration of data given in the Slovak currency, which were commenced but not concluded before the euro introduction date, shall be suspended and the petitioner shall be sent a request to modify or supplement the filed petition so that the data proposed for registration is given in the euros.

(8) Within the keeping of books, preparation of financial statements, keeping of other business records, and drafting of documents for tax purposes or for other stipulated official purposes, the Slovak currency shall be converted to the euro³⁶ as of the euro introduction date.

(9) The correct conversion of a settled monetary debt or other monetary payment from the Slovak currency to the euros shall be ensured by and be the responsibility of the obligor or another person who is liable to meet the respective monetary payment; this shall apply to each payment or instalment of the payment after the introduction of the euro, unless otherwise agreed by the concerned parties of the respective legal relation or otherwise stipulated in this Act or in a separate legal provision.

(10) In marketing, offers, and sales or other paid provision of products, goods, services or works, the implementation and correctness of the conversion from the Slovak currency to the euros shall be ensured by and be the responsibility of the seller, in relations between the seller and the consumer, and of the supplier, in relations between businesses, unless otherwise stipulated in this Act or in a separate legal provision.

Redenomination of the nominal value of share capital

Article 10

(1) The nominal values of the share capital of business organizations or cooperatives, the ordinary shares of state-owned enterprises, the endowment capital of foundations or other similar capital (hereinafter the “share capital”) of legal persons, the nominal values of partners’ contributions, including the nominal values of shares, the nominal values of members’ contributions, founders’ contributions, or other capital investments constituting an interest in the share capital of legal persons (hereinafter the “contributions to capital”), which exist on the basis of separate legal provisions³⁷ and which are denominated in the Slovak currency, shall from the euro introduction date be treated as nominal values denominated in the euros, with the nominal value of the contributions to capital and share capital being converted and rounded in accordance with the conversion rate and other rules governing the changeover to the euro.¹⁶ This presumption shall be without prejudice to the obligation of legal persons in which there are contributions to capital or share capital denominated in the Slovak currency to carry out the redenomination, conversion and rounding of the nominal value (hereinafter the “redenomination of the nominal value”) of contributions to capital and share capital from the Slovak currency to the euros in accordance with the procedure laid down by this Act and in separate legal provisions.

³⁶ For example, Act No. 431/2002 Coll. on accounting, as amended; Articles 6(10) and (11), and 17(1)(c) of Act No. 595/2003 Coll. on income tax, as amended.

³⁷ For example, Articles 58, 59(1), 93(2) and (3), 105(1), 108(1), 109(1), 154(1), 157(1), 162(3) and 223(1) to (3) of the Commercial Code; Article 13(2)(e) of Act No. 111/1990 Coll. on state enterprises; Article 5 (1), article 44 (3) and article 45 of the Act No. 92/2008 Coll. on Commodity Exchanges and on amendments to the Act of the National Council of the Slovak Republic No. 145/1995 Coll. on Administrative Fees; Article 2(12) of Act No. 429/2002 Coll. on the stock exchange; Article 7(2)(a) of Act No. 483/2001 Coll.; Articles 54(11) to (13), 61(5)(a) and 100(2)(a) of Act No. 566/2001 Coll. as amended; Article 47(8) of Act No. 43/2004 Coll.; Article 22(8) of Act No. 650/2004 Coll.; Article 4 (9) to (14) and Article 6 (8) and (9) of the Act No. 8/2008 Coll. on Insurance (including amendments to certain acts); Article 33(1)(a) of Act No. 581/2004 Coll. on health insurance companies and health-care supervision (including amendments to certain acts); Article 3(2) of Act No. 34/2002 Coll. on foundations and on amendment of the Civil Code, as amended.

(2) Each legal person in which there are contributions to capital or share capital denominated in the Slovak currency shall ensure and perform free of charge the redenomination of the nominal values of contributions to capital and share capital from the Slovak currency to the euros in accordance with the conversion rate, with other rules governing the changeover to the euro, and with the procedure laid down by this Act and in separate legal provisions.

(3) Decisions on the redenomination of the nominal value of contributions to capital and share capital from the Slovak currency to the euros may, under the conditions set out in this Act or in separate legal provisions, be taken not earlier than on the conversion rate fixing date, while such decision must be taken and all legal acts³⁸ of the respective legal person, which are necessary for execution of such decision, must be implemented not later than one year after the euro introduction date. Nevertheless, such redenomination of the nominal value of contributions to capital or share capital from the Slovak currency to the euros under the conditions set out in this Act during the changeover to the euro may become effective not earlier than as of the euro introduction date.

(4) The redenomination of the nominal value of contributions to capital or share capital from the Slovak currency to the euros in accordance with the conversion rate and other rules governing the changeover to the euro shall not be subject to any prohibitions or restrictions on such nominal values laid down by separate legal provisions³⁷, nor to restrictions requiring that the nominal values of certain contributions to capital or share capital be rounded to integers or multiples of integers. The redenomination of the nominal value of contributions to capital or share capital from the Slovak currency to the euros in accordance with the conversion rate and other rules governing the changeover to the euro shall not be treated as an increase or reduction in the nominal value of the contributions to capital or in the amount of share capital as defined in separate legal provisions,³⁷ nor as a legal act to which approval or preliminary approval according to separate legal provisions³⁹ is required, provided that such decision on redenomination does deviate from conditions and limitations set by this Act for the redenomination of the nominal value of contributions to capital or share capital from the Slovak currency to the euros.

Article 11

(1) Within a single legal person, the redenomination of the nominal value of contributions to capital from the Slovak currency to the euros shall be performed in the same way and with the same rounding for all contributions to the capital of that legal person: firstly, using the bottom-up method, the nominal value of the individual contributions to capital shall be converted and rounded into the euros, and then the sum of nominal values of all contributions to the capital of the respective legal person shall be calculated in the euros in order to establish the total nominal value of its share capital in the euros. Regarding the redenomination of the nominal value of contributions to capital and share capital from the Slovak currency to the euros, the rounding must not result in a material change in the size ratios of individual interests in the share capital comprising contributions to capital, except under a joint decision of the partners, including shareholders, members or other holders of interests in the share capital; the total of the nominal values of all the contributions to capital, denominated in the euros, must be equal to the nominal value of the respective share capital in the euros, and neither the resulting nominal value of the share capital in the euros, nor the resulting nominal value of any contribution to capital in the euros can be less than the minimum amount of the respective contributions to capital, or the minimum amount of the respective share capital, as required under separate legal provisions³⁷ or under the operating licence issued to the respective legal person.

³⁸ For example, Article 5(1),(5) and (6), and Article 7(16) of Act No. 530/2003 Coll. as amended by Act No. 659/2007 Coll., Article 13(1) and (2)(e) of Act No. 111/1990 Coll., Article 12(7), Article 99(3)(a) and (l), Article 103(2)(a), and Article 107(4)(c) of Act No. 566/2001 Coll. as amended, Article 11(2) of Act No. 34/2002 Coll.

³⁹ For example, Article 28(1) of Act No. 483/2001 Coll. as amended; Articles 70(1) and 102(1) of Act No. 566/2001 Coll. as amended.

(2) Where a legal person carries out the redenomination of the nominal value of contributions to capital and share capital from the Slovak currency to the euros and in doing so performs upward rounding, including rounding of the nominal value of contributions to capital up to an integer not greater than the nearest euro, it may for such redenomination of the nominal value of contributions to capital and share capital use retained earnings from previous accounting periods or other own funds of financing included in its equity; in so using its reserve fund or non-distributable fund, the legal person can not use more than 10% of the reserve fund or non-distributable fund as at when the decision was adopted on the redenomination of the nominal value of contributions to capital and share capital from the Slovak currency to the euros. Where a legal person performs downward rounding within the redenomination of the nominal value of contributions to its capital and share capital from the Slovak currency to the euros, the difference arising from this rounding shall be added to the respective legal person's reserve fund or non-distributable fund and this difference shall not, for the purposes under separate legal provisions, be included among income or returns on activities or the use of the assets of that legal person. Where a legal person uses its reserve fund or non-distributable fund within the redenomination of the nominal value of contributions to its capital and share capital from the Slovak currency to the euros, the share in the profit of that legal person can not be determined and used for other purposes before the reserve fund or non-distributable fund has been supplemented up to the amount stipulated by a separate legal provision.⁴⁰

(3) Decision of a legal person on the redenomination of the nominal value of contributions to capital and the nominal value of share capital from the Slovak currency to the euros may be taken and implemented by the statutory body of that legal person subject to the condition that within the redenomination there shall be no change, beyond the scope of the rounding, in the size ratios of individual interests in the share capital comprising contributions to capital, and rounding of the nominal value of contributions to capital downwards shall not be performed to less than two decimal places to the nearest euro cent, and rounding upwards shall not be performed to more than an integer representing the nearest euro. No additional decision of bodies of the respective legal person or its partners, members or other persons is required for validity of the redenomination of the nominal value of contributions to capital and the nominal value of share capital from the Slovak currency to the euros, based on the decision of the statutory body of the legal person, apart from such decision of the statutory body, issued properly; should this be the case, the statutory body shall also be entitled to decide on ensuing amendment of the by-laws, articles of association, memorandum of association, founding deed, or other legal document concerning the incorporation or corporate matters of the legal person in question, however only in such scope which is necessary for the redenomination of the nominal value of share capital and the nominal value of contributions to capital from the Slovak currency to the euros pursuant to this Act and separate legal provisions.

(4) Where the statutory body of a legal person decides on the redenomination of the nominal value of contributions to the capital and share capital of that legal person, the decision shall be issued in writing, shall be duly signed, and the signatures of the respective members of the statutory body, or persons constituting the statutory body, shall be authenticated. The statutory body of the respective legal person may, however, submit to the body or persons authorized to decide on the increase or reduction of the share capital of that legal person a draft of the decision on the redenomination of the nominal values of contributions to capital and share capital from the Slovak currency to the euros; for such purposes, the statutory body may convene an ordinary or extraordinary general meeting of shareholders, a members' meeting, or another meeting of the relevant body or the relevant persons in order that the decision on redenomination is taken and implemented not later than one year after the euro introduction date. The decision on the redenomination of the nominal value of contributions to capital and the nominal value of share capital from the Slovak currency to the euros, which is compatible with the conditions and restrictions laid down

⁴⁰ For example, Articles 67, 124, 217 and 235 of the Commercial Code; Articles 8(4)(a) and 9(1) of Act No. 111/1990 Coll. as amended; Article 3(1) and (2) of Regulation of the Government of the Slovak Republic No. 175/1993 Coll. on financial management of state enterprises.

by this Act for the redenomination of such nominal values from the Slovak currency to the euros, shall be approved by a simple majority of the votes cast by attendees of the general meeting, members' meeting or other relevant body, or by the relevant persons.

(5) The decision of a legal person on the redenomination of the nominal value of contributions to its capital and the nominal value of its share capital from the Slovak currency to the euros, which deviates from the conditions and restrictions stipulated by this Act for the redenomination of such nominal values from the Slovak currency to the euros, shall be taken in the same way as a decision on an increase or reduction in the share capital of that legal person in accordance with separate legal provisions.⁴¹

Article 12

(1) After a legal person has taken a decision on the redenomination of the nominal value of its share capital and the nominal value of contributions to its capital from the Slovak currency to the euros, the statutory body of that legal person shall, as soon as possible but not later than within the period under Article 10(3), file the respective petition for registration or take other steps as might be necessary to have the nominal value of the contributions to capital in the euros and the nominal value of the share capital in the euros entered forthwith in the list of partners, including shareholders, in the list of members or other list related to contributions to capital, provided that such list is maintained in accordance with separate legal provisions, as well in the Commercial Register or other official record or register in which data on the respective contributions to capital and the respective share capital are entered. The redenomination of the nominal value of the contributions to capital or share capital from the Slovak currency to the euros shall take effect as of when it is entered in the Commercial Register or in other official record or register in which data on the respective contributions to capital and the respective share capital are entered, unless otherwise stipulated in this Act or in a separate legal provision.

(2) Not later than 30 calendar days after the redenomination of the nominal value of contributions to the capital and share capital of a legal person from the Slovak currency to the euros has come into effect, information on that redenomination shall be sent by the statutory body of that legal person to its partners, members or other relevant persons, or shall be disclosed in a manner identical to that followed under separate legal provisions⁴² or internal regulations of the legal person in sending or disclosing information, in the case of a change in the share capital, on the convening of a general meeting of shareholders, members' meeting or meeting of another senior body of the legal person. Information on the redenomination of the nominal value of contributions to capital and share capital from the Slovak currency to the euros shall include at least the precise designation of the relevant contributions to capital and share capital, their nominal value in the Slovak currency before the redenomination, and their nominal value in the euros after the redenomination, the date of entry into force of the redenomination, as well as the conversion rate and rounding used for the redenomination from the Slovak currency to the euros.

(3) The redenomination of the nominal value of contributions to capital and the nominal value of share capital from the Slovak currency to the euros shall be made in accordance with this Act and separate legal provisions³⁷ governing changes in the nominal value of contributions to capital and share capital, unless otherwise stipulated in this Act or in a separate legal provision.

(4) The redenomination of the nominal value of contributions to capital and share capital from the Slovak currency to the euros in accordance with the conversion rate and other

⁴¹ For example, Articles 125(1)(e), 142 to 147, 187(1)(b), 202 to 210, 223(9) and 239(4)(e) of the Commercial Code; Act No. 111/1990 Coll. as amended; Act No. 34/2002 Coll.

⁴² For example, Article 129(1), second sentence, Articles 184(3), 202(2), 212, 239(2), second sentence, and Article 769 of the Commercial Code.

rules governing the changeover to the euro shall be without prejudice to the internal legal relations of legal persons, transferability and marketability of interests in the share capital of legal persons, and any other legal relations pertaining to contributions to capital or to share capital, unless otherwise stipulated in this Act or in a separate legal provision. Should the amounts related to the share capital or contributions to capital denominated in the Slovak currency be established or calculated on the basis of their nominal value, during the period from the euro introduction date to the redenomination of their nominal value from the Slovak currency to the euros such amounts shall be established and calculated on the basis of assumption under Article 10(1).

(5) A petition filed within one year after the euro introduction date in relation to the redenomination, including registration of data on the redenomination of the nominal value of contributions to capital or the nominal value of share capital from the Slovak currency to the euros, as well as proceedings concerning such redenomination and other operations and procedures related to the redenomination of the nominal value of contributions to capital or the nominal value of share capital from the Slovak currency to the euros shall be governed by Article 9(5).

(6) As of the euro introduction date, a legal person in which there are contributions to capital or share capital denominated in the Slovak currency is not allowed to file a petition for registration of other change into the Commercial Register or in other official record or register in which these contributions or share capital are entered, unless respective petition for registration of change concerning the redenomination of the nominal value of the share capital and nominal value of the contributions into the share capital from the Slovak currency to the euros is filed together with a petition for registration of such other change, at the latest.

(7) The Ministry of Justice of the Slovak Republic may issue a generally binding legal regulation reflecting the principles and rules under Article 2(1) hereof and laying down detailed rules and the procedure for the redenomination of the nominal value of contributions to capital and the nominal value of share capital from the Slovak currency to the euros.

Redenomination of the nominal value of securities

Article 13

(1) As of the euro introduction date, securities denominated in the Slovak currency shall be treated as securities denominated in the euros, with their nominal value being converted and rounded in accordance with the conversion rate and other rules governing the changeover to the euro.¹⁶ This presumption shall be without prejudice to the obligation of issuers of securities denominated in the Slovak currency to carry out the redenomination of the nominal value of securities from the Slovak currency to the euros in accordance with the procedure laid down by this Act and in separate legal provisions.

(2) Each issuer of securities denominated in the Slovak currency shall ensure and perform free of charge the redenomination of the nominal value of the securities issued by him from the Slovak currency to the euros in accordance with the conversion rate, with other rules governing the changeover to the euro, and with the procedure laid down by this Act and in separate legal provisions. The obligations to ensure and perform redenomination of the nominal value from the Slovak currency to the euros shall not, however, apply to book-entered debt securities which will be payable in their entirety not later than on the euro introduction date, nor to bills of exchange, cheques and physical debt securities which will be payable in their entirety, in one cash or non-cash payment, when they are first presented for settlement of monetary obligation attached thereto.

(3) A decision on the redenomination of the nominal value of securities from the Slovak currency to the euros may, under the conditions set out in this Act or in separate legal

provisions, be taken not earlier than on the conversion rate fixing date, while such decision must be taken and all legal acts³⁸ of the issuer, which are necessary for execution of such decision, must be implemented not later than one year after the euro introduction date, unless otherwise stipulated in this Act or in separate legal provisions. In the case of book-entered debt securities, book-entered fund units, or book-entered cooperative shares, a decision on the redenomination of their nominal value must be taken and all legal acts³⁸ of the issuer, which are required for the completion of such decision, must be implemented not later than one month before the euro introduction date. Nevertheless, the redenomination of the nominal value of equity securities as well as the redenomination of the nominal value of debt securities from the Slovak currency to the euros under the conditions set out in this Act during the changeover to the euro may become effective not earlier than as of the euro introduction date.

(4) For shares or other equity securities representing contributions to or interests in the capital of legal persons, the redenomination of their nominal value from the Slovak currency to the euros shall be performed at the same time as the redenomination of the share capital of that legal person, and shall be made in accordance with the rules applicable to the redenomination of the nominal values of contributions to the capital and share capital of legal persons. For equity securities representing contributions to or interests in the capital of a legal person, capital participations in a collective investment undertaking or shares in other collective assets of mutual fund shareholders, the rounding performed under the redenomination of their nominal value from the Slovak currency to the euros must not result in a material change in the size ratios of any of the contributions or interests represented by these equity securities. For securities which are part of a securities issue, the redenomination of their nominal value from the Slovak currency to the euros shall be performed in the same way and with the same rounding for the whole securities issue: firstly, within a single issue of securities and using the bottom-up method, the nominal value of the individual securities shall be converted and rounded into the euro, and then the sum of the nominal values of all the securities of that same issue shall be calculated in the euro in order to establish the total nominal value of this securities issue in the euros. Within a single issue of securities, however, the redenomination of the nominal value of the securities from the Slovak currency to the euros must not result in any change, beyond the scope of the rounding, in the size ratio of the individual securities in the respective issue.

(5) The redenomination of the nominal value of securities from the Slovak currency to the euros in accordance with the conversion rate and other rules governing the changeover to the euro shall not be subject to any prohibitions or restrictions on securities laid down by separate legal provisions,³⁷ nor to prohibitions on modification of the issuing conditions of certain securities, restrictions excluding the settlement of monetary obligations under the changed text of certain securities, or restrictions requiring that the nominal values of certain securities be rounded to integers or multiples of integers. The redenomination of the nominal value of securities from the Slovak currency to the euros in accordance with the conversion rate and other rules governing the changeover to the euro shall not be treated as an increase or reduction in the nominal value of the securities as defined in separate legal provisions,³⁷ nor legal act to which approval or preliminary approval according to separate legal provision³⁹ is required, provided that such decision on redenomination does deviate from conditions and limitations set by this Act for the redenomination of the nominal value of contributions to capital or share capital from the Slovak currency to the euros.

Article 14

(1) After an issuer has taken a decision on the redenomination of the nominal value of securities from the Slovak currency to the euros, it shall without delay but not later than within the period under Article 13(3), first sentence, file the respective petition or take other steps necessary to have the nominal value of the securities in the euros entered forthwith in the list of shareholders, list of mutual fund shareholders, or another relevant

list of the securities' holders, provided that such list is maintained in accordance with separate legal provisions, as well as in the records of the central securities depository or in another relevant official register or record of securities, and in the accounts of book-entered securities holders, holder accounts, the member's customer accounts, or other accounts in which information on the respective securities is recorded.

(2) The redenomination of the nominal value of securities from the Slovak currency to the euros shall take effect as of when it is entered in records of the central securities depository or in another relevant official register or record of securities in which the respective securities are recorded, unless otherwise provided in this Act or in a separate legal provision. Where physical securities are not recorded in any record or register of securities, the redenomination of their nominal value from the Slovak currency to the euros shall take effect as of the date when the nominal value in euros is marked on the respective physical securities, while such marking of the nominal value in euros on the respective physical securities shall not, according to separate legal provisions¹⁶, affect in any way whatsoever their validity nor rights and obligation attached thereto.

(3) In regard to book-entered securities kept in the records of the central securities depository and the redenomination of their nominal value from the Slovak currency to the euros, their issuer shall, without delay after taking the decision on the redenomination but not later than within the period under Article 13(3), first sentence, notify the central securities depository in writing of the details of the conversion; on the basis of the issuer's notification the central securities depository shall, without delay but not later than within one year after the delivery of the issuer' notification, enter in its records a record of change in details shown in the securities issuer's register and, in cooperation with members of the central securities depository, it shall ensure an immediate registration of the respective changes of data in the relevant accounts of book-entered securities holders, holder accounts, the member's customer accounts, or other accounts in which information on the respective book-entered securities is recorded, unless the act defines other period for registration of such changes.

(4) Should an issuer of book-entered debt securities, book-entered fund units or book-entered cooperative shares which are kept in the records of the central securities depository fail to fulfil its obligations under Article 13(3) one month before the euro introduction date at the latest and not deliver to the central securities depository a written notification containing the relevant data on redenomination of the book-entered securities issued by that issuer, the central securities depository shall, for the entire issue of securities of the respective issuer, convert and round forthwith the nominal value of the individual book-entered debt securities, book-entered fund units or book-entered cooperative shares from the Slovak currency to the euros using the bottom-up method; should this be the case, the central securities depository shall also provide for registration of the relevant changes of data in the securities issuer's register and in the relevant accounts where the data on the respective book-entered debt securities, book-entered fund units or book-entered cooperative shares are recorded, with effect as of the euro introduction date.

(5) The same rules as applied in converting and recording of changes in data on the nominal value of book-entered debt securities from the Slovak currency to the euros, with relevant records being kept by the central securities depository, shall also apply to conversions and registrations of changes in data on the nominal value of treasury bills from the Slovak currency to the euros, with relevant records being made in the central registry of short-term securities kept by the National Bank of Slovakia, whereas in relation to such conversions and registrations of changes in data on the nominal value of treasury bills from the Slovak currency to the euros the National Bank of Slovakia shall have the same status, rights and obligations as the central securities depository in its performing of conversions and registrations of changes in data on the nominal value of book-entered debt securities from the Slovak currency to the euros. An asset management company keeping an independent registry of book-entered fund units denominated in the Slovak currency shall, upon decision on redenomination of the nominal value of such fund units from the Slovak currency to the euros, secure without delay that a record of changes in data on

the redenomination is entered in the registry of the issuer of book-entered fund units, with effect as of the euro introduction date; such asset management company shall also ensure, in cooperation with the central securities depository and its members, that a record of changes in the relevant data is entered in the accounts concerned where the data on the respective book-entered fund units are kept, with effect as of the euro introduction date.

(6) In a case of redenomination, from the Slovak currency to the euros⁴³, of the nominal value of securities admitted to trading on a regulated market or, with consent of the issuer, on a multilateral trading facility, the issuer shall without delay notify the organizer of the respective regulated market or multilateral trading facility of the details of the redenomination; such notification duty is also binding upon the central securities depository if, pursuant to above paragraphs (3) and (4), it converts and registers changes of the data concerning the redenomination, from the Slovak currency to the euros, of the nominal value of book-entered debt securities, book-entered fund units or book-entered cooperative shares. In relation therewith, the organizer of the respective regulated market or multilateral trading facility shall without delay publish a notification of such redenomination from the Slovak currency to the euros in a manner stipulated in the stock exchange rules or other rules applicable to the respective regulated market or multilateral trading facility. In a case of redenomination, from the Slovak currency to the euros, of the nominal value of securities admitted to trading on a multilateral trading facility⁴³ without consent of the issuer, the organizer of such multilateral trading facility shall without delay publish a notification of such redenomination from the Slovak currency to the euros in a manner stipulated in the rules of the multilateral trading facility.

Article 15

(1) After the redenomination of the nominal value of securities from the Slovak currency to the euros, the issuer, the central securities depository, or the stock exchange shall without delay announce or disclose that the redenomination has been performed and shall do so in a manner identical to that followed, under separate legal provisions⁴⁴ and other rules applicable to such securities, in announcing or disclosing information on a change in the nominal value of securities of the same type. Information about the redenomination of the nominal value of securities from the Slovak currency to the euros shall include at least the designation of the relevant securities and securities issue, their nominal value in the Slovak currency before the redenomination, their nominal value in the euros after the redenomination, the date of entry into force of the redenomination, and the conversion rate and rounding used for the redenomination from the Slovak currency to the euros, as well as their ISIN codes, if assigned. If the physical securities are subject to the obligation to provide for and perform the redenomination of their nominal value from the Slovak currency to the euros, the issuer shall at no charge mark these physical securities with their nominal value in the euros when first presented to the issuer; the marking of physical securities with their nominal value in the euros within the changeover to the euro shall, according to separate legal provisions,¹⁶ in no way whatsoever affect the legal relations pertaining to the respective securities, and nor shall it establish, alter or cancel the liability to pay the monetary amount stated on debt securities or on other physical securities. After the redenomination of the nominal value of immobilized or other physical securities from the Slovak currency to the euros, the issuer of these securities who, as the consignor, has placed them in safe custody shall at no charge and without delay provide for marking of these physical shares with their nominal value in the euros; with regard to the physical securities registered in the list of shareholders, list of mutual fund shareholders, or another list of holders of physical securities kept under a separate legal provision, the issuer shall at no charge provide for their marking with their nominal value in the euros by release of such physical securities from custody or by their first presentation to other person following the redenomination of their nominal value at the latest.

⁴³ For example, Article 5(j) and 44 of Act No. 594/2003 Coll. on collective investment (including amendments to certain acts), as amended; Article 39a of Act No. 429/2002 Coll. as amended by Act No. 209/2007 Coll.

(2) The redenomination of the nominal value of securities from the Slovak currency to the euros shall be governed by this Act and the provisions of separate legal provisions⁴⁷ governing changes in nominal values of securities, unless otherwise provided in this Act or in a separate legal provision.

(3) The redenomination of the nominal value of securities from the Slovak currency to the euros in accordance with the conversion rate and the rounding rules for the changeover to the euro shall be without prejudice to other securities' issuing conditions, transferability and marketability of securities, takeover bids, mutual funds statutes, and any other legal relations pertaining to the securities, unless otherwise provided in this Act or in a separate legal provision. Should securities' exchange quotations, yields on securities, or other data be established or calculated on the basis of the nominal value of securities denominated in the Slovak currency, in the period between the euro introduction date and the redenomination of their nominal value from the Slovak currency to the euros such exchange quotations, yields, or other data shall be established and calculated on the basis of assumption under Article 13(1); the same shall apply to the securities which, according to Article 13(2), second sentence, are not subject to the obligation to provide for and perform the redenomination from the Slovak currency to the euros.

(4) If a nominal value or monetary amount is stated on the securities which were issued in the Slovak Republic prior to the euro introduction date and which are due and payable in the Slovak Republic or represent contributions to or interests in the capital of legal persons having their registered office in the Slovak Republic, either without specification of the currency unit or only with the term "koruna" being used, such securities shall be considered as the securities denominated in the Slovak korunas, unless the parties of the respective legal relation agree otherwise or a act provides otherwise.

(5) Issuers of equity securities denominated in the Slovak currency to be issued in the period between the conversion rate fixing date and the euro introduction date, as well as issuers of debt securities denominated in the Slovak currency to be issued after the conversion rate fixing date and to become due and payable not earlier than after the euro introduction date shall specify all values stated in the securities' issuing conditions, prospectuses and in the physical securities both in the Slovak currency and in the euros, converted and rounded in accordance with the conversion rate and other rules governing the changeover to the euro. Collective investment management companies, pension fund management companies, and supplementary pension companies shall ensure that the mutual funds, pension funds and supplementary pension funds under their management are prepared for the changeover to the euro, including adoption of the respective amendments of the statutes and prospectuses of such funds.

(6) A petition or order filed or issued within one year after the euro introduction date in relation to the redenomination, including the registration thereof, of the nominal value of securities from the Slovak currency to the euros, as well as proceedings concerning such petition or order, and other operations and proceedings related to the redenomination of the nominal value of the securities from the Slovak currency to the euros shall be governed by Article 9 (5).

(7) As of the euro introduction date, the issuer of the securities denominated in the Slovak currency is not allowed to file a petition or issue an order for registration of other change in the register of securities or in other official register in which securities are entered, unless respective petition for registration of change concerning the redenomination of the nominal value of the securities from the Slovak currency to the euros is filed together with a petition or order for registration of such other change, at the latest.

⁴⁴ For example, Articles 12(7), 111(1)(a) point 5, and Article 125a of Act No. 566/2001 Coll. as amended; Articles 184(3), 202(2), 212 and 769 of the Commercial Code; Article 3(5), third sentence, of Act No. 530/1990 Coll. as amended; Article 22(1) and (2), and Article 37(2), (3), (7), (10) and (11) of Act No. 429/2002 Coll. as amended.

(8) Provisions of above paragraphs (1) through (6) and Articles 13 and 14 shall not affect the obligation to apply accordingly the provisions of Articles 10 through 12 in relation with the conversion of the share capitals and shares of joint stock companies.

(9) The National Bank of Slovakia may, after consulting the Ministry of Finance of the Slovak Republic, issue a generally binding legal regulation reflecting the principles and rules under Article 2 hereof and laying down detailed rules and the procedure for the redenomination of the nominal value of securities from the Slovak currency to the euros, including the specification of the number of decimal places to which rounding must be performed in order to maintain the principle of neutrality when converting the values of securities from the Slovak currency to the euros.

Article 16 **Conversion of monetary data for special purposes**

(1) Registered or reported details of financial amounts (hereinafter the “monetary data”), including monetary data concerning the development in value of assets in time or the value of financial amounts, which are denominated in the Slovak currency and which relate with the period preceding the euro introduction date shall, for the purpose of their using after the changeover to the euro or for the purpose of dual display, be converted from the Slovak currency to the euros at the conversion rate, unless a separate legal provisions provides otherwise.

(2) For the purposes of social insurance, social security and health insurance, in converting monetary data which refer to the period before the euro introduction date and are used after the changeover to the euro, the procedure set forth in separate legal provisions concerning social insurance, social security and health insurance shall be followed; documents and data on financial amounts in the Slovak currency for the period before the euro introduction date shall be stored, archived, recorded, and reported to the relevant institution of social insurance, social security or health insurance without being converted, and the conversion of monetary data from the Slovak currency to the euros at the conversion rate shall usually be performed not earlier than within calculations of benefits of social insurance, social security or health insurance, unless otherwise provided in separate legal provisions in the field of social insurance, social security or health insurance. The Ministry of Health of the Slovak Republic shall issue a generally binding legal regulation reflecting the principles and rules under Article 2 hereof and laying down detailed rules, scope and procedure for the reporting and conversion of monetary data, including the rules for reporting of monetary data for the purpose of health insurance in relation to the changeover to the euro.

(3) For the purposes of accounting, taxes, administrative fees, court fees and local fees, and for the customs purposes, in converting monetary data which refer to the period before the euro introduction date and are used after the changeover to the euro, the procedure to be followed is that set forth in separate accounting legal provisions, separate tax legal provisions, separate customs legal provisions, separate legal provisions governing administrative fees, court fees and local fees; this is applicable mainly in converting accounting data expressed in the Slovak currency which were originated in the period before the euro introduction date as the result of the conversion of assets and liabilities between a foreign currency and the Slovak currency performed at an exchange rate other than the conversion rate, or in converting monetary data stated in books, including financial statements for the accounting period that is a financial year commencing before the euro introduction date and ending after the changeover to the euro, or in converting monetary data stated in tax returns filed after the changeover to the euro for the tax period which ended before the euro introduction date or which started before the euro introduction date and ended after the changeover to the euro. The Ministry of Finance of the Slovak Republic shall issue generally binding legal regulations reflecting the principles and rules under Article 2 hereof and laying down detailed rules, scope and procedure for the conversion of mon-

etary data, including the rules for reporting of monetary data for accounting purposes in relation to the changeover to the euro, as well as detailed rules, scope and procedure for the conversion of monetary data, including the rules for reporting of monetary data for the purposes of taxes, administrative fees, court fees and local fees, and for customs purposes in relation to the changeover to the euro, and also including the issuance or modification of sample tax forms which reflect the changeover to the euro.

(4) For statistical purposes, in converting monetary data which refer to the period before the euro introduction date and are used after the changeover to the euro, the procedure to be followed is that set forth in separate legal provisions in the field of statistics; this is applicable mainly in converting monetary data which were originated in the period before the euro introduction date as the result of the conversion between a foreign currency and the Slovak currency performed on the basis of an exchange rate other than the conversion rate, or in converting monetary data in order to create statistical number series or a statistical comparison of data for periods before the euro introduction date and after the changeover to the euro. The Statistical Office of the Slovak Republic may, upon agreement with the National Bank of Slovakia, issue a generally binding legal regulation reflecting the principles and rules under Article 2 hereof and laying down detailed rules, scope and procedure for the conversion of monetary data, including the rules for reporting of monetary data for statistical purposes in relation to the changeover to the euro.

PART FIVE REFERENCE INTEREST RATES, EXCHANGE RATES AND INDEXES

Article 17

(1) Where other generally binding legal provisions, decisions of public authorities, contracts or other legal instruments include the use of the terms “base interest rate of the National Bank of Slovakia”, “discount rate of the National Bank of Slovakia”, “discount interest rate” or “discount rate of the State Bank of Czechoslovakia”, as of the euro introduction date these terms shall mean the base interest rate of the European Central Bank⁴⁵ which the European Central Bank sets and publishes for main refinancing transactions performed by the Eurosystem within the European System of Central Banks. Such change in the base interest rate made by the changeover to the euro shall neither affect charging of the interest at the original interest rate over the entire interest period which started before the euro introduction date and shall expire thereafter, nor shall it affect charging of interest after the euro introduction date, which is determined by the relevant interest rate from the period before the euro introduction date, and nor shall it, pursuant to separate legal provisions,¹⁶ affect other content, parties or validity of legal relations arising from the relevant legal provisions, decisions of public authorities, contracts or other legal instruments, unless otherwise agreed by the parties of the respective legal relation or provided in this Act or a separate legal provision.

(2) Where other generally binding legal provisions, decisions of public authorities, contracts or other legal instruments include, as reference parameters, the use of exchange rates of the Slovak currency to other currencies set and published by the National Bank of Slovakia or other exchange rates of the Slovak currency to other currencies, as of the euro introduction date these shall mean the respective foreign exchange reference rates of the euro to other currencies set and published by the European Central Bank⁴⁵, foreign exchange reference rates of the euro to other currencies set and published by the National Bank of Slovakia⁴⁶, if for such currencies the European Central Bank does not

⁴⁵ *Section 12 (12.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.*

Part 3.1.2 of Annex I of the Guideline of the European Central Bank of 31 August 2000 No. ECB/2007/7 (2000/776/EC) on Monetary Policy Instruments and Procedures of the Eurosystem (Special Edition of the Official Journal of the European Union, Chapter 10/Volume 1) as amended.

⁴⁶ *Articles 28(2) and 49ab(6) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended by Act No. 659/2007 Coll.*

set or announce any foreign exchange reference rates, or other relevant exchange rates of the euro to other currencies, unless otherwise agreed by the parties of the respective legal relation or provided in a separate legal provision; however in the case of the exchange rate of the Slovak currency to the euro, as of the euro introduction date either the conversion rate or no exchange rate shall be used, depending on the subject matter of the respective legal relation, unless otherwise agreed by the parties of the respective legal relation or provided in a separate legal provision. Such change in exchange rates made by the changeover to the euro shall neither affect the elements of legal relations for which the exchange rates from the period before the euro introduction date are relevant, nor shall it, pursuant to separate legal provisions,¹⁶ affect other content, parties or validity of legal relations arising from the relevant legal provisions, decisions of public authorities, contracts or other legal instruments, unless otherwise agreed by the parties of the respective legal relation or provided in this Act or a separate legal provision.

(3) Where other generally binding legal provisions, decisions of public authorities, contracts or other legal instruments include the use of reference interest rates or financial indexes which are derived from interest rates or from other parameters used in transactions of funds in the Slovak currency at the interbank money market in the Slovak Republic, in particular the reference interest rates SKONIA, BRIBOR or BRIBID, as of the euro introduction date these shall mean the relevant reference interest rates EONIA, EURIBOR or EURIBID with the respective maturity period, or other relevant reference rates and financial indexes derived from interest rates or from other parameters used in transactions of funds in the euros at the interbank money market in the euro area. Such change in reference rates and financial indexes made by the changeover to the euro shall neither affect the elements of legal relations for which the reference rates and financial indexes from the period before the euro introduction date are relevant, nor shall it, pursuant to separate legal provisions,¹⁶ affect other content, parties or validity of legal relations arising from the relevant legal provisions, decisions of public authorities, contracts or other legal instruments, unless otherwise agreed by the parties of the respective legal relation or provided in this Act or a separate legal provision.

PART SIX DUAL DISPLAY

Article 18

(1) The period of dual display during which the simultaneous dual display in the Slovak currency and the euros is implemented on a compulsory basis, in the established relevant scope of prices, payments and other amounts and in accordance with other stipulated rules, shall begin one month after the conversion rate fixing date and shall end one year after the euro introduction date. Voluntary dual display may, under the stipulated rules, be implemented more broadly than in the compulsory scope of dual display; voluntary dual display may also be implemented, under the stipulated rules, outside the compulsory period of dual display but as of the conversion rate fixing date at the earliest.

(2) The dual display in the stipulated scope of prices, payments and other amounts shall apply only to prices, payments and other amounts which before the euro introduction date are stated in the Slovak currency, and to prices, payments and other amounts which after the euro introduction date are stated in the euros. The dual display shall not establish any right to payment of a dual displayed monetary amount in that currency which is pursuant to Article 1(2)(i) hereof stated for information purposes only, unless otherwise agreed by the parties of the respective legal relation; this shall be without prejudice to the right to settlement of the price, payment or other amount in any of the displayed currencies during the dual cash circulation period, unless otherwise provided in this Act.

(3) The compulsory dual display shall only be implemented in accordance with the full conversion rate, rounding rules and other rules governing the changeover to the euro,

including the stipulated number of decimal places for the dual display of prices, unit prices, payments and other amounts. Wherever the dual display is used, the conversion rate shall be stated transparently as well.

(4) The dual display, either in written or electronic form, shall be implemented by displaying and stating the prices, payments and other amounts, including unit prices, simultaneously in the Slovak korunas and the euro, in an unambiguous, transparent, comprehensible, easily accessible and clearly legible manner, so that the respective amounts can be compared with similar prices, payments and other amounts, including unit prices; by dual display the details concerning prices, payments and other amounts shall be provided in the official language of the country, and they may optionally be stated in other languages.

(5) In relation with marketing, offers, sales or other paid provision of products, goods, services or work, the details on prices, including unit prices, shall be dual displayed and stated on price tags, in price lists, including price schedules and price tariffs, in marketing materials or in other information media and technical devices where information on price is usually stated under separate legal provisions on prices and on consumer protection.⁸ It shall be sufficient for the dual display, which is accessible for public or clients on the Internet, Intranet or through a similar electronic medium, to be secured under the stipulated rules and in the stipulated scope through a visibly positioned and user-friendly virtual software calculator with a computed and permanently set conversion rate, which before the euro introduction date executes automatic calculations of inserted figures of monetary amounts from the Slovak korunas to the euros at the conversion rate and as of the euro introduction date executes automatic calculations of inserted figures of monetary amounts from the euros to the Slovak korunas at the conversion rate. A separate legal provision may also lay down special methods of the dual display of certain prices, payments and other amounts or stipulate a particular number of decimal places for certain prices, payments or other amounts, if this is suitable and practical in regard to special nature of the products, goods, services, works or payments concerned, or in regard to special method of offering, providing or performing thereof, in particular special methods of the dual display of prices, payments and other amounts in advertising and other marketing, or stating a particular number of decimal places in unit prices of utilities including gas, fuels and propellants, potable and utility water, sample rates of communication services, and other products, goods or services which are usually sold, supplied or provided in larger unit quantities.

(6) Should the dual display apply to monetary amounts stated in invoices, contracts, payment or disbursement documents, documents issued by electronic cash register, cash receipts, other payment confirmation documents or other accounting documents, only the final total sums of prices, payments and other amounts which are to be actually paid or accounted for, in particular final amounts of wage or salary paid to employee or credited to designated bank account, and final prices of products, goods, services or works, shall be subject to the dual display, unless otherwise provided in this Act or a separate legal provision. Should the dual display apply to amounts specified in account statements issued by financial institutions, at least the initial balance and final balance of the respective amount stated in the account statement for the reported period, and the fees, charges and other prices paid to the financial institution shall be subject to the dual display, unless otherwise provided by this Act or a separate legal provision. Where account statements are issued on an irregular basis or at intervals longer than a quarter of a year, the financial institution shall not later than one month before the euro introduction date notify the client, who has no direct electronic access to his/her account, of the last known amount or amount expected as at the euro introduction date, which notification shall be made in the dual display, free of any charge, and in writing; and not later than within the period of one quarter of a year following the euro introduction date, the financial institution shall notify the client in writing, free of any charge, of the respective amount in the dual display after its calculation and conversion from the Slovak currency to the euros at the conversion rate. Should one and the same monetary amount be stated both in a document issued by electronic cash register and in another accounting document presented to the

consumer or to other client, the dual display shall apply only to the amount stated in the document issued by electronic cash register. Amounts stated in accounting documents of income and expenditure concerning cash register transactions in cash shall not be subject to the dual display; nevertheless, the dual display shall apply to final amount stated in a sales document issued in lieu of a document from electronic cash register in the event that electronic cash register is temporarily unusable.

(7) The dual display shall not apply to monetary amounts stated in provisions of generally binding legal provisions and in decisions of public authorities. The dual display shall not apply to such statements of monetary amounts which are provably used exclusively within mutual relations of legal persons or exclusively within mutual relations of entrepreneurs in performance of their business activities. Furthermore, exempt from the dual display are payment orders, documents on deposit or disbursement of money, postal vouchers, other payment documents, operation documents, applications and forms processed, handled and executed by financial institutions or other entities which are filled in by their clients or prepared based on information provided by the client. The dual display shall not be required in respect of monetary amounts stated on duty stamps⁴⁷, postage stamps and other stamped stationery⁴⁷, on tax labels⁴⁷, or on other official tokens of value, unless otherwise provided in a separate legal provision. Implementation of the dual display shall neither be required from natural persons who are not entrepreneurs, namely in regard to occasional renting of movables, occasional sale of own used items and products in reasonable quantities between natural persons, or occasional sale of forest fruits, mushrooms, or plant and animal products from own small-scale growing or breeding activities in agriculture, forest management or water management, including such occasional sales activities at market places.⁴⁸ Under a separate legal provision, certain additional prices or payments may exceptionally be exempted from performance of the dual display, should their dual display cause unreasonable technical difficulties or unreasonably high financial costs of dual display due to special nature of the products, goods, services, works or payments, or due to specific manner in which they are provided or performed, in particular in distant retail of goods or distant providing of services by means of distant communication.⁴⁹ Should a separate legal provision exceptionally exempt certain prices, payments or other amounts from the dual display, such separate legal provision may also lay down suitable and practical measures in order to achieve in relation with the exempted prices, payments or other amounts an effect similar to the dual display itself.

(8) Once a price was dual displayed in the Slovak korunas and the euro prior to the euro introduction date, while the conversion and rounding of the price from the Slovak korunas to the euros were carried out in compliance with the rules of dual display, and at the same time the original price expressed in the euros remains unchanged after the euro introduction date, then after the euro introduction date the original price expressed in the euros shall not be necessarily converted and rounded from the euro to the Slovak korunas for the purpose of the dual display, but the original price expressed in the Slovak korunas shall be deemed to be correct converted amount in accordance with the rules of the dual display.

(9) As of the conversion rate fixing date, it shall be prohibited to display and state prices, payments and other amounts simultaneously in the Slovak currency and in the euros in any way not complying with the rules of the dual display as set forth by this Act and separate legal provisions, in particular it shall be prohibited to use the dual display

⁴⁷ For example, Article 18 of Act of the National Council of the Slovak Republic No. 145/1995 Coll.; Article 4a of Act No. 507/2001 Coll. as amended by Act No. 15/2004 Coll.; Article 9 of Act No. 106/2004 Coll. on the excise duty on tobacco products, as amended; Act No. 264/2008 Coll. on Revenue Stamps (including amendments to certain acts); Article 1(4)(b) of Decree of the Ministry of Finance of the Slovak Republic No. 182/2004 Coll. laying down details of the issuance of tax labels for the consumer packaging of cigarettes, including their graphic features and data.

⁴⁸ For example, Act of the National Council of the Slovak Republic No. 178/1998 Coll. on the terms and conditions for the sale of products and provision of services in market places, as amended; Article 14b, second sentence, of Act of the Slovak National Council No. 511/1992 Coll. as amended.

⁴⁹ For example, Article 9 of Act No. 108/2000 Coll. on consumer protection in doorstep selling and distance selling, as amended; Act No. 266/2005 Coll. on consumer protection in distance financial services (including amendments to certain acts).

with different conversion than according to the conversion rate, with lower than defined number of decimal places or less accurate rounding than under the established rules of rounding by the changeover to the euro; this is without prejudice to stating of exchange rates used in purchase, sale or exchange of funds in the Slovak currency for funds in the euros prior to the euro introduction date. Voluntary informative displaying and stating of prices, payments and other amounts simultaneously in the Slovak currency and in the euros, which is done prior to the conversion rate fixing date, shall not be labelled or passed off as the dual display stipulated by this Act and separate legal provisions.

(10) Techniques, procedures and methods of the dual display and other detailed rules for the dual display as well as for the conversion and rounding of prices, unit prices, payments and other amounts by the changeover to the euro, furthermore the scope of prices, unit prices, payments and other amounts subject to the dual display, prices, unit prices, payments and other amounts stated, converted and rounded to a special number of decimal places, and the number of such decimal places, as well as the prices, payments and other amounts exempted from the dual display on exceptional basis, and also other details concerning the dual display, conversion and rounding of prices, unit prices, payments and other amounts shall be stipulated by a generally binding legal regulation which shall respect the principles and rules set forth in Article 2 hereof and which

a) shall be issued by:

1. the Ministry of Economy of the Slovak Republic in regard to the field of consumer protection in marketing, offering, selling or other paid providing of products, goods and works, as well as services and payments other than in the fields referred to in points 2 to 6 and subparagraph b),
2. the National Bank of Slovakia, after consulting with the Ministry of Finance of the Slovak Republic, in regard to the field of financial market and the services of financial institutions in the areas of banking, capital market, insurance industry and pension saving,
3. The Ministry of Labour, Social Affairs and Family of the Slovak Republic in regard to the field of wages, salaries and other remuneration for work, reimbursement of travel expenses, employment services, social insurance and retirement pension saving, social benefits, social assistance benefits, assistance in material need and other social support, and social services,
4. The Ministry of Health of the Slovak Republic in regard to the field of health insurance and providing of health care and health-care related services, including pharmaceutical care, prices of products, services and performances in the health care industry, and rentals for non-residential premises within health care facilities,
5. The Ministry of Finance of the Slovak Republic in regard to the field of gambling games,
6. The Ministry of Interior of the Slovak Republic in cooperation with Ministry of Defence of the Slovak Republic in regard to social insurance of police officers and soldiers.

b) may be issued by the Ministry of Finance of the Slovak Republic for the purposes of accounting, taxes, administrative fees, court fees, local fees, and for customs purposes.

PART SEVEN
SUPERVISION OF COMPLIANCE WITH RULES AND OBLIGATIONS
CONCERNING
THE PREPARATIONS FOR THE CHANGEOVER AND THE CHANGEOVER
TO THE EURO

Article 19
Supervisory authorities

(1) The supervision and oversight of compliance with rules and obligations concerning preparations for the changeover and the changeover to the euro shall be exercised by supervisory authorities which, for the purposes of this Act, shall include the National Bank of Slovakia, the Slovak Trade Inspectorate, price controlling authorities, authori-

ties competent in consumer protection, including municipalities and other supervisory authorities within the limits of their supervision and oversight competence as laid down by separate legal provisions;⁵⁰ if the competence of a supervisory authority can not be established under separate legal provisions or under other provisions of this Act, then the exercise of supervision and oversight shall fall within the competence of the Slovak Trade Inspectorate.⁵¹ For the fields of consumer protection and prices, the scope of supervision and oversight within the stipulated limits of the supervisory authorities' competence shall include also the dual display, as well as the redenomination, conversion and rounding of monetary amounts and asset values from the Slovak currency to equivalent in the euros within the changeover to the euro. Supervision and oversight of compliance with rules and obligations concerning preparations for the changeover and the changeover to the euro, including proceedings and decisions under that supervision as well as decision enforcement, shall be governed by the provisions of separate legal provisions⁵⁰ regulating the procedure to be followed by the supervisory authority, unless otherwise provided in this Act; the same applies also to the rights and obligations of supervisory authorities and persons authorized to exercise supervision and oversight and to the rights and obligations of persons who are subject to supervision and oversight of compliance with rules and obligations concerning preparations for the changeover and the changeover to the euro.

(2) The National Bank of Slovakia shall, pursuant to this Act and separate legal provisions,⁵² exercise supervision over compliance with rules and obligations concerning preparations for the changeover and the changeover to the euro in regard to legal tender in cash circulation and to non-cash circulation through payments, including reproduction of Slovak banknotes and Slovak coins, exchange of Slovak banknotes and Slovak coins for euros, and also redenomination of funds deposited with banks from the Slovak currency to the euros, as well as supervision over compliance with rules and obligations in the field of financial market, including conversions, rounding and the dual display within the services of financial institutions, and also redenomination of the nominal value of securities from the Slovak currency to the euros.

Article 20

Corrective measures and sanctions

(1) Should a competent supervisory authority, by exercising supervision or oversight of an entity that is subject to supervision or oversight (hereinafter the "supervised entity") under separate legal provisions,⁵⁰ identify at a supervised entity shortcomings involving non-compliance with, breach or evasion of any rules and obligations concerning the preparations for the changeover and the changeover to the euro, as provided by this Act, any separate legal provision issued for implementation of this Act, or any other generally binding legal regulation, the supervisory authority shall, according to gravity, scope, duration, consequences and nature of identified shortcomings, be entitled to impose on that supervised entity corrective measures, fines or other sanctions stipulated under separate legal provisions.⁵⁰

⁵⁰ For example, Act No. 128/2002 Coll. on state oversight of the internal market in matters of consumer protection (including amendments to certain acts), as amended; Act of the National Council of the Slovak Republic No. 140/1998 Coll. on medicinal products and medical devices and on amendment of Act No. 455/1991 Coll. on licensed trading (the Trade Licensing Act), as amended and on amendment of Act of the National Council of the Slovak Republic No. 220/1996 Coll. on advertising; Act of the National Council of the Slovak Republic No. 178/1998 Coll.; Act No. 108/2000 Coll. as amended; Act No. 147/2001 Coll. on advertising (including amendments to certain acts), as amended; Act No. 747/2004 Coll. as amended; Act No. 483/2001 Coll. as amended; Act No. 566/2001 Coll. as amended, Act No. 507/2001 Coll. as amended; Act No. 610/2003 Coll. as amended; Act No. 39/2007 Coll. on veterinary care; Act No. 126/2006 Coll.; Act No. 250/2007 Coll.

⁵¹ Article 20(1), second sentence, of Act No. 250/2007 Coll.

⁵² For example, Act No. 747/2004 Coll. as amended; Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended; Act No. 483/2001 Coll. as amended; Act No. 566/2001 Coll. as amended.

(2) Should a competent supervisory authority, by exercising supervision or oversight of an entrepreneur or legal person that is not subject to supervision or oversight under separate legal provisions,⁵⁰ identify shortcomings involving non-compliance with, breach or evasion of any rules and obligations concerning the preparations for the changeover and the changeover to the euro, as provided by this Act, any separate legal provision issued for implementation of this Act, or any other generally binding legal regulation, the supervisory authority shall, according to gravity, scope, duration, consequences and nature of identified shortcomings, be entitled to impose on such entity a pecuniary fine in the valid currency unit up to the value of EUR 30,000, and for a repeated or serious shortcoming even up to the value of EUR 60,000; if the identified shortcoming has brought about a material gain exceeding the value of EUR 60,000, fine imposed may be up to the amount of that material gain.

(3) Should a competent supervisory authority identify a shortcoming under above paragraphs (1) or (2) within the activities of an entrepreneur or legal person, including a refusal to accept the legal tender without a lawful reason, the supervisory authority shall, according to gravity, scope, duration, consequences and nature of identified shortcomings, be entitled, in addition to imposition of fine as per the paragraphs (1) or (2), to impose a pecuniary fine in the valid currency unit up to the value of EUR 1,500, and for a repeated or serious shortcoming, up to the value of 3,000 EUR, even upon the natural person who is liable for such identified shortcoming within the activities of entrepreneur or legal person. The provision of this paragraph shall not apply if a supervisory authority is entitled to impose a pecuniary fine or other sanction upon the liable natural person pursuant to a separate legal provision.⁵⁰

Article 21

Cooperation provided to supervisory authorities

State authorities, local self-government authorities, other public authorities, and other legal persons and natural persons shall without undue delay provide the supervisory authorities with any cooperation they may request for the purposes of supervision and oversight of compliance with rules and obligations concerning the preparations for the changeover and the changeover to the euro in accordance with this Act and separate legal provisions. In that respect, they shall without undue delay and at no charge disclose and submit to the supervisory authorities any requested written or oral statements, explanations and other information and supporting documents acquired in the course of their activities, including information from the records and registers which they maintain. The entity or person so requested may refuse to disclose and submit the requested information only in a case that it would constitute a breach of confidentiality obligation explicitly imposed or recognized by the act, or such disclosure or submission of information would be contrary to the act or an international treaty which is binding upon the Slovak Republic and takes precedence over the acts of the Slovak Republic.⁵³

Article 22

Procedural measures

(1) Within supervision and oversight of compliance with rules and obligations concerning the preparations for the changeover and the changeover to the euro, a competent supervisory authority may impose a procedural fine on anyone who without any serious reason hinders:

- a) the exercise of supervision or oversight, in particular by not allowing or impeding the conduct of on-site supervision or oversight, or by not providing documents or information requested in relation to supervised entities, or by not providing other cooperation requested for the exercise of supervision or oversight;

⁵³ For example, Section 7(2) and (5) of the Constitution of the Slovak Republic No. 460/1992 Coll., as amended by Constitutional Act No. 90/2001 Coll.; Articles 3(5) and 4 of Act No. 747/2004 Coll.; Section 38 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

b) the conduct of proceedings before the supervisory authority, in particular by failing to answer a summons of the supervisory authority without giving any serious reason, by unjustifiably refusing to give testimony, by providing incomplete or false testimony, by failing to submit a written statement or a document, by not allowing the conduct of an inspection, or by not performing another act within the proceedings as required in a summons or notice issued by the supervisory authority.

(2) In deciding on the amount of a procedural fine, the supervisory authority shall take into account particularly the gravity and duration of the respective unlawful action, the scope of its consequences, and any repeated breach of obligations or simultaneous multiple breach of obligations. Procedural fine may be imposed in the valid currency up to the value of EUR 1,500 for a natural person and up to EUR 15,000 for a legal person, even also repeatedly.

(3) Procedure and decision-making concerning imposition of procedural fine are governed by provisions of separate legal provisions⁵⁰ which regulate the conduct of supervisory authority, unless otherwise provided in this Act. Proceedings on imposition of procedural fine may commence not later than six months after the date on which the supervisory authority identified the breach of obligation but not later than within three years from the date on which the breach of obligation, for which the procedural fine is to be imposed, actually occurred.

(4) Procedural fine shall fall due within 30 calendar days from the date of legal effectiveness of the decision on imposition of fine. Revenues from procedural fines shall constitute income of the respective supervisory authority; nevertheless, if the supervisory authority is a state authority, revenues shall be income of the state budget, and if the supervisory authority is a municipality, they shall be income of that municipality.

PART EIGHT COMMON, TRANSITIONAL AND FINAL PROVISIONS

Common and transitional provisions

Article 23

(1) Legal persons and entrepreneurs shall prepare and implement the measures, rules and procedures which will secure a continuous and undisturbed changeover to the euro when carrying out their activities. Each person shall bear its own costs and expenses related to the introduction of the euro, unless otherwise provided by a separate act, whereas the costs and expenses related to the introduction of the euro may not constitute a reason for raising prices, including unit prices, fees or other financial payments, or for requiring special fees, surcharges, or other payments for the purpose of covering the costs related to the introduction of the euro, including the cost relating to the conversion of asset values from the Slovak currency to the euros. A separate legal provision applies to the costs and expenses necessarily and demonstrably incurred in relation to the introduction of the euro.⁵⁴ If during the preparations for the changeover and the changeover to euro, including the period of dual display, a price, including a unit price, fee or the financial payment is increased, the actual reasons for the increase of the price, including a unit price, fee or other financial payment must be transparent and must enable clear, unambiguous and comprehensible differentiation of the reasons for their increase from the circumstances associated with the introduction of euro, including the differentiation of the reasons for their increase from the conversions and rounding of sums from Slovak korunas to euro according to the conversion rate, the rounding rules and other rules for the changeover from the Slovak currency to euro.

⁵⁴ *Articles 2(i) and 19 of Act No. 595/2003 Coll. as amended.*

(2) In regard to the changeover to the euro, the rounding of final total amounts in the euros which are to be actually paid or accounted for shall not be subject to separate legal provisions governing the rounding of final total amounts of certain cash payments for other purposes.⁵⁵

(3) Securities, other financial instruments and other asset values which in monetary terms are expressed in the Slovak currency and which are governed, not by Slovak law, but by the law of a foreign country shall be converted from the Slovak currency to the euros or to other currency in accordance with the law of that foreign country.

Article 24

(1) The provisions of this Act shall also apply to legal relations established before the date of entry into force of this Act; nevertheless, the establishment of such legal relations, as well as claims arising thereunder before the date of entry into force of this Act shall be treated in accordance with existing provisions, whereas as of the euro introduction date, amounts and asset values expressed in Slovak korunas shall be treated as amounts and asset values expressed in euros under the rules governing the changeover to the euro, unless otherwise agreed by the parties of the respective legal relation or unless otherwise provided in this Act or in a separate legal provision.

(2) Where other generally binding legal provisions include the use of the term “lawful money”, this shall mean legal tender which before the euro introduction date comprises valid Slovak banknotes and Slovak coins, during the dual cash circulation period it comprises valid euro banknotes and euro coins and, simultaneously, valid Slovak banknotes and Slovak coins, and after the dual cash circulation period it comprises valid euro banknotes and euro coins. Where other generally binding legal provisions use the term “monetary unit” or “monetary unit of currency”, the term “currency unit” is referred to. Where other generally binding legal provisions use the term “monetary reserves”, the term “foreign reserve assets” is referred to.

(3) Where other generally binding legal provisions use the terms “Slovak legal tender”, “Slovak money” or “national money”, as of the euro introduction date they shall mean also valid euro banknotes and euro coins, and after the end of the dual cash circulation period, only valid euro banknotes and euro coins. Where other generally binding legal provisions use the terms “Slovak currency”, “domestic currency” or “national currency”, as of the euro introduction date they shall mean also the euro currency, and after the end of the dual cash circulation period, only the euro currency. Where other generally binding legal provisions use the term “Slovak koruna” or “Sk” as an abbreviation of Slovak koruna without relation to a specific monetary amount, as of the euro introduction date this shall mean also the term “Euro” and the currency sign of euro “€” respectively, and after the end of the dual cash circulation period, only the term “Euro” and the currency sign of euro “€” respectively. Where other generally binding legal provisions use “SKK” as the alphabetical code of the Slovak koruna without relation to a specific monetary amount, as of the euro introduction date this shall mean also “EUR” as the alphabetical code of the euro currency, and after the end of the dual cash circulation period, only “EUR” as the alphabetical code of the euro currency.

(4) Where other generally binding legal provisions use the terms “foreign currency” or “currency of foreign country”, then before the euro introduction date they shall mean a currency other than the Slovak currency, during the dual cash circulation period they shall mean a currency other than the euro or the Slovak currency, and after the dual cash circulation period they shall mean a currency other than the euro. Where other generally binding legal provisions use the terms “foreign banknotes and coins” or “foreign exchange”, then before the euro introduction date they shall mean funds in a currency other than

⁵⁵ For example, Article 3(4) of Act of the National Council of the Slovak Republic No. 18/1996 Coll., as amended by Act No. 520/2003 Coll.; Article 74 of Act No. 510/2002 Coll.

the Slovak currency, during the dual cash circulation period they shall mean funds in a currency other than the euro or Slovak currency, and after the dual cash circulation period they shall mean funds in a currency other than the euro currency.

(5) Where other generally binding legal provisions stipulate that certain rate, base of the rate, payment, performance or other monetary amount shall be rounded to whole haliers, to multiples of whole haliers, to whole Slovak korunas, or to multiples of whole Slovak korunas, and provided that separate legal provision does not stipulate otherwise, then from the euro introduction date it shall mean the relevant rate, base of the rate, payment, performance or other monetary amount converted at the conversion rate and rounded to two decimal places to the nearest euro cent in accordance with separate legal provisions.¹⁶

(6) Unless this Act or separate legal provision stipulates otherwise, the provisions of the existing regulations on the Slovak banknotes and Slovak coins⁵⁶ shall apply to Slovak banknotes and Slovak coins, to their acceptance, to declaring them invalid, and to their withdrawal from circulation until the introduction of the euro and expiry of the dual cash circulation period, unless this Act stipulates otherwise; this evenly applies to replacing and taking away not damaged Slovak banknotes, to replacing and taking away damaged or in other way mutilated Slovak banknotes and Slovak coins, and to taking away counterfeit or altered Slovak banknotes and Slovak coins, namely until the expiry of the periods for exchange of the Slovak banknotes and Slovak coins which are stipulated by this Act.

(7) For conversion, to the Slovak currency, of the rates which are stipulated in Article 20(2) and (3) and in Article 22(2), the foreign exchange reference rate set and published by the National Bank of Slovakia shall apply during the period from 1 January 2008 to the date immediately preceding the euro introduction date.

(8) On electronic display devices in the case of the provision of electronic communication services⁵⁷ and when selling goods and providing services by means of electronic means of distance communication⁴⁹, after the euro changeover it is allowed to display only an informative sum of money in Slovak korunas instead of the price of the good or service in euro not longer than until the end of the dual cash circulation period, if that price is not subject to dual display or is exempted from dual display, if an earlier display of that price provably is not possible for technical reasons and in the absence of a provision to the contrary in this act or in a separate piece of legislation. On the digital indication display devices on filling columns for the refuelling of motor vehicle tanks⁵⁸, after the euro changeover it is allowed to display only an informative sum of money in Slovak korunas instead of the fuel price in euros until 31 January 2009. On the displays of taximeters⁵⁹, after the euro changeover it is allowed to display only an informative sum of money in Slovak korunas instead of the fare in euro until 31 March 2009.

Article 25 **Repealing provisions**

The following shall be repealed:

1. Article 7 of Act No. 49/1918 Coll. on the introduction of commercial means of payment;

⁵⁶ For example, Articles 15 to 17h of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended; Decree of the National Bank of Slovakia No. 465/2001 Coll. laying down details of the procedure in accepting and handling legal tender, and details of the provision of replacements for incomplete banknotes or otherwise damaged banknotes and coins.

⁵⁷ Art. 5 of the Act No. 610/2003 Coll. as amended.

⁵⁸ Art. 1 g) and Annex MI-007 of the Regulation of the Government of the Slovak Republic No. 294/2005 Coll. on Measuring Instruments

⁵⁹ Art. 1 e) and Annex MI-005 of the Regulation of the Government of the Slovak Republic No. 294/2005 Coll.

2. Articles 1 and 8 of Act No. 187/1919 Coll. governing the circulation and management of means of payment in the Czechoslovak State and amending the authorization of the Ministry of Finance granted under the Act of 25 February 1919, No. 84/1919 Collection of Laws and Regulations;
3. Act No. 25/1944 of the Slovak Legal Code on the issuance of fifty-koruna commemorative coins;
4. Articles 9 and 10 of Act No. 41/1953 Coll. on monetary reform, as amended by statutory measure of the Presidency of the National Assembly No. 25/1961 Coll., Act No. 175/1988 Coll., Act No. 130/1989 Coll., Act No. 22/1992 Coll. and Act No. 510/2002 Coll.;
5. Section I of Act of the National Council of the Slovak Republic No. 26/1993 Coll. on measures for ensuring the changeover from the Czechoslovak currency to the Slovak currency and on amendment of the Foreign Exchange Act;
6. Governmental Regulation No. 239/1948 Coll. on the minting and issuance of one hundred-koruna silver coins to commemorate thirty years of the Czechoslovak Republic;
7. Governmental Regulation No. 203/1949 Coll. on the minting and issuance of one hundred-koruna silver coins to commemorate the seventieth anniversary of the granting of the Jihlava mining rights;
8. Governmental Regulation No. 255/1949 Coll. on the minting and issuance of silver one hundred-koruna silver coins and fifty-koruna silver coins to commemorate the 70th anniversary of the birth of Generalissimo J. V. Stalin;
9. Governmental Regulation No. 39/1951 Coll. on the minting and issuance of the one hundred-koruna silver coins to commemorate the 30th anniversary of the founding of the Communist Party of Czechoslovakia;
10. Governmental Regulation No. 34/1954 Coll. on converting certain claims and liabilities denominated in Czechoslovak korunas of the old money in relation to abroad;
11. Governmental Regulation No. 47/1957 Coll. on the addition of one-Czechoslovak koruna coins to the system of legal tender;
12. Governmental Regulation No. 105/1965 Coll. on the addition of three-Czechoslovak koruna and five-Czechoslovak koruna coins to the system of legal tender;
13. Regulation of the Government of the Czechoslovak Socialist Republic No. 23/1971 Coll. on the addition of twenty-Czechoslovak koruna banknotes to the system of legal tender;
14. Regulation of the Government of the Czechoslovak Socialist Republic No. 61/1972 Coll. on the addition of twenty-halier and two-Czechoslovak koruna coins to the system of legal tender;
15. Regulation of the Government of the Czechoslovak Socialist Republic No. 108/1973 Coll. on the addition of five hundred-Czechoslovak koruna banknotes to the system of legal tender;
16. Regulation of the Government of the Czechoslovak Socialist Republic No. 70/1985 Coll. on the addition of thousand-Czechoslovak koruna banknotes to the system of legal tender;
17. Regulation of the Government of the Czech and Slovak Federal Republic No. 142/1990 Coll. on the addition of ten-Czechoslovak koruna coins to the system of legal tender;
18. Regulation of the Government of the Slovak Republic No. 27/1993 Coll. on certain measures for ensuring the changeover to the Slovak currency;
19. Decree of the National Bank of Slovakia No. 28/1993 Coll. implementing Act of the National Council of the Slovak Republic No. 26/1993 Coll. on measures for ensuring the changeover from the Czechoslovak currency to the Slovak currency and on amendment of the Foreign Exchange Act;
20. Provision of the National Bank of Slovakia No. 13/1998, of 11 September 1998, laying down the conditions for trading in foreign currency funds performed by banks on the internal foreign exchange market (Notification No. 325/1998 Coll.).

Section II

Act of the National Council of the Slovak Republic No. 566/1992 Coll. on the National Bank of Slovakia, as amended by Act of the National Council of the Slovak Republic No. 26/1993 Coll., Act of the National Council of the Slovak Republic No. 159/1993 Coll., Act of the National Council of the Slovak Republic No. 249/1994 Coll., Act of the National

Council of the Slovak Republic No. 374/1994 Coll., Act of the National Council of the Slovak Republic No. 202/1995 Coll., Act of the National Council of the Slovak Republic No. 118/1996 Coll., Act of the National Council of the Slovak Republic No. 386/1996 Coll., Act No. 348/1999 Coll., Act No. 149/2001 Coll., Act No. 602/2003 Coll., Act No. 747/2004 Coll., and Act No. 519/2005 Coll., shall be amended as follows:

1. In Article 1(1), the following sentence shall be added at the end: “The National Bank of Slovakia is a member of the European System of Central Banks; as of the date on which the euro is introduced in the Slovak Republic (hereinafter the “euro introduction date”), the National Bank of Slovakia shall be included also in the Eurosystem as the central banking system of the euro area within the European System of Central Banks.”.
2. In Article 2(1), the subparagraphs (a) and (b) shall read as follows:
 - “a) participate in the common monetary policy which the European Central Bank sets for the euro area (hereinafter the “common European monetary policy”),
 - b) issue euro banknotes and euro coins in accordance with the separate legal provisions applied in the euro area for the issuance of euro banknotes and euro coins,^{1aa)}”.

The footnote to reference 1aa shall be as follows:

^{1aa)} For example, Section 106 of the Treaty establishing the European Community, as amended (OJ EU C 321E, 29 December 2006), Section 16 and 44 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank (OJ EU C 321E, 29 December 2006).”.

3. In Article 2(1)(c), the following words shall be inserted at the beginning: “support the smooth functioning of payment systems and settlement systems,”.
4. In Article 2(1), after subparagraph (c) there shall be inserted a new subparagraph (d) reading as follows:
 - “d) maintain foreign reserve assets, use these reserve assets, and conduct foreign exchange operations, whereas as of the euro introduction date it shall, in conducting operations within the Eurosystem, proceed in accordance with the separate regulations applicable to Eurosystem operations,^{1ab)}”.

The existing subparagraph (d) shall become subparagraph (e).

The footnote to reference 1ab shall be as follows:

^{1ab)} For example, Section 12(12.1), Section 14(14.3), Section 17 to 24, and Section 31 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.

5. In Article 2(2), after the word “participation” shall be inserted the words “and objectives^{1ac)}” and the word “Banks.” shall be replaced with the words “Banks,^{1ad)} where the National Bank of Slovakia, as a member of the European System of Central Banks, shall proceed in accordance with the rules governing the European System of Central Banks, and as a member of the Eurosystem as of the euro introduction date it shall proceed also in accordance with the rules applicable only to the Eurosystem.^{1ae)}”.

The footnotes to references 1ac to 1ae shall read as follows:

^{1ac)} Section 105(1) of the Treaty establishing the European Community, as amended.

Section 2 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

^{1ad)} For example, Section 8, 101, 102, and Section 105 to 124 of the Treaty establishing the European Community, as amended; the Protocol on the Statute of the European System of Central Banks and of the European Central Bank, as amended.

^{1ae)} Section 104(9) and (11), Section 105(1), (2), (3) and (5), Section 106 and 110, and Section 122(1) and (3) of the Treaty establishing the European Community, as amended.

Section 3, 6, 9(9.2), Section 10(10.1) and (10.3), Section 12(12.1), Section 14(14.3), Section 16 to 20, Section 22, 23, 26(26.2), Section 27, Section 30 to 34, Section 44, 50 and 52 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank, as amended.”.

6. Article 3 shall read as follows:

“Article 3

(1) The National Bank of Slovakia shall publish information and reports of the European Central Bank on the activities of the European System of Central Banks and on the common European monetary policy, and in doing so it shall proceed in accordance with the rules applicable to the European System of Central Banks.

(2) The National Bank of Slovakia shall submit and publish reports on the condition and development of the financial market in accordance with a separate legal provision.^{1c)}”.

7. In Article 4(2), the words “shall represent” shall be replaced with the words “may represent”, and the words “related to the implementation of monetary policy” shall be deleted.
8. In Article 4, there shall be added paragraph (4) reading as follows:
“(4) The provisions of paragraphs (1) and (2) shall be without prejudice to the functions and powers of the European Central Bank and other institutions and bodies of the European Union at international level.^{1ca)}”.
The footnote to reference 1ca shall be as follows:
“^{1ca)} For example, Section 111(4) and (5), Section 249 to 256 of the Treaty establishing the European Community, as amended; Section 6(6.1) and (6.2), Section 21(21.2), Section 23, 31 and 34, and Section 43(43.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.
9. In Article 6(1), subparagraph (a) shall read as follows:
“a) procedural principles followed by the National Bank of Slovakia and its organizational units when implementing the common European monetary policy in accordance with the separate provisions and the rules applicable to the common European monetary policy,^{1cb)}”.
The footnote to reference 1cb shall read as follows:
“^{1cb)} For example, Guideline of the European Central Bank No. ECB/2000/7 (2000/776/EC) of 31 August 2000 on monetary policy instruments and procedures of the Eurosystem (OJ Special Edition, Chapter 10 Volume 01), as amended.”.
10. In Article 6(1)(b), the word “decide” shall be replaced with the words “in supervisory matters delegated to the National Bank of Slovakia decide”.
11. In Article 6(2)(b), the words “(Article 38)” shall be deleted.
12. In Article 6(2), subparagraph (e) shall read as follows:
“e) decide on the procedure followed by the National Bank of Slovakia and its organizational units when issuing euro banknotes and euro coins, including commemorative euro coins and collector’s euro coins, in accordance with the separate legal provisions applicable in the euro area for the issuing of euro banknotes and euro coins,^{1aa)}”.
13. In Article 6(2)(j), the following words shall be added at the end: “and shall approve proposals which the National Bank of Slovakia presents or co-presents to the Government,”.
14. In Article 6(2), there shall be inserted subparagraph (l) reading as follows:
“l) decide on other matters reserved within or delegated to the competence of the Bank Board.^{1s)}”.
The footnote to reference 1s shall read as follows:
“^{1s)} For example, Article 5(1)(d) of Act No. 747/2004 Coll.; Article 8(3) and (4) of Act No. 118/1996 Coll. as amended; Article 86(3) and (5) of Act No. 566/2001 Coll. as amended.”.
15. In Article 6, there shall be added paragraph (3) reading as follows:
“(3) The Bank Board shall, in exercising its powers and competences under paragraphs (1) and (2), respect the rules applicable to the European System of Central Banks and, as of the euro introduction date, also the rules applicable to the Eurosystem.”.
16. In Article 7(4), fourth sentence, the words “To be appointed a member of the Bank Board” shall be replaced with the words “A member of the Bank Board may be”.
17. In Article 7(5), at the beginning there shall be inserted a new first sentence reading as follows: “A member of the Bank Board shall be required to exercise his/her office

with due professional care, in accordance with legal provisions and in line with the objectives, interests and tasks of the National Bank of Slovakia and the European System of Central Banks; in doing so, the member shall exploit and take into account available information relating to the exercise of his/her powers and authority as well as preserve the confidentiality of the facts, the disclosure of which could jeopardize the due and efficient performance of the activities, or the objectives and interests, of the National Bank of Slovakia or the European System of Central Banks.”.

18. In Article 7(6), the words “person conducting business,” shall be replaced with the words “person incorporated for business purposes,^{2aa)} except for exercise of the rights at a general meeting of shareholders or a members’ meeting in connection with management of their own assets. The office of a member of the Bank Board shall also be incompatible”.

19. In Article 7(7), second sentence, the word “Governor” shall be replaced with the words “The Bank Board shall not exercise influence over the governor and the governor”.

20. In Article 7, paragraph (9) shall read as follows:

“(9) A member of the Bank Board may only be removed from his/her office if a member of the Bank Board no longer fulfils the conditions required for the performance of his duties or if a member of the Bank Board has been guilty of serious misconduct committed in the discharge of his/her office pursuant to separate legal provision.^{2ba)}”.

The footnote to reference 2ba shall read as follows:

^{2ba)} Section 14(14.2) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.

21. In Article 7(10), the semicolon shall be replaced by a comma and the part of the sentence following the semicolon shall be replaced with the following words: “whereby the decision on preliminary question in the proceeding is made in accordance with separate legal provision;^{2d)} however the disputes involving removing the governor from his/her office shall be resolved by the European Court of Justice pursuant to separate legal provision.^{2e)} Unless separate legal provision stipulates otherwise,^{2ba)} action for court proceeding on invalidity of dismissal of a member of the Bank Board from his office needs to be filed with a court not later than within the period of two months from the date of delivery of the decision on dismissal to the respective member of the Bank Board or, if it has not been delivered, from the date when the respective member of the Bank Board has been made aware of such decision. Filing a motion to commence proceedings concerning invalidity of dismissal of a member of the Bank Board from his/her office has a suspensory effect on legal force and enforceability of the appealed decision on dismissal until either the competent court^{2c)} or the European Court of Justice^{2e)} resolves the dispute by legally effective decision.”

The footnotes to references 2d and 2e shall read as follows:

^{2d)} Article 109(1)(c) of the Civil Proceedings Code.

Section 234 of the Treaty establishing the European Community, as amended.

^{2e)} For example, Section 14(14.2) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; the Protocol on the Statute of the Court of Justice annexed to the Treaty establishing the European Community, as amended (OJ C 321E of 29 December 2006); the Rules of Procedure of the European Court of Justice of 19 June 1991 (OJ Special Edition, Chapter 01 Volume 06), as amended.”.

22. In Article 7, paragraph (11) shall read as follows:

“(11) The National Bank of Slovakia shall make with each member of the Bank Board a written agreement on the exercise of the office of a member of the Bank Board, the full text of which shall be approved in advance by the Bank Board. The legal relationship between the National Bank of Slovakia and a member of the Bank Board in the exercise of his/her office shall be governed, as appropriate, by the provisions of a mandate agreement set out under a separate legal provision,^{2f)} unless certain mutual rights, obligations and relations are otherwise stipulated by act.^{2g)} A member of the Bank Board shall receive reimbursement of travel expenses in accordance with a separate legal provision.^{2h)}”.

The footnotes to references 2f, 2g and 2h shall read as follows:

^{2f)} Articles 566 to 576 of the Commercial Code.

^{2g)} For example, Section 4 a 5 of Constitutional Act No. 357/2004 Coll.

^{2h)} Article 1(2)(a) of Act No. 283/2002 Coll. on travel expense reimbursement.”.

23. In Article 8(1), third sentence, the word “appointed” shall be replaced with the word “present”.
24. In Article 8(4), third sentence, the words “and materials from” shall be inserted after the word “result”.
25. In Article 9(1), first sentence, the words “the Governor;” shall be replaced with the words “the Governor who acts on its behalf,²ⁱ⁾ unless the act stipulates otherwise;^{2j)}”.
- The footnotes to references 2i and 2j shall read as follows:
- ²ⁱ⁾ For example, Article 20(1) of the Civil Code; Article 9(1), first sentence, of the Labour Code; Articles 16(2) and 20(2) of Act of the National Council of the Slovak Republic No. 118/1996 Coll. as amended; Articles 93(3) and 95(2) of Act No. 566/2001 Coll. as amended.
- ^{2j)} For example, Articles 5(2) and 27(5) of Act No. 747/2004 Coll. as amended, Article 20(2) of the Civil Code, Article 9, paragraph (1), second and third sentence and paragraphs (2) and (3) of the Labour Code.”.
26. In Article 12(1), the words “tasks under Article 2 hereof” shall be replaced with the words “its tasks”.
27. In Article 13(1), the following words shall be added at the end: “and which have not been submitted by the National Bank of Slovakia; this shall be without prejudice to the duty to consult the European Central Bank in matters of its competence under a separate legal provision^{2k)}”.
- The footnote to reference 2k shall read as follows:
- ^{2k)} For example, Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ Special Edition Chapter 01 Volume 01).”.
28. Article 15 shall read as follows:

“Article 15

(1) In accordance with separate legal provisions,^{1aa)} the National Bank of Slovakia shall have the right to issue euro banknotes and euro coins, including commemorative euro coins which are legal tender in the euro area and in participating third countries, which are intended for circulation, and which in their denomination are used to settle monetary liabilities. In accordance with separate legal provisions,^{1aa)} the National Bank of Slovakia shall also have the right to issue collector’s euro coins which in their denomination are legal tender only in the Slovak Republic, and which are not primarily intended for circulation, are clearly distinguished from the euro coins intended for circulation, and are marked with a denomination in the euros or euro cents which is different to the denomination of the euro coins intended for circulation. Except of issuing euro banknotes or euro coins in accordance with separate legal provisions^{1aa)}, no legal person or natural person is allowed to issue banknotes or coins in the Slovak Republic.

(2) The National Bank of Slovakia shall, in issuing euro banknotes and euro coins, proceed in accordance with separate legal provisions and decisions applicable to euro banknotes and euro coins.³⁾”.

The footnote to reference 3 shall read as follows:

³⁾ For example, Section 106 of the Treaty establishing the European Community, as amended; Section 16 and Section 44 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended; Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended; Council Regulation (EC) No. 975/98 of 3 May 1998 on denominations and technical specifications of euro coins intended for circulation (OJ Special Edition Chapter 10 Volume

- 01), as amended by Council Regulation (EC) No. 423/1999 of 22 February 1999 (OJ Special Edition Chapter 10 Volume 01); Decision of the European Central Bank ECB/2001/15 (2001/913/EC) of 6 December 2001 on the issue of euro banknotes (OJ Special Edition Chapter 10 Volume 03), as amended; Decision of the European Central Bank ECB/2003/4 (2003/205/EC) of 20 March 2003 on the denominations, specifications, reproduction, exchange and withdrawal of euro banknotes (OJ Special Edition Chapter 10 Volume 03); Guideline of the European central Bank ECB/2006/10 (2006/549/EC) of 24 July 2006 on the exchange of banknotes after the irrevocable fixing of exchange rates in connection with the introduction of the euro (OJ L 215, 5 August 2006).”.
29. In Article 16, paragraph (1) shall be deleted; the designation of paragraph (2) shall also be deleted and the words “in Slovak korunas nor in haliers” shall be replaced with the words “in euros, cents nor in euro cents”.
30. In Article 17(1), the words “shall manage” shall be replaced with the words “shall, in accordance with the separate legal provisions applicable to euro banknotes and euro coins³⁾, manage in the Slovak Republic”.
31. In Article 17(3), the words “analysis and monitoring of counterfeits of euro banknotes and euro coins.” shall be replaced with the words “analysis, monitoring and archiving of counterfeit banknotes and coins or altered banknotes and coins, and in doing so it shall act in accordance with the separate legal provisions for protection against counterfeiting of banknotes and coins.^{3a)} The National Bank of Slovakia shall send to the European Central Bank any new type of suspicious counterfeit euro banknote which corresponds to the criteria adopted by the European Central Bank.”.
- The footnote to reference 3a shall read as follows:
^{3a)} For example, Council Regulation (EC) No. 1338/2001 of 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting (OJ Special Edition Chapter 19 Volume 04); Act No. 300/2005 Coll., the Criminal Code.”.
32. Articles 17a to 17g shall read as follows:

“Article 17a

(1) Within cash transactions in the Slovak Republic, it shall be prohibited to refuse to accept legal tender^{3b)} in its denomination without lawful reason, or to condition the acceptance of legal tender by other than lawful reason or similar distortion of the circulation of legal tender; this shall be without prejudice to the making of payments in a foreign currency in accordance with separate legal provisions or the right of participants in legal relationships to agree on payments in a foreign currency. Where cash payments are made, the payer shall allow for the payee to check the banknotes and coins upon receipt for their correct number and authenticity, and the payer shall at the request of the payee sort the banknotes and coins by their denomination; this shall also apply to banknotes and coins in a foreign currency.

(2) As of the euro introduction date, legal persons and natural persons in the Slovak Republic shall, in regard to the making of payments, accept legal tender, they may refuse legal tender and shall return accepted legal tender into circulation pursuant to separate legal provisions applicable in the euro area to euro banknotes and euro coins,^{3c)} and, in the extent set out in these separate legal provisions^{3c)}, pursuant to the terms laid down by this Act or in other separate legal provisions.

(3) As of the euro introduction date, the National Bank of Slovakia, as well as banks, other credit institutions, branches of foreign banks, branches of other foreign credit institutions, foreign banks and other foreign financial institutions which conduct banking activities in the territory of the Slovak Republic (hereinafter the “bank”), other executive institutions for transfers of funds and postal enterprises shall accept euro banknotes and euro coins in payments without restricting the nominal structure or total number of accepted euro banknotes and euro coins.^{3d)} Any legal person or natural person other than the National Bank of Slovakia and banks may refuse to accept valid coins even in the case the collector’s euro coins are involved in the payment.

(4) Collector's coins, commemorative coins, banknotes and coins in special issues for collector's purposes, as well as banknotes and coins which have been withdrawn from circulation and have lost the status of legal tender (hereinafter the "invalid banknotes and invalid coins") may be sold and bought for collector's purposes at prices different from their denomination, unless the handling of euro banknotes and euro coins is stated otherwise in separate legal provisions valid for the euro banknotes and euro coins in the euro area^{3l}.

Article 17b

(1) It shall be prohibited to knowingly damage legal tender, including their destruction or mutilation without lawful reason.

(2) As of the euro introduction date, mutilated, incomplete or otherwise damaged euro banknotes and euro coins shall be exchangeable in the Slovak Republic for undamaged valid euro banknotes and euro coins in accordance with the separate legal provisions applicable in the euro area to the exchange of damaged euro banknotes and euro coins.^{3e}) Damaged euro banknotes and euro coins which are withdrawn from circulation during a specified period shall be exchangeable for valid euro banknotes and euro coins only during the specified withdrawal and exchange period and for the respective type, design or series of euro banknotes or euro coins.

(3) As of the euro introduction date, mutilated, incomplete or otherwise damaged euro banknotes and euro coins shall be exchangeable in the Slovak Republic at the National Bank of Slovakia and at banks for undamaged euro banknotes and euro coins in accordance with the rules applicable to such exchange. The National Bank of Slovakia and banks shall not provide compensation for the euro banknotes which have been for official purposes perforated with several regular holes or which are clearly marked with the word "VZOR" (specimen) or "SPECIMEN". An applicant who submits damaged euro banknotes or euro coins for exchange shall be required to prove his/her identity with an identity document, to present at the request of the National Bank of Slovakia or the bank a written explanation, signed by the same person, regarding the circumstances of the damage, and to pay the handling fee, if stipulated. Banks shall without delay deliver to the National Bank of Slovakia all damaged euro banknotes and euro coins for which they have provided compensation, along with the explanations given by the applicants regarding the circumstance of the damage, and written documents on the quantification and amount of compensation provided; the National Bank of Slovakia shall check the correctness of the provision of compensation and pay the bank an amount equal to the compensation correctly provided; where the bank has withdrawn damaged banknotes, coins or other similar objects on the suspicion that they have a criminal provenance, it shall also be required to notify without delay the criminal law enforcement authorities.^{3f})

(4) The National Bank of Slovakia and banks shall, on request, exchange undamaged euro banknotes and euro coins of a certain denomination for undamaged valid euro banknotes and euro coins of different or the same denominations. In such an exchange, or in an exchange of damaged euro banknotes or euro coins, the applicant shall not be entitled to claim collector's coins, commemorative coins, or banknotes or coins of a certain design, type or series, including euro coins with a specific national side.

(5) The National Bank of Slovakia may, in accordance with legal acts of the European Community,^{3g}) issue a generally binding legal regulation laying down requirements in the Slovak Republic, applicable as of the euro introduction date, for establishing the authenticity of, testing and sorting euro coins, and for handling euro coins not fit for circulation, establishing and quantifying the amount of compensation, and the procedure for providing compensation for damaged euro coins in exchange for undamaged euro coins, the procedure for withdrawing damaged euro coins for which

compensation have not been provided, the procedure for withdrawing counterfeit euro coins and other similar objects, and the procedure for withdrawing euro coins not fit for circulation and their submission to the National Bank of Slovakia.

Article 17c

(1) Where a competent institution or body of the European Union^{3e)} has adopted a decision on the withdrawal of a certain denomination, type or series of euro banknotes or euro coins from circulation and set a period for their exchange, the exchange of the withdrawn euro banknotes and euro coins shall be conducted in accordance with the respective decision and other rules applicable to the exchange of the respective euro banknotes or euro coins.

(2) As of the euro introduction date, euro banknotes and euro coins which have been withdrawn from circulation shall be exchangeable free of charge in the Slovak Republic at the National Bank of Slovakia and at banks for the duration of the stipulated exchange period and in accordance with other exchange rules, and where the exchange is in the form of a deposit in a passbook or bank account kept by a bank in euros, or a cash exchange for other valid euro banknotes and euro coins. For an exchange in the form of a deposit in a passbook or in a current or deposit account kept by a bank, the deposit amount shall be credited in the full amount of the denomination of the exchanged euro banknotes and euro coins. The person requesting the exchange shall prove his/her identity with an identity document. The exchange of damaged euro banknotes and euro coins which have been withdrawn from circulation for other valid euro banknotes and euro coins shall be conducted in accordance with the rules for the exchange of damaged euro banknotes and euro coins. Banks shall without delay deliver to the National Bank of Slovakia all withdrawn euro banknotes and euro coins for which they have provided compensation, along with written documents confirming the quantification and amount of compensation provided. The National Bank of Slovakia shall check the correctness of the provision of compensation and pay the bank an amount equal to the compensation correctly provided.

Article 17d

(1) Fabrication and use of reproductions of euro banknotes and euro coins or their parts are subject to separate legal provisions.^{3h)} Reproductions of euro banknotes and euro coins or their parts, their electronic images and any objects which are even partially similar in appearance, dimensions or properties to any euro banknote or euro coin, including medals and tokens, on which are written in any grammatical form the words “euro”, “cent” or “euro cent”, the symbol of the euro “€”, the alphabetical code of the euro currency “EUR”, or which is even partially similar in appearance to the common side or any national side of a euro coin, shall not be made or used unless rules on copyright and conditions for fabrication and use of reproductions, or their parts, of euro banknotes and euro coins are fulfilled, pursuant to separate legal provisions.^{3h)}

(2) The provisions of paragraph (1) shall be without prejudice to the provisions of separate legal provisions on reproductions of other Slovak banknotes and Slovak coins.³ⁱ⁾

Article 17e

(1) Valid banknotes and coins, banknotes and coins not issued but intended for circulation, and also, during the stipulated exchange period, invalid banknotes and invalid coins are protected against counterfeiting, alteration, unauthorized production and damaging and refusing the legal tender without any reason by a separate act.^{3j)}

(2) Where the National Bank of Slovakia, banks, and other legal and natural persons that are entrepreneurs (hereinafter the “authorized entity”) are presented with counterfeit banknotes and coins or altered banknotes and coins in any currency, and banknotes and coins which raise the suspicion that they have been counterfeited, altered or produced without authorization (hereinafter the “counterfeit banknotes and coins”), they shall be taken away from the applicants without providing a compensation.

(3) For each withdrawal, the authorized entity shall draw up a written confirmation of the circumstances of the withdrawal, give one copy of such confirmation to the applicant, and place, in the presence of the applicant, the withdrawn counterfeit banknotes and coins as well as the other copy of the confirmation in a suitable container which shall be secured against unauthorized manipulation. The authorized entity may request the applicant to prove his/her identity with an identity document; the applicant shall be required to comply with such request. Where counterfeit banknotes and coins are withdrawn by an authorized entity other than the National Bank of Slovakia, that authorized entity shall without delay deliver to the National Bank of Slovakia the container containing the withdrawn counterfeit banknotes and coins, along with the confirmation of the circumstances of their withdrawal. An authorized entity which has withdrawn counterfeit banknotes and coins shall also without delay notify the criminal law enforcement authorities of any such withdrawal.^{3f)}

(4) Where the National Bank of Slovakia, in checking delivered banknotes and coins, identifies counterfeit banknotes and coins, it shall subject them to expert analysis and produce an expert opinion to be sent without delay to the criminal law enforcement authorities^{3f)}; the National Bank of Slovakia shall also notify this finding to the authorized entity which withdrew the counterfeit banknotes and coins and delivered them to the National Bank of Slovakia. Where the National Bank of Slovakia, in checking delivered banknotes and coins, establishes the authenticity of banknotes or coins, it shall without delay return the withdrawn banknotes and coins or an amount equal to their denomination to the applicant, either directly or through the authorized person that withdrew them.

(5) The National Bank of Slovakia may issue a generally binding legal regulation laying down the procedure to be followed by authorized persons in withdrawing counterfeit banknotes and coins or other banknotes and coins for which compensation shall not be provided, and particulars of the documents drawn up in regard to the presentation and withdrawal of such banknotes and coins.

Article 17f

(1) Banknotes and coins in the Slovak Republic may be processed for other persons by the National Bank of Slovakia, banks under a banking licence^{3k)}, and by processors of banknotes and coins (hereinafter the “processors”). A processor shall be a business legal person whose registered office is in the Slovak Republic and which processes banknotes and coins for other persons under a licence to process banknotes and coins.

(2) To process banknotes and coins shall mean to sort them by authenticity and quality, by number and denomination, and to wrap them in a suitable packaging material. The processing of euro banknotes and euro coins may be performed only if the conditions have been met in accordance with the separate rules applicable in the euro area to the processing of euro banknotes and euro coins.^{3h)}

(3) The decision on issuing a licence to process banknotes and coins shall be taken by the National Bank of Slovakia on the basis of a written application. A licence to process banknotes and coins shall be issued only if the following conditions are met:

- a) the processor is a legal person which under separate legal provisions is required to create share capital, where:
 - 1. the paid-up monetary contribution to the processor's share capital shall be at least EUR 250,000 in value, or
 - 2. the processor shall have insurance against its liability for damage with the insurance benefit per insurance event set at a value of at least EUR 250,000;
- b) the processor's other activities are restricted to providing for banks' activities in the field of cash circulation;
- c) the processor's managerial employees whose duties include managing or overseeing the processing of banknotes and coins and activities related to the processing of banknotes and coins possess the appropriate professional qualification; appropriate professional qualification shall mean the completion of university education and at least five years' experience in the processing of banknotes and coins, in an economic or financial field, or, alternatively, the completion of secondary education, secondary vocational education or similar education in a foreign country, and at least seven years' experience in the processing of banknotes and coins, in an economic or financial field;
- d) the natural person who is the statutory body of the processor, or the natural persons who are members of the statutory body of the processor show credibility and integrity, as do the processor's employees; a natural person shall be deemed to show credibility and integrity if he/she has not been validly convicted of a crime against property, a crime committed in relation to the exercise of managerial duties or other intentional crime, which facts shall be supported and documented by a statement of criminal records issued not earlier than before three months, and in the case of a foreigner, the same shall be proved and documented with a similar confirmation issued by the competent authority of the country in which he/she is usually resident;
- e) the processor has the preparedness, equipment and capability in material and technical, organizational and personnel terms, and the suitable premises to process banknotes and coins in a systematically professional, secure and cost-effective way and to perform activities related to the processing of banknotes and coins;
- f) other requirements and conditions in accordance with the rules applicable in the euro area for processing of euro banknotes and euro coins³¹⁾ are met insofar as they concern the processing of euro banknotes and euro coins.

(4) The conditions mentioned in paragraph (3) shall be met by the processor continuously and permanently for so long as the licence to process banknotes and coins is valid.

(5) Euro banknotes received from circulation in the Slovak Republic may be used in ATM machines only if they have been processed by the National Bank of Slovakia, unless otherwise stated by separate rules applicable in the euro area for the processing of euro banknotes and euro coins.^{3h)} Euro banknotes and euro coins received from circulation may be issued to clients by banks and processors only if these euro banknotes and euro coins have been processed and duly checked in equipment that has been tried and tested by the National Bank of Slovakia or by other central banks within the European System of Central Banks or by professionally qualified employees. A Provision issued by the National Bank of Slovakia and published in the Collection of Laws shall establish what shall professional qualification for processing and testing of euro banknotes and coins mean, and under what conditions may the professionally qualified employees process and test euro banknotes and coins.

(6) Processors and persons involved in the processing of banknotes and coins shall be subject to supervision exercised by the National Bank of Slovakia in accordance with this Act and separate legal provisions.^{3m)} Each supervised processor, the members

of its bodies, its employees, and other persons whose activities are related to that processor shall allow the exercise of supervision within the scope laid down by this Act and separate legal provisions,^{3m)} shall refrain from actions which could frustrate the exercise of supervision, and shall provide, in the official language of the country, any and all information, documentation, cooperation and assistance requested within the exercise of supervision by the National Bank of Slovakia or by persons authorized to exercise supervision; in respect of supervision, the supervised processor and other supervised persons shall allow the conduct of on-site inspection for the processing of banknotes and coins and for compliance with the rules and conditions under which they are processed, and shall also allow access to the premises, equipment, and other items and documents related to the processing of banknotes and coins.

(7) If the National Bank of Slovakia identifies any shortcomings in the processor's activities involving, in particular, non-compliance with, breach or evasion of any rules or conditions under which banknotes and coins are processed, or conditions and obligations arising from the licence to process banknotes and coins, or other decisions of the National Bank of Slovakia, or the breach of any obligations relating to the exercise of supervision or the failure to allow the exercise of supervision, or non-compliance with, breach, or evasion of any provisions of this Act, legally binding acts of the European Communities and the European Union which concern the processing of banknotes and coins, separate acts^{3m)} or other generally binding legal provisions which concern the processor or the processing of banknotes and coins, the National Bank of Slovakia may, according to the gravity, scope, duration, consequences and nature of the identified shortcomings:

- a) impose measures to rectify and eliminate the identified shortcomings within a specified time limit;
- b) require the processor to cease an unauthorized activity;
- c) impose a pecuniary fine in the valid currency unit up to a value of EUR 30,000, and for a repeated or serious shortcoming, up to EUR 60,000; if the identified shortcoming has brought about a material gain exceeding the value of EUR 60,000, the fine imposed may be up to the amount of that material gain;
- d) restrict or suspend the performance of activities or a certain activity under licence to process banknotes and coins;
- e) revoke the licence to process banknotes and coins.

(8) Corrective measures and sanctions under paragraph (7) may be imposed simultaneously and repeatedly; corrective measures and sanctions mentioned in paragraph (7) may be imposed within three years from when the shortcoming is identified but not later ten years after it arose. The fine mentioned in paragraph (7)(c) shall be payable within 30 calendar days from the date on which the decision to impose it becomes final and conclusive; the enforcement of a validly imposed fine shall be governed separate legal provisions.^{3m)}

(9) Unless otherwise provided by this Act, the exercise of supervision, including proceedings and decision-making in matters relating to processors and the processing of banknotes and coins shall be governed separate legal provisions^{3m)}; the organizational unit competent to exercise supervision and to conduct first-instance proceedings and decision-making of the National Bank of Slovakia shall be specified in the Organizational Rules of the National Bank of Slovakia. First-instance decisions of the National Bank of Slovakia and authorizations to conduct an on-site inspection shall be signed by the head of that unit or by a representative authorized by him/her.

(10) The National Bank of Slovakia shall issue a generally binding legal regulation laying down detailed rules under which banks and processors may process banknotes and coins for other persons, the procedure and material and technical equipment of banks and processors for the processing of banknotes and coins, and the particulars of an application for a licence to process banknotes and coins.

Article 17g

The procedure mentioned in Articles 17a to 17f shall be without prejudice to obligations under separate legal provisions^{3a)} in regard to establishing and proving the identity of clients in transactions and to protection against the laundering of proceeds from criminal activities.”.

The footnotes to references 3b to 3n shall read as follows:

^{3b)} Article 273 of Act No. 300/2005 Coll., the Criminal Code.

^{3c)} For example, Section 106 of the Treaty establishing the European Community, as amended; Section 16 and 44 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended; Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro, as amended by Council Regulation (EC) No. 2595/2000 of 27 November 2000; Council Regulation (EC) No. 975/98 of 3 May 1998 on denominations and technical specifications of euro coins intended for circulation (OJ Special Edition Chapter 10 Volume 01), as amended by Council Regulation (EC) No. 423/1999 of 22 February 1999 (OJ Special Edition Chapter 10 Volume 01), Decision of the European Central Bank ECB/2001/15 (2001/913/EC) of 6 December 2001 on the issue of euro banknotes (OJ Special Edition Chapter 10 Volume 03), as amended; Decision of the European Central Bank ECB/2003/4 (2003/205/EC) of 20 March 2003 on the denominations, specifications, reproduction, exchange and withdrawal of euro banknotes (OJ Special Edition Chapter 10 Volume 03).

^{3d)} Section 11, third sentence, of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.

^{3e)} For example, Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended; Council Regulation (EC) No. 975/98 of 3 May 1998 on denominations and technical specifications of euro coins intended for circulation, as amended by Council Regulation (EC) No. 423/1999 of 22 February 1999; Decision of the European Central Bank ECB/2003/4 (2003/205/EC) of 20 March 2003 on the denominations, specifications, reproduction, exchange and withdrawal of euro banknotes; Commission Recommendation 2005/504/EC of 27 May 2005 concerning authentication of euro coins and handling of euro coins unfit for circulation (OJ L 184 of 15 July 2005).

^{3f)} Article 10(1) and (8) of Act No. 301/2005 Coll., the Criminal Procedure Code.

^{3g)} For example, Council Regulation (EC) No. 975/98 of 3 May 1998 on denominations and technical specifications of euro coins intended for circulation, as amended by Council Regulation (EC) No. 423/1999 of 22 February 1999; Commission Recommendation 2005/504/EC of 27 May 2005 concerning authentication of euro coins and handling of euro coins unfit for circulation.

^{3h)} For example, Council Regulation (EC) No. 2182/2004 of 6 December 2004 concerning medals and tokens similar to euro coins (OJ L 373 of 21 December 2004); Decision of the European Central Bank ECB/2003/4 (2003/205/EC) of 20 March 2003 on the denominations, specifications, reproduction, exchange and withdrawal of euro banknotes; Commission Recommendation 2005/504/EC of 27 May 2005 concerning authentication of euro coins and handling of euro coins unfit for circulation (OJ L 184 of 15 July 2005); Council Regulation (EC) No. 1338/2001 of 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting (OJ Special Edition Chapter 19 Volume 04); Council Regulation (EC) No. 1339/2001 of 28 June 2001 extending the effects of Regulation (EC) No. 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting (OJ Special Edition Chapter 19 Volume 04); Guideline of the European Central Bank ECB/2003/5 (2003/205/ES) of 20 March 2003 on the enforcement of measures to counter non-compliant reproductions of euro banknotes and on the exchange and withdrawal of euro banknotes (OJ Special Edition Chapter 10 Volume 04).

- ³ⁱ⁾ For example, Article 5 of Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts), Decree of the National Bank of Slovakia No. 456/2001 Coll. laying down details of the conditions under which it is permitted to make and use reproductions of banknotes, commemorative banknotes, coins, commemorative coins, commercial coins and securities issued by the National Bank of Slovakia, and objects imitating their design, including their electronic images.
- ^{3j)} For example Articles 17, 270 to 273, and 280 of Act No. 300/2005 Coll., the Criminal Code; the International Convention for the Suppression of Counterfeiting Currency and Protocol (Decree No. 15/1932 Coll.).
- ^{3k)} Article 2(2)(p), Articles 2(3) to (5), Articles 7(1), 8(1), and 11 of Act No. 483/2001 Coll. as amended.
- ^{3l)} For example, Section 106(2) of the Treaty establishing the European Community, as amended; Section 16 and 44 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Section 6 of Council Regulation (EC) No. 1338/2001 of 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting (OJ Special Edition Chapter 10 Volume 04).
- ^{3m)} For example, Articles 2 and 3, Articles 6 to 35, and 38 of Act No. 747/2004 Coll. as amended.
- ³ⁿ⁾ For example Article 89 of Act No. 483/2001 Coll. as amended; Act No. 367/2000 Coll. on protection against the laundering of proceeds from criminal activity (including amendments to certain acts), as amended; 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 of 8 December 2006).”.

33. In Article 17h, there shall be inserted a new paragraph (1) reading as follows:
“(1) The National Bank of Slovakia shall publish the denominations, appearance, technical parameters, principal security features, and other particulars of euro banknotes and euro coins issued and intended for circulation in the euro area and in participating third countries, including the appearance of all the national sides of euro coins and commemorative euro coins as well as the denominations, appearance, technical parameters and other particulars of collector’s euro coins issued by the National Bank of Slovakia, which shall be done in the scope necessary to inform the general public in the Slovak Republic about euro banknotes and euro coins and to create the conditions for distinguishing authentic euro banknotes and authentic euro coins from other similar objects, in particular, counterfeit banknotes and coins, and from reproductions of banknotes and coins. Such public notices on euro banknotes and euro coins shall be published by the National Bank of Slovakia under a separate legal provision^{3o)}, in the Gazette of the National Bank of Slovakia (Article 44), and on the website of the National Bank of Slovakia.^{3p)}”.

The existing wording of Article 17h shall become paragraph (2).

The footnotes to references 3o) and 3p) shall read as follows:

^{3o)} For example, Article 1(2)(d) of Act of the National Council of the Slovak Republic No. 1/1993 Coll. on the Collection of Laws of the Slovak Republic, as amended.

^{3p)} For example, Article 4(2) and (3), and Article 6(3) of Act No. 211/2000 Coll. on free access to information (including amendments to certain acts) – the Freedom of Information Act – as amended.”.

34. In Article 17h(2), subparagraph (a), and subparagraphs (c) to (g) shall be deleted and the designation of subparagraph (b) shall also be deleted.

35. The heading of the part five shall read as follows: “TRANSACTIONS OF THE NATIONAL BANK OF SLOVAKIA”.

36. Articles 18 and 19, including the heading above Article 18, shall read as follows:

**“General provisions
concerning transactions of the National Bank of Slovakia**

Article 18

The National Bank of Slovakia is authorized to conduct with banks, foreign banks and other financial institutions all types of transactions, including financial market transactions. The National Bank of Slovakia is authorized select its counterparties and set the terms and conditions of the transactions and other activities that it conducts; in doing so as a member of the European System of Central Banks, the National Bank of Slovakia shall proceed in accordance with separate legal provisions and other rules applicable to the European System of Central Banks, and as a member of the Eurosystem, as of the euro introduction date, in accordance with separate legal provisions and other rules applicable only to the Eurosystem.⁴⁾

Article 19

(1) The National Bank of Slovakia shall in respect of all its transactions comply with the prohibition on monetary financing laid down by a separate legal provision.^{4a)} Where the National Bank of Slovakia uses its funds to finance the public sector^{4aa)} liabilities towards the International Monetary Fund,^{4ab)} all payments made by the International Monetary Fund in relation to this financing shall belong to the National Bank of Slovakia.

(2) The National Bank of Slovakia shall in respect of all its transactions comply with the prohibition of privileged access to financial institutions laid down by a separate legal provision.^{4ac)}”.

The footnotes to references 4), 4a), 4aa), 4ab) and 4ac) shall read as follows:

⁴⁾ For example, Section 12(12.1), Section 14(14.3), Section 17 to 24, Section 31, and Section 43(43.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

^{4a)} Section 101 of the Treaty establishing the European Community, as amended.

Council Regulation (EC) No. 3603/93 of 13 December 1993 specifying definitions for the application of the prohibitions referred to in Sections 104 and 104b(1) of the Treaty (OJ Special Edition Chapter 10 Volume 01).

^{4aa)} Section 3 of Council Regulation (EC) No. 3603/93 (OJ L 332 of 31 December 1993).

^{4ab)} Section 7 of Council Regulation (EC) No. 3603/93 (OJ L 332 of 31 December 1993).

^{4ac)} Section 102 of the Treaty establishing the European Community, as amended.

Council Regulation (EC) No. 3604/93 of 13 December 1993 specifying definitions for the application of the prohibition of privileged access referred to in Section 104a of the Treaty (OJ Special Edition Chapter 10 Volume 01).”.

37. Articles 20 and 21 shall read as follows:

“Article 20

The National Bank of Slovakia shall in accordance with rules applicable to the Eurosystem perform activities related to the setting and maintenance of minimum reserves as defined under a separate legal provision.^{4ad)}

Article 21

The National Bank of Slovakia shall be entitled in accordance with the rules applicable to the Eurosystem to impose and enforce sanctions related to minimum reserves, to its transactions or to other monetary policy operations as defined in separate legal provision.^{4ad)}”.

The footnote to reference 4ad) shall read as follows:

^{4ad)} For example, Sections 9(9.2), 12(12.1), 14(14.3) and 19, 20 and 42 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Council Regulation (EC) No. 2531/98 of 23 November 1998 concerning the application of minimum reserves by the European Central Bank (OJ Special Edition Chapter 01 Volume 03), as amended by Council Regulation (EC) No. 134/2002 of 22 January 2002 (OJ Special Edition Chapter 01 Volume 04); Council Regulation (EC) No. 2532/98 of 23 November 1998 concerning the powers of the European Central Bank to impose sanctions (OJ Special Edition Chapter 01 Volume 03); Regulation (EC) of the European Central Bank No. 1745/2003 (ECB/2003/9) of 12 September 2003 on the application of minimum reserves (OJ Special Edition Chapter 10 Volume 03).”.

38. The designation and heading of the part six shall be deleted.
The existing part seven to part twelve shall become the part six to part eleven.

39. Articles 22 to 24 shall read as follows:

“Article 22

The National Bank of Slovakia is entitled to trade in securities and other asset values which as of the euro introduction date are defined in accordance with the separate legal provisions applicable to the Eurosystem.^{4ae)}

Article 23

The National Bank of Slovakia is entitled to perform credit transactions, where credits provided by the National Bank of Slovakia shall be secured by sufficient collateral. The National Bank of Slovakia shall in respect of its transactions accept collateral in the form of securities or other asset values which as of the euro introduction date are defined in accordance with the separate legal provisions applicable to the Eurosystem.^{4ae)}

Article 24

(1) The National Bank of Slovakia may exceptionally grant a short-term loan to a bank^{4af)} for temporary support of liquidity, provided that it is in compliance with prohibition of monetary financing; right for repayment of such a loan shall take precedence over all other liabilities of the bank.^{4ag)} Any such loan shall be secured by sufficient collateral according to Article 23, and granting such loan shall not be made so as to advantage or disadvantage any one bank in relation to other banks.

(2) The National Bank of Slovakia may grant a short-term loan to the Deposit Protection Fund^{4ah)} or the Investment Guarantee Fund^{4ai)} in order to cover the fund’s urgent and unforeseen needs for supply of liquidity, if aspects of the systemic stability are threatened and provided that it is in compliance with prohibition of monetary financing. Any such loan shall be sufficiently secured by collateral according to Article 23.”.

The footnotes to references 4ae) to 4ai) shall read as follows:

- ^{4ae)} For example, Sections 17 and 18 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Guideline of the European Central Bank ECB/2000/7 (2000/776/EC) of 31 August 2000 on monetary policy instruments and procedures of the Eurosystem (OJ Special Edition Chapter 10 Volume 01), as amended.
- ^{4af)} For example, Articles 2(1) and 61 of Act No. 483/2001 Coll.
- ^{4ag)} For example, Article 179(2) of Act No. 7/2005 Coll. on bankruptcy and restructuring (including amendments to certain acts).
- ^{4ah)} Act of the National Council of the Slovak Republic No. 118/1996 Coll. as amended.
- ^{4ai)} Articles 80 to 98 of Act No. 566/2001 Coll. as amended.”.

40. In Article 26(a) and (b), reference 5 shall be replaced with reference 4ca.

The footnote to reference 4ca) shall read as follows:

- ^{4ca)} Article 17, Article 19(2) and Article 21(5) of Act No. 291/2002 Coll. as amended.”.

- 41. In Article 27(1), the words “in order to regulate the money market” and the words “treasury bills and others” shall be deleted and the full stop at the end shall be replaced by semicolon and the following words shall be added: “whereby from the euro introduction date there shall be proceeded in accordance with the rules applicable to Eurosystem.”.
- 42. In Article 27(2), the words “with the aim of determining the price of government securities” and the word “other” shall be deleted.
- 43. In Article 27a, paragraph (1) shall be deleted and the designation of paragraph (2) shall also be deleted.
- 44. In the heading of the part six, the words “FOREIGN EXCHANGE MANAGEMENT” shall be replaced with the words “FOREIGN EXCHANGE FIELD”.
- 45. Article 28 shall read as follows:

“Article 28

(1) The National Bank of Slovakia shall hold in custody and manage foreign reserve assets in gold and in foreign exchange assets, shall use these reserves, and shall conduct foreign exchange operations; when conducting operations within the Eurosystem, as of the euro introduction date, it shall proceed in accordance with the rules applicable to Eurosystem operations.^{4e)}

(2) The National Bank of Slovakia may set and publish the foreign exchange reference rates of the euro to foreign currencies which are actively traded or otherwise used in the Slovak Republic and whose foreign exchange reference rates are not set and published by the European Central Bank.^{4f)}”.

The footnotes to references 4e) and 4f) shall read as follows:

- ^{4e)} For example, Sections 23 and 31 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.
- ^{4f)} Section 12(12.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.

46. In Article 29, subparagraphs (a) and (c) shall be deleted.

The existing subparagraphs (b), (d), (e) and (f) shall become subparagraphs (a), (b), (c) and (d), respectively.

47. In Article 29(b), the word “issues” shall be replaced with the words “may issue”.

48. In Article 30(1), the words “currency and” shall be deleted.

49. In Article 30(2), the following words shall be added at the end: “and the position and competence of the National Bank of Slovakia”.

50. In Article 30, there shall be added paragraph (3) reading as follows:
“(3) The provisions of paragraphs (1) and (2) shall be without prejudice to the functions and powers of institutions and bodies of the European Union in the field of legislation under separate legal provisions,⁵⁾ nor to the duty to consult draft legislative provisions with the European Central Bank to the extent laid down by a separate legal provision.^{2k)}”.
- The footnote to reference 5) shall read as follows:
⁵⁾ For example, Section 5, Section 106, Section 107(5) and (6), Section 110(1) and (2), Section 122(2), Section 123(4) and (5) and Sections 249 to 256 of the Treaty establishing the European Community, as amended; Section 5(5.4), Section 12(12.1), Section 16, Section 18(18.2), Section 19(19.1), Section 22, Section 26(26.4), Section 31(31.3), Section 34(34.1) and (34.2) and Section 42 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank, as amended.”.
51. In Article 31(1), in the part of the sentence before the semicolon, after the words “the National Bank of Slovakia” there shall be inserted the words “in accordance with regulations of the European Central Bank^{5aa)}”.
- The footnote to reference 5aa) shall read as follows:
^{5aa)} Section 22 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.
52. In Article 33(2), the words “secure cooperation” shall be replaced with the words “participate in cooperation”.
53. In Article 34a(1), the word “acts;^{5g)}” shall be replaced with the word “legal provisions;^{5g)}”, and at the end of footnote 5g the full stop shall be replaced with a comma and there shall be added the following words: “Section 5(5.1) and (5.2) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Council Regulation (EC) No. 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank (OJ Special Edition Chapter 01 Volume 03).”.
54. In Article 34a(2), the word “acts” shall be replaced with the word “legal provisions”.
55. Article 34a(3) shall read as follows:
„(3) The requested authority or the requested person may refuse to disclose and provide the requested information only if it caused a breach of separate legal provisions on classified information or international treaty which is binding upon the Slovak Republic and which takes precedence over the acts of the Slovak Republic.”.
56. In Article 35, the word “essential” shall be replaced with the word “necessary”.
57. In the heading of the part nine, at the beginning there shall be inserted the words “ACCOUNTING AND”.
58. Articles 38 and 39 shall read as follows:

“Article 38

(1) As of the euro introduction date, the National Bank of Slovakia shall maintain accounts and prepare the financial statements in accordance with the separate legal provisions applicable to the European System of Central Banks.^{7d)}

(2) The financial statements of the National Bank of Slovakia shall be audited by an independent external auditor designated in accordance with the separate legal provisions applicable to the Eurosystem.⁸⁾

(3) The National Bank of Slovakia shall prepare and publish its annual reports in accordance with the separate legal provisions applicable to the Eurosystem.^{7d)}

(4) The National Bank of Slovakia shall process and made available for publication the balance sheet of the assets and liabilities of the National Bank of Slovakia.

Article 39

(1) The National Bank of Slovakia shall have a share in the capital of the European Central Bank to the extent and under the conditions laid down by the separate legal provisions applicable to the Eurosystem.^{8a)}

(2) The National Bank of Slovakia shall transfer foreign reserve assets to the European Central Bank to the extent and under the conditions laid down by the separate legal provisions applicable to the Eurosystem.^{8b)}

(3) The assets and liabilities of the National Bank of Slovakia which fall under the Eurosystem shall be maintained and reported in accordance with the separate legal provisions applicable to the Eurosystem.⁹⁾ The National Bank of Slovakia shall participate in the allocation of monetary income within the Eurosystem and in the allocation of the net profit and loss of the European Central Bank, to the extent and under the conditions laid down by the separate legal provisions applicable to the Eurosystem.⁹⁾

(4) The result of operations of the National Bank of Slovakia for an accounting period is the profit or loss it has generated. The National Bank of Slovakia shall use the generated profit for allocations to the reserve fund and other funds created from profit, or for covering accumulated losses from previous years. To cover the loss made in an accounting period, the National Bank of Slovakia may use the reserve fund or other funds. The remaining accumulated loss, the amount of which is decided by the Bank Board, shall be carried over to the following accounting period.

(5) The National Bank of Slovakia shall submit its annual report and the result of its operations to the National Council of the Slovak Republic for discussion within three months after the end of the calendar year; besides the financial statements of the National Bank of Slovakia and the auditor's statement on the respective audit, this report shall separately include information on the operating costs of the National Bank of Slovakia. If so requested by the National Council of the Slovak Republic, the National Bank of Slovakia shall, in accordance with that request, have six weeks to provide additional information or to submit an explanation in respect of the submitted annual report on the financial results of the National Bank of Slovakia.”.

The footnotes to references 7d), 8), 8a), 8b) and 9) shall read as follows:

^{7d)} For example, Section 26 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank; Guideline of the European Central Bank ECB/2006/16 (2006/887/EC) of 10 November 2006 on the legal framework for accounting and financial reporting in the European System of Central Banks (OJ L 348 of 11 December 2006), Article 17b of Act No. 431/2002 Coll. on accounting, as amended.

⁸⁾ Section 27 (27.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

^{8a)} Sections 28, 29, 48 and 49 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

^{8b)} Section 30 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.

⁹⁾ Sections 26, 32 and 33 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.

59. In Article 41, at the end of the last sentence the word “banks.” shall be followed by reference 9aa.

The footnote to reference 9aa) shall read as follows:

^{9aa)} Sections 10(10.4) and 38 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.

60. Article 41a shall read as follows:

“Article 41a

(1) The National Bank of Slovakia as part of the Eurosystem shall, as of the euro introduction date, support the general economic policies in the European Community with intention to contribute to achievement of the objectives of the European Community,^{1ac)} however without detriment to maintaining price stability as its main objective.

(2) The National Bank of Slovakia as part of the Eurosystem shall, as of the euro introduction date, act in accordance with the guidelines and instructions of the European Central Bank.^{9ab)}”.

The footnote to reference 9ab shall read as follows:

“^{9ab)} Section 14(14.3) and Section 43(43.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank.”.

61. In Article 43, the following sentence shall be added at the end: “Employees of the National Bank of Slovakia shall be subject, as appropriate, to the provisions of Article 7(5) to (7).”.

62. In Article 44, subparagraph (b) shall read as follows:

“b) decisions of the Bank Board on setting for individual calendar years the amount of the annual contributions of supervised entities of the financial market,^{1e)}”.

63. In Article 45(1), the words “a fine of up to SKK 1,000,000” shall be replaced with the words “a fine in the valid currency unit up to the value of EUR 30,000, and for a repeated or serious shortcoming, up to the value of EUR 60,000”, and the words “exceeding SKK 1,000,000” shall be replaced with the words “exceeding EUR 60,000”.

64. After Article 45, there shall be inserted Article 45a reading as follows:

“Article 45a

The provisions of this Act shall not apply to relations which are otherwise governed by legally binding acts of institutions and bodies of the European Union or by international treaties which are binding upon the Slovak Republic and which take precedence over the acts of the Slovak Republic.^{12a)}”.

The footnote to reference 12a shall read as follows:

“^{12a)} For example, Section 7(2) and (5) of the Constitution of the Slovak Republic No. 460/1992 Coll., as amended by Constitutional Act No. 90/2001 Coll.; Sections 249 to 256 of the Treaty establishing the European Community, as amended; Section 1(1) of the Treaty of Accession of the Slovak Republic to the European Union, and Section 2 of the attached Act concerning the conditions of accession and the adjustments to the treaties on which the European Union is founded (OJ L 236 of 23 September 2003; Notification No. 185/2004 Coll.).”.

65. In Article 49aa (1), the words “euro coins” shall be replaced with the word “euro-coins” and the words “euro banknotes and euro coins” shall be replaced with the word “eurobanknotes and eurocoins”.

66. After Article 49aa, there shall be added Article 49ab which, including the heading, shall read as follows:

**“Article 49ab
joint transitory provisions
in force as of 1 January 2008**

(1) The provisions of Articles 7 to 9 hereof concerning members of the Bank Board in the wording effective as of 1 January 2008, shall as of 1 January 2008 also apply to persons appointed as members of the Bank Board before 1 January 2008.

(2) Decisions of the National Bank of Slovakia on granting prior approval to other persons for the processing of banknotes and coins, adopted in proceedings conducted under existing legal provisions and valid as at 1 January 2008, shall be treated as of 1 January 2008 as licences to process banknotes and coins issued by the National Bank of Slovakia in proceedings conducted in accordance with this Act and separate legal provisions;^{3m)} holders of such licences shall be required to meet the conditions and requirements for processors and for the processing of banknotes and coins under this Act not later than by 30 June 2008. The restriction or suspension of any activity performed under such a licence to process banknotes and coins, and any amendment, revocation or termination of such a licence shall be governed by the provisions of this Act and separate legal provisions.^{3m)}

(3) On-site inspections and proceedings concerning processors or the processing of banknotes and coins that were commenced but not validly concluded before 1 January 2008 shall be concluded in accordance with this Act and separate legal provisions;^{3m)} any legal consequence which arose from acts taken in conducting such on-site inspections or proceedings before 1 January 2008 shall remain unaffected.

(4) For conversion of rates stipulated in Article 17f(7)(c) and in Article 45(1) into the Slovak korunas, the foreign exchange reference rate set and published by the National Bank of Slovakia shall be used during the period from 1 January 2008 to the date immediately preceding the euro introduction date.

(5) The National Bank of Slovakia shall, within its field of the competence, ensure the performance of activities related to the preparation for introduction and the introduction of the euro in the Slovak Republic.¹⁵⁾

(6) As of the euro introduction date in the Slovak Republic, the exclusive power to set monetary policy and monetary policy instruments, and the exclusive power to license issuance of banknotes and approve the volume of issuance of coins shall pass from the National Bank of Slovakia to the European Central Bank; the exclusive power to set exchange rate policy shall pass from the National Bank of Slovakia to the competent institutions and bodies of the European Union; this is without prejudice to the power of the National Bank of Slovakia to set and publish the foreign exchange reference rates of the euro to such other currencies which are actively traded or otherwise used in the Slovak Republic and for which the European Central bank does not set and publish the foreign exchange reference rate.

(7) The difference between, on the one hand, the sum of denominations of Slovak banknotes and Slovak coins in Slovak korunas and haliers which have been put into circulation by the National Bank of Slovakia and, on the other hand, the sum of denominations of Slovak banknotes and coins which have been exchanged for euro banknotes and euro coins, that arises from the exchange of Slovak banknotes and Slovak coins for the reason of the introduction of the euro in the Slovak Republic, shall be income of the National Bank of Slovakia.

(8) As of the euro introduction date in the Slovak Republic, the production, submission, discussion and publication of reports and information on monetary developments for the period before the euro introduction date in the Slovak Republic, as well as the production, submission, discussion and publication of the financial statements,

annual report and management report of the National Bank of Slovakia, the audit of the financial statements, and the appointment of an external auditor to audit the financial statements for the accounting period before the euro introduction date in the Slovak Republic shall be completed in accordance with rules laid down by legal provisions applicable as at the euro introduction date in the Slovak Republic, unless otherwise provided by a separate legal provision.”.

The footnote to reference 15 shall read as follows:

“¹⁵⁾ For example, Act No. 659/2007 Coll. [*note: Act on the introduction of the euro currency in the Slovak Republic*]; Guideline of the European Central Bank ECB/2006/9 (2006/525/EC) of 14 July 2006 on certain preparations for the euro cash changeover and on frontloading and sub-frontloading of euro banknotes and coins outside the euro area (OJ L 207, 28 July 2006); Guideline of the European Central Bank ECB/2006/10 (2006/549/EC) of 24 July 2006 on the exchange of banknotes after the irrevocable fixing of exchange rates in connection with the introduction of the euro (OJ L 215, 5 August 2006).”

Section III

Act of the National Council of the Slovak Republic No. 39/1993 Coll. on the Supreme Audit Office of the Slovak Republic, as amended by Act No. 458/2000 Coll., Act No. 559/2001 Coll., Act No. 385/2004 Coll., Act No. 261/2006 Coll., and Act No. 199/2007 Coll., shall be amended as follows:

1. In Article 5, paragraph (6) including footnote 3 shall be deleted.
2. After Article 24a, there shall be inserted Article 24b which, including the heading, shall read as follows:

“Article 24b Common and transitional provisions

As of the euro introduction date in the Slovak Republic, the power to appoint an auditor to audit the financial statements of the National Bank of Slovakia shall pass from the Office to the Council of the European Union, whereas the Office shall, if requested by the National Bank of Slovakia, participate in the process of proposing an independent external auditor to audit the financial statements of the National Bank of Slovakia, provided that this is permitted under the rules applicable in the euro area to the process of proposing the independent external auditors of national central banks within the European System of Central Banks;¹⁰⁾ this shall be without prejudice to the power of the Office to appoint an auditor to audit the financial statements of the National Bank of Slovakia for the accounting period before the introduction of the euro in the Slovak Republic.”.

The footnote to reference 10 shall read as follows:

“¹⁰⁾ Section 27(27.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank (OJ C 321 E, 29 December 2006).”.

Section IV

Act No. 513/1991 Coll., the Commercial Code, as amended by Act No. 264/1992 Coll., Act No. 600/1992 Coll., Act of the National Council of the Slovak Republic No. 278/1993 Coll., Act of the National Council of the Slovak Republic No. 249/1994 Coll., Act of the National Council of the Slovak Republic No. 106/1995 Coll., Act of the National Council of the Slovak Republic No. 171/1995 Coll., Act of the National Council of the Slovak Republic No. 58/1996 Coll., Act of the National Council of the Slovak Republic

No. 317/1996 Coll., Act of the National Council of the Slovak Republic No. 373/1996 Coll., Act No. 11/1998 Coll., Act No. 127/1999 Coll., Act No. 263/1999 Coll., Act No. 238/2000 Coll., Act No. 147/2001 Coll., Act No. 500/2001 Coll., Act No. 426/2002 Coll., Act No. 510/2002 Coll., Act No. 526/2002 Coll., Act No. 530/2003 Coll., Act No. 432/2004 Coll., Act No. 315/2005 Coll., Act No. 19/2007 Coll., and Act No. 84/2007 Coll. shall be amended as follows:

1. In Article 93(3), the full stop at the end of the first sentence shall be replaced with a comma and there shall be added the following words: “or EUR 250, if the value of the contribution is expressed in euros”.
2. In Article 93(3), the first sentence shall read as follows: “A limited partner shall be required to make a contribution to the limited partnership in the amount determined by the partnership agreement but not less than EUR 250.”.
3. In Article 97(4), the full stop at the end of the first sentence shall be replaced with a comma and there shall be added the following words: “unless otherwise provided by act.”.
4. In Article 108, paragraph (1) shall read as follows:
“(1) The minimum amount of the company’s share capital shall be EUR 5,000.”.
5. In Article 109, paragraph (1) shall read as follows:
“(1) The minimum amount of a partner’s contribution shall be EUR 750.”.
6. In Article 109(2), second sentence, the words “but shall be divisible by one thousand” shall be replaced with the words “but shall be expressed as a positive integer, unless otherwise provided in a separate act.”.
7. In Article 111(1), the second sentence shall read as follows: “The total value of the paid-up monetary contributions together with the value of delivered contributions-in-kind shall not, however, be less than 50% of the legally prescribed minimum amount of share capital as mentioned in Article 108(1).”.
8. In Article 125(1), subparagraph (c) shall read as follows:
“c) to approve and to amend the articles of association, unless otherwise provided by act,”.
9. In Article 127, paragraph (2) shall read as follows:
“(2) The number of votes held by each partner shall be determined by the ratio between his/her contribution and the amount of the company’s share capital, unless another number of votes is laid down by the memorandum of association.”.
10. In Article 141, paragraph (1) shall read as follows:
“(1) Any amendment to the memorandum of association shall require the consent of all partners, except where made by the general meeting under the act or the memorandum of association, unless otherwise provided by act.”.
11. In Article 155(3)(d), the following words shall be added at the end: “unless otherwise provided in a separate act,”.
12. In Article 157(1), third sentence, the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided in a separate act.”.
13. In Article 157(1), the fourth sentence shall read as follows: “The nominal value of the shares shall be expressed in euro, unless otherwise provided in a separate act.”.
14. In Article 162, paragraph (3) shall read as follows:
“(3) The minimum amount of the company’s share capital shall be EUR 25,000.”.
15. In Article 187(1), subparagraph (a) shall read as follows:
“a) amendments to the articles of association, unless otherwise provided by act,”.
16. In Article 223(2), the following sentences shall be added at the end: “The amount of the members’ contributions may be determined for individual members differently but must be expressed as a positive integer, unless otherwise provided by act. The total sum of the nominal values of members’ contributions to a cooperative shall be equal to the nominal value of the cooperative’s share capital.”.
17. In Article 223(3), the second sentence shall read as follows: “The minimum entered share capital shall be EUR 1,250.”.
18. In Article 226(3), the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided by act.”.

19. In Article 235(2), the following sentences shall be added at the end: “The non-distributable fund may be used insofar as it has been created on a compulsory basis under this Act, and exclusively for economic purposes defined in the articles of associations of the cooperative, for bridging the unfavourable course of business management of the cooperative, or for covering any losses of the cooperative, unless otherwise provided in a separate act. Decisions on the use of the non-distributable fund shall be taken by the cooperative’s board of directors.”.
20. In Article 239(4), subparagraph (a) shall read as follows:
“a) amendments to the articles of association, unless otherwise provided by act.”.
21. In Article 369(1), first sentence and second sentence, the words “National Bank of Slovakia” shall be replaced with the words “European Central Bank”.
22. After Article 768d, there shall be inserted Article 768e which, including the heading, shall read as follows:

**“Article 768e
Transitional provisions
effective as of 1 January 2008**

In preparation for the introduction of the euro in the Slovak Republic and the changeover from the Slovak currency to the euro, companies (Article 56(1)) and co-operatives shall be required to ensure and perform the redenomination, conversion and rounding of the nominal value of their share capital and the nominal value of contributions to their share capital, including the nominal values of shares, if it is a joint stock company, from the Slovak currency to the euros in accordance with this Act and separate legal provisions concerning the introduction of the euro in the Slovak Republic.”.

Section V

Act No. 747/2004 Coll. on financial market supervision (including amendments to certain acts), as amended by Act No. 340/2005 Coll., Act No. 519/2005 Coll., Act No. 214/2006 Coll., Act No. 644/2006 Coll., and Act No. 659/2007 Coll., shall be amended as follows:

1. In Article 2(2), the words “is executed” shall be replaced with the words “is non-public and is executed”.
2. In Article 2(3), the words “disputes are not” shall be replaced with the words “dispute resolution is not”.
3. In Article 2(6), the words “criminal activities” shall be followed by the words: “and financing terrorism”.
4. In Article 14(8), the word “appeal” shall be replaced with the word “remedy”.
5. In Article 40(10), the words “the Slovak currency” shall be replaced with the words “the euros”.
6. In Article 42(6), the words “SKK 100” shall be replaced with the words “the total financial costs required for repayment made through the payment system (Article 41(3))”.
7. In Article 42(7), the words “the Slovak currency” shall be replaced with the words “the euros”.

Section VI

Act No. 566/2001 Coll. on securities and investment services (including amendments to certain acts) – the Securities Act – as amended by Act No. 291/2002 Coll., Act No. 510/2002 Coll., Act No. 162/2003 Coll., Act No. 594/2003 Coll., Act No. 43/2004 Coll., Act No. 635/2004 Coll., Act No. 747/2004 Coll., Act No. 7/2005 Coll., Act No. 266/2005 Coll., Act No. 336/2005 Coll., Act No. 213/2006 Coll., Act No. 644/2006 Coll., and Act No. 209/2007 Coll., shall be amended as follows:

1. In Article 2(2), after subparagraph p) there shall be inserted a new subparagraph r) reading as follows:
“r) investment certificates,”
The existing subparagraph r) shall become subparagraph s).
2. In Article 3(2)(c), after point 1 there shall be inserted a new point 2 reading as follows:
“2. in the euros, at least EUR 25, and any higher amounts always in whole multiples of EUR 25, or”.
The existing point 2 shall become point 3.
3. In Article 3(2)(c), point 3, the word “foreign” shall be replaced with the word “other”.
4. In Article 3(2)(c), point 1 shall be deleted.
At the same time, points 2 and 3 shall become points 1 and 2, respectively.
5. After Article 4, there shall be inserted Article 4a which, including the heading, shall read as follows:

**“Article 4a
Investment certificates**

- (1) Investment certificate is a security whose value is tied to the value of indexes, interest rates, shares, debt securities, exchange rates, commodities, or other underlying assets (baskets), or a combination thereof. Attached to the investment certificate is the right to acquire the financial instrument which is the underlying asset of the investment certificate, or the right to settlement in cash, or a combination thereof. Investment certificate may be issued by banks or branches of foreign banks only.
- (2) Investment certificate may only have the form of a bearer security or a registered security.
- (3) Investment certificate must state
- a) business name, registered office, identification number of issuer,
 - b) ISIN, title and form of investment certificate,
 - c) total number of investment certificates issued in the respective issue,
 - d) nominal value of investment certificate,
 - e) maturity or settlement date, provided that under the issuing terms there is attached to the investment certificate the right to acquire a financial instrument which is the underlying asset of the investment certificate,
 - f) in regard to registered investment certificates, also the below details of the first holder:
 1. business name, registered office, identification number, if it is a legal person,
 2. name and surname, permanent residence and national identification number, if the holder is a natural person; in regard to a foreign natural person, date of birth may be stated instead of the national identification number.
- (4) Issuing terms include the rights and obligations of issuer and holder of investment certificates as well as the rights attached to investment certificates. Issuing terms include, in particular:
- a) data pursuant to paragraphs 3a) to 3e),
 - b) title of investment certificate,
 - c) method of determination of yield and date of its payment, provided that under the issuing terms there is attached to the investment certificate the right to settlement in cash,
 - d) method of determination of yield, settlement conditions and settlement date, provided that under the issuing terms there is attached to the investment certificate the right to acquire a financial instrument which is the underlying asset of the investment certificate,
 - e) highest amount of nominal values and issue rate,
 - f) date of commencement of issue, expected issue period, method of issue,
 - g) information whether an application for admission of investment certificates to trading on a regulated market shall be filed, and identification of such regulated market,
 - h) other rights and obligation attached to investment certificates.

(5) Issuer is not allowed to change issuing terms of the issued investment certificates, except for change of business name and registered office of the issuer and payment place.

(6) Issuer shall be required to publish issuing terms of investment certificates, in a manner described in Article 125a, not later than one week before the date on which investment certificates started to be issued. Issuer shall be required to publish changes in issuing terms of investment certificates under paragraph 5, in a manner described in Article 125a, not later than 10 days from entry into force of such changes.

(7) Issue of investment certificates without prior publication of approved prospectus of investment certificate is prohibited. Provisions of Articles 120 to 125c shall apply accordingly to prospectus of investment certificate and to conduct of the issuer in issuing investment certificates; this is applicable also in the case no public offer of securities is made in issuing investment certificates. Should prospectus of investment certificate include information whose content corresponds with the information in issuing terms of investment certificates, the respective sections of prospectus shall substitute issuing terms of investment certificates; provision of paragraph 6 hereof shall not apply in such case. In regard to modification of that information in prospectus of security which substitutes issuing terms of investment certificates, paragraph 5 hereof shall apply; if no amendment to the prospectus of investment certificate is simultaneously prepared in respect of such changes, this fact shall be stated therein. The changes shall be published in a way set forth in Article 125c.

(8) Should issuer be in delay with payment of yield or settlement of yield from investment certificate, it shall notify the National Bank of Slovakia on this fact without delay. As far as investment certificates admitted to trading on a regulated market are concerned, issuer shall be required to publish without delay a notice on delay in payment of yield or settlement of yield from investment certificate in a state-wide periodical press publishing news from securities market. Investment certificate which is acquired by its issuer before its maturity date shall not cease to exist, unless the issuer decides otherwise. The rights and obligations attached to investment certificates which are in possession of issuer shall be terminated as at the maturity date of investment certificate, unless they have been terminated earlier based on the issuer's decision.

(9) Issuer shall submit the issuing terms of investment certificates to the National Bank of Slovakia within 15 days from the date on which the investment certificates started to be issued; this shall not apply if all information included in issuing terms of investment certificates fully correspond with the content of the respective prospectus of investment certificate.”.

6. In Article 5(d),(e) and (j), the words “agreements on future interest rates” shall be replaced with the word “forwards”.
7. In Article 8(d), the word “foreign” shall be replaced with the word “other”.
8. In Article 10(3), after the word “bonds” there shall be inserted a comma and words “investment certificates”.
9. In Article 28(3)(d), after the word “contracts” there shall be inserted the words “National Bank of Slovakia, European Central Bank or another central bank of the Eurosystem simultaneously with filing order for registration of the contractual lien on a book-entered security in accordance with Article 53a(4)”.
10. In Article 45, paragraph (6) shall read as follows:
“(6) A contractual lien on a book-entered security in favour of the National Bank of Slovakia shall be established by concluding a credit transaction with the National Bank of Slovakia⁴⁵), and it shall exist for the period of business relationship established by the concluded transaction. The central depository shall register the contractual lien in the register of liens by order of the National Bank of Slovakia. Simultaneously, the National Bank of Slovakia shall issue an order to register a suspension of the exercise of the right to use the pledged security in accordance with Article 28(3), the term of which suspension shall be equal to that of the business relationship arising from the concluded transaction.”.

The footnote to reference 45 shall read as follows:

⁴⁴⁵⁾ For example, Articles 18, 19 and 24 of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended.”.

11. In Article 50(1), the third sentence shall read as follows: “This shall not apply if an order for registration of contractual lien on a security is issued by pledgee or pledgor in accordance with Article 53a(4), or by the National Bank of Slovakia in accordance with Article 45(6).”
12. In Article 53a(3), the following sentence shall be added at the end: “This shall not apply if an order for registration of contractual lien on a book-entered security is given by pledgee or pledgor in accordance with paragraph (4).”
13. In Article 53a, after paragraph (3) there shall be added a new paragraph (4) reading as follows:

“(4) The contractual lien under paragraph (1) established on a book-entered security in favour of the National Bank of Slovakia, European Central Bank or another central bank of the Eurosystem^{47h)} by order of the National Bank of Slovakia, European Central Bank or another central bank of the Eurosystem, or by order of pledgor shall be established, changed or terminated by its registration in the owner’s account kept in records of the central depositary; this is without prejudice to the establishment of lien under Article 45(6). Simultaneously, the pledgee shall issue an order to register a suspension of the exercise of the right to use the pledged security in accordance with Article 28(3)(d), the term of which suspension shall be equal to that of the business relationship arising from the concluded transaction.”.

The existing paragraph 4 shall become paragraph 5.

The footnote to reference 47h shall read as follows:

^{47h)} Article 18, 19 and 23 of Act of the National Council of the Slovak Republic No. 566/1992 Coll., as amended.

Section 18 of the Protocol on the Statute of the European System of Central Banks and the European Central Bank (OJ C 321 E of 29 December 2006).”.

14. In Article 54(6), the last sentence shall be deleted.
15. In Article 54(11), the words “SKK 35,000,000” shall be replaced with the words “EUR 730,000”.
16. In Article 54, paragraph (12) shall read as follows:
“(12) Share capital of a securities dealer that provides investment services under Article 6(1) (a), (b) or (d) and is not authorized to provide investment service under Article 6 (1) (c) or underwrite financial instruments based on the fixed commitment shall be at least EUR 125,000.”
17. In Article 54, paragraph (13) shall read as follows:
“(13) Share capital of a securities dealer under paragraph 12 that is not authorized, in providing investment services, to use funds or financial instruments of the client shall be at least EUR 50,000.”
18. In Article 61(1)(a), the words “securities issued by foreign asset management companies and procurement of issuance and returning of open-end mutual fund units and securities issued by foreign asset management companies” shall be replaced with the words “securities of foreign collective investment undertakings.”.
19. In Article 61(8), the words “did not receive” shall be replaced with the word “received”.
20. In Article 71(6)(c), the words “tied agent” shall be replaced with the words “of tied agent”.
21. In Article 71d(3), after the word “management” there shall be added the words “and supervisory board”.
22. In Article 71o(5), the words “paragraph 1” shall be replaced with the words “paragraph 2”.
23. In Article 73(4), the number “9” shall be replaced with the number “3”.
24. In Article 73(5), the words “criminal activities” shall be followed by the words “and against financing terrorism”.
25. In Article 73(7), the number “12” shall be replaced with the number “6”.

26. In Article 73f(6), after the word “providing” there shall be added the words “investment advisory or”.
27. In Article 73h(1), introductory sentence, after the words “subparagraph a)” there shall be added the words “or subparagraph b)”.
28. In Article 73i(2), after the words “conclude with” there shall be added the words “non-professional”.
29. In Article 73j(4), the word “open” shall be deleted and the words “securities dealer shall send to the client a notice in accordance with paragraph 1(b)” shall be replaced with the words “obligation of the securities dealer under paragraph 1(b) shall be considered fulfilled”.
30. In Article 73m, the words “loans, it is governed” shall be replaced with the words “loans and governing”.
31. In Article 73o(6), the following sentence shall be added at the end: “Provision of a separate legal provision^{58hf)} shall be used to determine whether the securities dealer is a systematic internaliser.”
32. In Article 73r(4), the third sentence shall read as follows: “Such third parties shall have regular order execution procedures implemented, which procedures shall enable the securities dealer to fulfil its obligations under this Act in placing or assigning orders for their execution to these third parties.”
33. In Article 75, paragraphs (1) and (2) shall read as follows:
“(1) Securities dealer shall keep logbook of orders received from the clients and of transactions concluded under such orders in accordance with a separate legal provision.^{58hf)}
(2) Securities dealer shall keep in its logbook under paragraph 1 also records of the transactions concluded by the securities dealer on its own account in accordance with a separate legal provision.^{58hf)}”.
34. In Article 75(5), the following sentence shall be added at the end: “Provision which may be issued by the National Bank of Slovakia and which shall be published in the Collection of Laws shall govern further details on keeping the logbook of securities dealer.”
35. In Article 76(2), the words “Slovak korunas at the exchange rate published by the National Bank of Slovakia⁶⁰⁾ ruling” shall be replaced with the words “euros at the foreign exchange reference rate set and published by the European Central Bank⁶⁰⁾ ruling”.
The footnote to reference 60 shall read as follows:
“⁶⁰⁾ Section 12(12.1) of the Protocol on the Statute of the European System of Central Banks and the European Central Bank (OJ C 321 E of 29 December 2006); Article 28(2) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended.”.
36. In Article 79a(2), after the word “Provisions” there shall be added the words “Article 61a(1), (2), (4) to (9)”.
37. In Article 84, paragraph (6) shall be deleted.
The existing paragraphs (7) to (10) shall become paragraphs (6) to (9).
38. In Article 84(7), first sentence and second sentence, the words “paragraph 7” shall be replaced with the words “paragraph 6”.
39. In Article 85(4), second sentence, the words “exchange rate published by the National Bank of Slovakia” shall be replaced with the words “foreign exchange reference rate set and published by the European Central Bank or the National Bank of Slovakia⁶⁰⁾ ruling”, and the word “(7)” shall be replaced with the word “(6)”.
40. In Article 86(5), the word “proceedings.⁷⁶⁾” shall be replaced with the words “proceedings;⁷⁶⁾ it is impossible to lodge an application for remedial measure against this decision and this decision shall be excluded from judicial review.^{76a)} The decision-making referred to in paragraph (3) shall be a competence of the Bank Board of the National Bank of Slovakia.”.
The footnotes to references 76 and 76a shall read as follows:
“⁷⁶⁾ Act No. 71/1967 Coll. on administrative proceedings (Administrative Procedure Code), as amended.

Act No. 747/2004 Coll. on financial market supervision (including amendments to certain acts), as amended.

^{76a)} Article 248(d) of the Civil Proceedings Code.”.

41. In Article 87(2), first sentence, the words “an amount in Slovak korunas equivalent to EUR 20,000, converted at the exchange rate published by the National Bank of Slovakia as at the date when customer assets held with the securities dealer became inaccessible under Article 82(1)” shall be replaced with the words “EUR 20,000” and at the same time the second sentence shall be deleted.
42. In Article 87(3), last sentence, the word “korunas” shall be replaced with the word “euros”.
43. In Article 88(8), the words “exchange rate published by the National Bank of Slovakia” shall be replaced with the words “foreign exchange reference rate set and published by the European Central Bank or National Bank of Slovakia⁶⁰⁾ ruling”.
44. In Article 91(1)(b), the words “securities issued by the Slovak Republic (hereinafter the “government securities”)” shall be replaced with the words “government securities”.
45. In Article 91(2), the word “stipulated” shall be replaced with the words “and under the conditions stipulated by separate provisions^{88a)} and”.
The footnote to reference 88a shall read as follows:
^{88a)} Article 8(1)(i) and (2) and Article 13 (1)(e) of Act No. 523/2004 Coll. on the budgetary rules for public administration (including amendments to certain acts), as amended.
Articles 8 to 13 of Act No. 386/2002 Coll. on the national debt and state guaranties, and amending Act No. 291/2002 Coll. on the State Treasury (including amendments to certain acts).”.
46. In Article 91(3), the word “Slovakia” shall be followed by reference 88b.
The footnote to references 88b shall read as follows:
^{88b)} Articles 18, 19, 23 and 27(2) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended.”.
47. In Article 91(5), a new first sentence shall be added at the beginning reading as follows: “Using its own financial resources, the Fund may create a special fund to provide compensations for inaccessible customer assets.”
48. In Article 93 (2), the word “Its” shall be replaced with the word “Their”, and in Article 95 (1), the word “its” shall be replaced with the word “their”.
49. In Article 93(3) and Article 169(3), the word “(7)” shall be replaced with the word “(6)”.
50. In Article 99(4), after subparagraph h) there shall be inserted a new subparagraph i) reading as follows:
“i) keep record of financial instruments other than securities in the owners’ accounts and information on such financial instruments in the customer’s accounts of the members.”.
The existing subparagraph i) shall become subparagraph j).
51. In Article 103(2), after subparagraph p) there shall be inserted a new subparagraph r) reading as follows:
“r) method and procedure of handling foreign book-entered securities, if the central depository provides services related with an account established under Article 99(4)(e).”.
The existing subparagraph r) shall become subparagraph s).
52. In Article 105a(3), the word “or” shall be replaced with a comma and after the words “foreign securities dealer” there shall be added a comma and the words “bank or foreign bank”.
53. In Article 110(1)(c), the word “supervision,⁹³⁾” shall be replaced with the words “supervision, transaction execution, and fulfilment of its other tasks in accordance with separate legal provisions,⁹³⁾”, and at the end of the footnote to reference 93 the full

stop shall be replaced with a comma and there shall be added the following words: "Sections 17, 18, 21, 23, 24 and 25 of the Protocol on the Statute of the European System of Central Banks and the European Central Bank (OJ C 321 E of 29 December 2006).".

54. In Article 110(1), subparagraphs (i) and (j) shall read as follows:

"(i) National Security Authority, Police Force, Slovak Intelligence Service, Military Intelligence for the purpose of performance of security vetting procedures within their fields of the competence under the separate legal provision.^{97a)}

(j) Slovak Intelligence Service and Military Intelligence for the purpose of fulfilment of their tasks under the separate legal provisions^{97b)} in fighting the organized crime and terrorism."

The footnotes to references 97a and 97b shall read as follows:

^{97a)} Act No. 215/2004 Coll. on protection of classified information (including amendments to certain acts), as amended.

^{97b)} Article 2 of Act of the National Council of the Slovak Republic No. 46/1993 Coll. on the Slovak Intelligence Service, as amended by Act No. 256/1999 Coll.

Article 2 of Act of the National Council of the Slovak Republic No. 198/1994 Coll. on the Military Intelligence."

55. In Article 133, paragraphs (1) and (5) shall be deleted.

The existing paragraphs (2) to (4) shall become paragraphs (1) to (3), respectively.

56. In Article 136(1), the words "disputes are not" shall be replaced with the words "dispute resolution is not".

57. In Article 143f(1)(c), the words "Article 138(5)(n)" shall be replaced with the words "Article 143b(d)".

58. In Article 144(1), introductory sentence, and in Article 144(2), introductory sentence, the words "separate legal provisions" shall be followed by reference 110e.

The footnote to reference 110e shall read as follows:

^{110e)} For example, Act No. 367/2000 Coll. as amended, Articles 13 to 15 of Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts)."

59. In the footnote to reference 111, the full stop at the end shall be replaced with a comma and there shall be added the following quote: "Act No. 659/2007 Coll." [note: *Act on the introduction of the euro currency in the Slovak Republic*]

60. In Article 169(3), the word "(7)" shall be replaced with the word "(6)".

61. In Article 173f(2), introductory sentence, the word "applies" shall be replaced with the words "does not apply".

62. After Article 173h, there shall be inserted Article 173i which, including the heading, shall read as follows:

**"Article 173i
Transitional provisions
effective as of 1 January 2008**

(1) In preparation for the introduction of the euro in the Slovak Republic and the changeover from the Slovak currency to the euro, issuers of securities denominated in the Slovak currency shall ensure and perform the redenomination, conversion and rounding of the nominal value of the securities which they have issued, including fund units, from the Slovak currency to the euros in accordance with this Act and separate legal provisions on introduction of the euro in the Slovak Republic.¹²⁵⁾

(2) As of the euro introduction date, securities denominated in the Slovak currency shall be treated as securities denominated in the euros, their nominal value converted and rounded in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euros;¹²⁵⁾ this shall also apply to securities denominated in other currency which will cease to exist and will be replaced with the euro, as of the date of replacement of such other currency with the euro

and simultaneously in accordance with the fixed conversion rate designed for the conversion of such other currency to the euros and with other rules applicable to the changeover from such other currency to the euros. This presumption shall be without prejudice to the obligation of issuers of securities denominated in the Slovak currency to carry out the redenomination of the nominal value of securities to the euros in accordance with this Act and separate legal provisions.

(3) Contracting parties to pledge agreements concerning lien on securities used to secure a receivable in the Slovak currency shall, one month after the euro introduction date¹²⁵⁾ at the latest, place an order for registration of a change in the lien on securities in the respective register of liens, where such registration shall refer to the amount of secured receivable recorded in the register of liens after its conversion and rounding from the Slovak currency to the euros according to the conversion rate and other rules applicable to the changeover from the Slovak currency to the euro. Should the contracting parties to pledge agreements concerning lien on securities not perform this obligation in timely manner, the central depository shall without delay but not later than within three months after the euro introduction date make conversion and rounding of amount of the individual secured receivables from the Slovak currency to the euros according to the conversion rate and other rules applicable to the changeover from the Slovak currency to the euro, where such receivables shall mean receivables secured by lien on securities which are entered in the register of liens kept with the central depository; should this be the case, the central depository shall within three months after the euro introduction date at the latest provide also for registration of the respective changes of data in its register of liens and in the respective accounts where the data on the respective receivables secured by liens on securities are recorded. The same rules which apply to conversions, rounding and registrations of changes of data on amount of receivables which are secured by lien on securities entered in the register of liens kept with the central depository shall also apply to conversions, rounding and registrations of changes of data on amount of receivables which are secured by lien on securities entered in the central register of short-term securities kept with the National Bank of Slovakia; in making conversions, rounding and registrations of changes of data on amount of secured receivables from the Slovak currency to the euros, the National Bank of Slovakia shall have the same status, rights and obligation as the central depository in its performing conversions, rounding and registrations of changes of data on amount of secured receivables from the Slovak currency to the euros.”.

The footnote to reference 125 shall read as follows:

¹²⁵⁾ Act No. 659/2007 Coll.” [note: *Act on the introduction of the euro currency in the Slovak Republic*]

63. Throughout the text of the Act, except in the transitional provisions, the words “the Slovak currency” in all forms shall be replaced with the words “the euro” in the respective grammatical form.

Section VII

Act No. 530/1990 Coll. on bonds, as amended by Act No. 600/1992 Coll., Act of the National Council of the Slovak Republic No. 194/1995 Coll., Act of the National Council of the Slovak Republic No. 58/1996 Coll., Act No. 355/1997 Coll., Act No. 361/1999 Coll., Act No. 103/2000 Coll., Act No. 329/2000 Coll., Act No. 566/2001 Coll., Act No. 96/2002 Coll., Act No. 430/2002 Coll., Act No. 594/2003 Coll., Act No. 747/2004 Coll., Act No. 336/2005 Coll., and Act No. 209/2007 Coll., shall be amended as follows:

1. In Article 3(1)(c), after point 1 there shall be inserted a new point 2 reading as follows:
 - “2. in the euros, at least EUR 25, and any higher amounts always in whole multiples of EUR 25, or”.

The existing point 2 shall become point 3.

2. In Article 3(1)(c), point 3, the word “foreign” shall be replaced with the word “other”.
3. In Article 3(1)(c), point 1 shall be deleted.
At the same time, points 2 and 3 shall become points 1 and 2, respectively.
4. In Article 3(4), the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided in this Act or a separate act.”.
5. In Article 3(5), second sentence, the words “the Office” shall be replaced with the words “the National Bank of Slovakia”, and in the part of the sentence following the semicolon, the words “the issuer” shall be replaced with the words “and paid by the issuer, unless otherwise provided in a separate legal provision.”.
6. In Article 22(3), second sentence, the words “the Ministry” shall be replaced with the words “the National Bank of Slovakia”.
7. In Article 25, the words “the Ministry of Finance of the Slovak Republic” shall be replaced with the words “the National Bank of Slovakia”.
8. After Article 27c, there shall be inserted Article 27d which, including the heading, shall read as follows:

**“Article 27d
Transitional provisions
effective as of 1 January 2008**

(1) Should no currency unit of payment be marked on a bond which was issued in the Slovak Republic before the euro introduction date and is payable in the Slovak Republic, such bond shall be treated as denominated in the Slovak korunas.

(2) Bonds denominated in the Slovak currency shall, as of the euro introduction date in the Slovak Republic, be treated as bonds denominated in the euros and payable in the euros, with the nominal value of bond being converted and rounded from the Slovak currency to the euros at the conversion rate, and with rounding to two decimal places to the nearest euro cent in accordance with the rules for the changeover from the Slovak currency to the euro as provided in separate legal provisions.”.

Section VIII

Act No. 191/1950 Coll. on bills of exchange and cheques shall be amended and supplemented as follows:

1. In Section I, Article 41(3), the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided in this Act.”.
2. In Section I, Article 48(2), the words “official discount rate of the State Bank of Czechoslovakia” shall be replaced with the words “base interest rate of the European Central Bank”.
3. In Section I, Article 69, the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided in this Act.”.
4. In Section II, Article 36(3), the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided in this Act.”.
5. In Section II, Article 51, the full stop at the end shall be replaced with a comma and there shall be added the following words: “unless otherwise provided in this Act.”.
6. In Section III, Article 8(1), the words “separate provisions on cheque service of the State Bank of Czechoslovakia” shall be replaced with the words “the provisions of separate legal provisions on issuance of securities by the National Bank of Slovakia”.
7. In Section III, after Article 9 there shall be inserted Article 9a which, including the heading, shall read as follows:

**“Article 9a
Transitional provisions
effective as of 1 January 2008**

(1) Should no currency unit of payment be marked on bills of exchange or cheques which were issued in the Slovak Republic before the date of introduction of the euro and which are payable in the Slovak Republic, such bill of exchange or cheque shall be treated as denominated in the Slovak korunas.

(2) Bills of exchange and cheques denominated in the Slovak currency shall, as of the euro introduction date in the Slovak Republic, be treated as bills of exchange and cheques denominated in the euros and payable in the euros, with the bill of exchange sum or cheque sum being converted and rounded from the Slovak currency to the euros at the conversion rate, and with rounding to two decimal places to the nearest euro cent in accordance with the rules for the changeover from the Slovak currency to the euros as provided in separate legal provisions. As of the euro introduction date in the Slovak Republic, conversion of the Slovak currency to the euros may be marked on bills of exchange and cheques denominated in the Slovak currency; should the bill of exchange sum or cheque sum be stated in bills of exchange or cheques, as of the euro introduction date in the Slovak Republic conversion of the bill of exchange sum or cheque sum from the Slovak currency to the euros may be marked on bills of exchange and cheques, with the bill of exchange sum or cheque sum being converted and rounded from the Slovak currency to the euros at the conversion rate, and with rounding to two decimal places to the nearest euro cent in accordance with the rules for the changeover from the Slovak currency to the euros as provided in separate legal provisions. Should conversion of the Slovak currency to the euros or conversion of the bill of exchange sum or cheque sum from the Slovak currency to the euros in accordance with the stipulated rules for the changeover from the Slovak currency to the euros be marked on bills of exchange and cheques denominated in the Slovak currency, such marking shall be considered as part of the original wording of the respective bill of exchange or cheque, and shall have no effect on legal relations connected with the respective bill of exchange or cheque, on validity of the bill of exchange or cheque, and on establishment, modification and termination of liability for payment of bill of exchange sum or cheque sum after conversion from the Slovak currency to the euros.

(3) Bills of exchange and cheques denominated in the Slovak currency which are governed, not by Slovak law, but by the law of a foreign country shall be converted from the Slovak currency to the euros or to other currency in accordance with the law of that foreign country.”.

Section IX

Act No. 594/2003 Coll. on collective investment (including amendments to certain acts), as amended by Act No. 635/2004 Coll., Act No. 747/2004 Coll., Act No. 213/2006 Coll., and Act No. 209/2007 Coll., shall be amended as follows:

1. In Article 12(1), the following words shall be added at the end: “and against financing terrorism”.
2. In Article 19(1)(c), the following words shall be added at the end: “and financing terrorism”.
3. In Article 21(4), after the words “criminal activities” there shall be added the words “and against financing terrorism”.
4. In Article 41, after paragraph (7) there shall be inserted a new paragraph (8) reading as follows:
“(8) Initial value of a share in a mutual fund and the current price of a mutual fund unit shall be calculated to a precision of four decimal places when stated in the

Slovak currency, and to a precision of six decimal places when stated in the euros. Total final amounts of the selling price of fund units and total final amounts of the purchase price of fund units, which are paid in form of monetary performance, shall be rounded in accordance with rules laid down by the statute of the mutual fund, unless otherwise provided in this Act or in a separate legal provision; by the changeover from the Slovak currency to the euros, such paid monetary performances shall be converted and rounded from the Slovak currency to the euros in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euro.^{56e)}”.

The existing paragraphs (8) and (9) shall become paragraphs (9) and (10), respectively.

The footnote to reference 56e shall be as follows:

^{56e)} For example, Article 2(2) to (4) of Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts); Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended; Council Regulation (EC) No. 2866/98 of 31 December 1998 on exchange rates of the euro and currencies of the member states introducing the euro (OJ L 359 of 31 December 1998), as amended; Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ Special Edition Chapter 10 Volume 01), as amended.”.

5. In Article 99(3), the words “disputes are not” shall be replaced with the words “dispute resolution is not”.
6. In Article 106(1), introductory sentence, the words “legal provisions” shall be followed by reference 84e.

The footnote to reference 84e shall be as follows:

^{84e)} For example, Act No. 566/2001 Coll. as amended; Act No. 367/2000 Coll. as amended; Act No. 659/2007 Coll.”. [*note: Act on the introduction of the euro currency in the Slovak Republic*]

7. After Article 125b, there shall be inserted Article 125c which, including the heading, shall read as follows:

**“Article 125c
Transitional provisions
effective as of 1 January 2008**

(1) Each asset management company shall prepare, not later than three months before the euro introduction date in the Slovak Republic, and implement measures, rules and procedures through which it shall secure continuous and undisturbed changeover from the Slovak currency to the euro by conduct of collective investment activities, in particular

- a) rules and procedures applied in redenomination, conversion and rounding of value and net value of mutual fund’s assets, initial value of a share in mutual fund, and current price of mutual fund unit, and data concerning development in the value of assets and yields from the management of the mutual fund’s assets,
- b) measures applied in the management of the mutual fund’s assets in relation to the changeover from the Slovak currency to the euro,
- c) method and rules of providing information to the mutual fund shareholders and clients in regard to significant circumstances related with the changeover from the Slovak currency to the euro, in particular method and rules of disclosing and making available, to the individual mutual fund shareholders and individual clients, information on value of their investment and on any amendment or updating of the statute, prospectus or simplified prospectus of the mutual fund ensuing from the changeover from the Slovak currency to the euro.

(2) Asset management company shall, not later than three months before the euro introduction date in the Slovak Republic and for a period of at least six months following the euro introduction date in the Slovak Republic, publish on its website and at all its business premises used in communicating with clients relevant information on measures, rules and procedures which will be implemented, are implemented or were implemented for securing the changeover from the Slovak currency to the euro.

(3) Asset management company shall prepare information in the scope according to paragraph (1). Asset management company shall, within the period of last three months before the euro introduction date in the Slovak Republic, provide such information, free of any charge, to every investor who in that period has filed an application for issuance of the fund unit, as well as to every fund shareholder and client with whom the asset management company enters into a contract or makes a new transaction concerning issuance of fund units or portfolio management in that period; the other fund shareholders and clients shall be provided with such information, free of any charge, upon their request.

(4) Monetary data on amounts related with collective investment, including monetary data on development in the value of assets and yields from the mutual fund's asset management, which are included in the mutual fund's documents or in other information designed for investors, fund shareholders or clients, shall, for the purpose of preparation for the changeover and changeover from the Slovak currency to the euro, be converted according to the conversion rate and other rules governing the changeover from the Slovak currency to the euro. Monetary data on amounts related with collective investment, including monetary data on development in the value of assets and yields from the mutual fund's asset management, which are included in information designed for investors, fund shareholders or clients, shall be subject to the dual display in the scope stipulated in separate legal provisions,⁹⁶⁾ if respective information is issued or published during the mandatory period of the dual display pursuant to separate legal provisions on introduction of the euro in the Slovak Republic.⁹⁶⁾

(5) Asset management company shall, within one quarter of a year following the date of introduction of the euro in the Slovak Republic at the latest, be required to inform its clients and its mutual fund shareholders, in writing and free of any charge, about the value of their investment, which information shall under this Act include also the conversion and rounding of the value of the investment from the Slovak currency to the euros, performed in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euro.⁹⁶⁾

(6) The provisions of paragraphs (1) through (5) shall apply likewise to foreign asset management companies and foreign collective investment undertakings which conduct collective investment activities in the territory of the Slovak Republic, including securities of foreign collective investment undertakings.

(7) The scope and content of information to be published under paragraph (2) shall be set forth by a Provision which the National Bank of Slovakia is entitled to adopt and which shall then be published in the Collection of Laws of the Slovak Republic.”.

The footnote to reference 96 shall be as follows:

⁹⁶⁾ Article 1(2)(i), Article 2 and Article 18 of Act No. 659/2007 Coll.”. [*note: Act on the introduction of the euro currency in the Slovak Republic*]

Section X

Act No. 483/2001 Coll. on banks (including amendments to certain acts), as amended by Act No. 430/2002 Coll., Act No. 510/2002 Coll., Act No. 165/2003 Coll., Act No. 603/2003 Coll., Act No. 215/2004 Coll., Act No. 554/2004 Coll., Act No. 747/2004 Coll., Act No.

69/2005 Coll., Act No. 340/2005 Coll., Act No. 341/2005 Coll., Act No. 214/2006 Coll., Act No. 644/2006 Coll., and Act No. 209/2007 Coll., shall be amended as follows:

1. In Article 2(2)(c), point 1 and point 2, Article 38(1), Article 67(2), and Article 87(2)(d), the words “Slovak korunas” shall be replaced with the words “the euros”.
2. In Article 2(2)(n), the words “mortgage transactions” shall be replaced with the words “special mortgage transactions (hereinafter the “mortgage transaction”)”.
3. In Article 2(5), the word “Activities” shall be replaced with the words “Banking activities”.
4. In Article 5(i), the word “transaction” shall be replaced with the words “banking transaction (hereinafter the “transaction”)”.
5. In Article 6(3), the words “disputes are not” shall be replaced with the words “dispute resolution is not”.
6. In Article 11(7), the words “Article 6(7), first sentence, and Article 6(8)” shall be replaced with the words “Article 6(8), first sentence, and Article 6(9)”.
7. In Article 37(8)(d), after the word “functions” there shall be inserted the words “for the bank”.
8. In Article 41(4), the following words shall be added at the end: “and against financing terrorism”.
9. In the footnote to reference 46, the full stop at the end shall be replaced with a comma and there shall be added the following quote: “Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts).”.
10. In Article 84(2) and Article 85a(2), the following sentence shall be added at the end: “The government bonus shall be rounded to the whole euro cents upwards.”.
11. In Article 84(3) and Article 85a(4), the words “the exchange rate published by the National Bank of Slovakia³¹⁾ ruling” shall be replaced with the words “the foreign exchange reference rate set and published by the European Central Bank or the National Bank of Slovakia ³¹⁾ ruling”.

The footnote to reference 31 shall read as follows:

“³¹⁾ Section 12(12.1) of the Protocol on the Statute of the European System of Central Banks and the European Central Bank (OJ C 321 E of 29 December 2006). Article 28(2) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended.”.

12. In Article 87(2)(i), the words “the Slovak currency” shall be replaced with the words “the euros”.
13. In Article 89(2), first sentence, the words “client’s identity⁷³⁾” shall be replaced with the words “client’s identity according to separate legal provisions on identity documents,⁷³⁾”.

The footnote to reference 73 shall be as follows:

“⁷³⁾ Act No. 224/2006 Coll. on identity card (including amendments to certain acts), as amended by Act No. 693/2006 Coll.
Act No. 381/1997 Coll. on travel documents, as amended.
Act No. 48/2002 Coll. on the stay of aliens (including amendments to certain acts), as amended.
Act No. 480/2002 Coll. on asylum (including amendments to certain acts), as amended.”.

14. In Article 91(3), after the word “submit” there shall be inserted the words “to the National Bank of Slovakia,”.
15. In Article 91(4)(b), after the word “proceedings” there shall be inserted the words “or court”.
16. In Article 91(4)(g), after the word “operations” the word “and” shall be replaced with a comma and after the words “criminal activities” there shall be inserted the words “and financing terrorism”.
17. In Article 91(4)(k), the words “according to the separate legal provision,^{86a)}” shall be replaced with the words “within their fields of the competence according to the separate legal provision,^{86a)}”.

The footnote to reference 86a shall be as follows:

^{86a)} Act No. 215/2004 Coll. on protection of classified information (including amendments to certain acts), as amended.”.

18. In Article 93a(7), after the words “criminal activities” there shall be added the words “and against financing terrorism”.
19. After Article 122f, there shall be inserted Article 122g which, including the heading, shall read as follows:

**“Article 122g
Transitional provisions
effective as of 1 January 2008**

(1) Each bank, other credit institution [Article 5(p)], branch of foreign bank, branch of other foreign credit institution [Article 5(r)], foreign bank and other foreign institution conducting banking activities in the territory of the Slovak Republic [Article 11(1) to (3)] shall prepare, not later than three months before the euro introduction date in the Slovak Republic, and implement measures, rules and procedures through which it shall secure continuous and undisturbed changeover from the Slovak currency to the euro by conduct of banking activities, in particular measures, rules and procedures applied in redenomination, conversion and rounding of funds which they hold as deposits or which are provided by them in the Slovak currency, to the euros.

(2) Bank, other credit institution, branch of foreign bank, branch of other foreign credit institution, foreign bank and other foreign institution conducting banking activities in the territory of the Slovak Republic shall, not later than three months before the euro introduction date in the Slovak Republic and for a period of at least six months following the euro introduction date in the Slovak Republic, publish on its website and at all its business premises used in communicating with clients relevant information on measures, rules and procedures which will be implemented, are implemented or were implemented for securing the changeover from the Slovak currency to the euro.

(3) As at the euro introduction date in the Slovak Republic, bank, other credit institution, branch of foreign bank, branch of other foreign credit institution, foreign bank and other foreign institution conducting banking activities in the territory of the Slovak Republic shall, free of any charge, ensure and perform redenomination and conversion of funds which they hold as deposits or which were provided by them in the Slovak currency, to the euros, at the conversion rate pursuant to this Act and separate legal provisions on introduction of the euro in the Slovak Republic.⁹⁵⁾ The same obligation shall apply to redenomination and conversion of funds in other currency, if such other currency ceases to exist and is replaced by the euro, as at the date of replacement of the such other currency by the euro and simultaneously in accordance with the fixed conversion rate designed for the conversion of such other currency to the euro and with other rules applicable to the changeover from such other currency to the euro.”.

The footnote to reference 95 shall be as follows:

⁹⁵⁾ Act No. 659/2007 Coll.”. [*note: Act on the introduction of the euro currency in the Slovak Republic*]

Section XI

Act of the National Council of the Slovak Republic No. 310/1992 Coll. on building savings, as amended by Act of the National Council of the Slovak Republic No. 386/1996 Coll., Act No. 242/1999 Coll., Act No. 443/2000 Coll., Act No. 677/2002 Coll., Act No. 165/2003 Coll., Act No. 654/2004 Coll., Act No. 624/2005 Coll., and Act No. 659/2007 Coll. shall be amended as follows:

1. In Article 2(3)(c), point 1 and point 2, the words “the Slovak currency and in a foreign currency” shall be replaced with the words “the euros and in other currency”.
2. In Article 2(4), second sentence, the words “the Slovak currency and in a foreign currency” shall be replaced with the words “the euros and in other currency”.
3. In Article 10(3), the following sentence shall be added at the end: “The government bonus shall be rounded to the whole euro cents upwards.”.

Section XII

Act of the National Council of the Slovak Republic No. 118/1996 Coll. on deposit protection (including amendments to certain acts), as amended by Act No. 154/1999 Coll., Act No. 397/2001 Coll., Act No. 492/2001 Coll., Act No. 340/2003 Coll., Act No. 186/2004 Coll., Act No. 554/2004 Coll., Act No. 650/2004 Coll., Act No. 747/2004 Coll., Act No. 468/2005 Coll., and Act No. 578/2005 Coll., shall be amended as follows:

1. In Article 6, paragraph (4) shall be deleted.
2. In Article 7(4), first sentence, the words “the Slovak currency” shall be replaced with the words “the euros”, and in Article 7(4), second sentence, the words “into the Slovak currency shall apply the exchange rate published by the National Bank of Slovakia⁹⁾” shall be replaced with the words “into the euros shall apply the foreign exchange reference rate set and published by the European Central Bank or the National Bank of Slovakia⁹⁾ ruling”.

The footnote to reference 9 shall read as follows:

^{“9)} Section 12(12.1) of the Protocol on the Statute of the European System of Central Banks and the European Central Bank (OJ C 321 E of 29 December 2006).
Article 28(2) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended.”.

3. In Article 8(4), the word “proceedings.¹²⁾” shall be replaced with the words “proceedings;¹²⁾ it is impossible to lodge an application for remedial measure against this decision and this decision shall be excluded from judicial review.^{12aa)} The decision-making referred to in paragraph (3) shall be a competence of the Bank Board of the National Bank of Slovakia.”.

The footnotes to references 12 and 12aa shall read as follows:

^{“12)} Act No. 71/1967 Coll. on administrative proceedings (Administrative Procedure Code), as amended.

Act No. 747/2004 Coll. on financial market supervision (including amendments to certain acts), as amended.

^{12aa)} Article 248(d) of the Civil Proceedings Code.”.

4. In Article 9 (1), first sentence, the words “the Slovak currency.¹³⁾” shall be replaced with the words “the euros.”.

The footnote to reference 13 shall be deleted.

5. In Article 9(3), last sentence, the word “korunas” shall be replaced with the word “euros”.
6. In Article 10(8), the words “at the exchange rate published by the National Bank of Slovakia⁹⁾” shall be replaced with the words “in the euros at the foreign exchange reference rate set and published by the European Central Bank or the National Bank of Slovakia⁹⁾ ruling”.
7. The footnote to reference 15h shall read as follows:

^{“15h)} Article 8(1)(i) and (2), and Article 13(1)(e) of Act No. 523/2004 Coll. on the budgetary rules for public administration (including amendments to certain acts), as amended.

Articles 8 to 13 of Act No. 386/2002 Coll. on the national debt and state guaranties, and amending Act No. 291/2002 Coll. on the State Treasury (including amendments to certain acts), as amended.

8. In Article 13(2), first sentence, after the word “apply” there shall be inserted the words “Investment Guarantee Fund” and the word “Slovakia” shall be followed by reference 15ha, and in Article 13(2), third sentence, the word “receive” shall be replaced with the word “provide^{15h)}”.
The footnote to reference 15ha shall read as follows:
“^{15ha)}Articles 18, 19, 23 and 27 (2) of Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended.”.
9. In Article 13(4), a new first sentence shall be inserted at the beginning which shall read as follows: “Using its own financial resources, the Fund may create a special fund for providing compensations for inaccessible bank deposits.”.
10. In Article 16 (2) and Article 20 (1), the word “its” shall be replaced with the word “their”.

Section XIII

Act No. 510/2002 Coll. on the payment system (including amendments to certain acts), as amended by Act No. 589/2003 Coll., Act No. 604/2003 Coll., Act No. 554/2004 Coll., Act No. 747/2004 Coll., and Act No. 214/2006 Coll., shall be amended as follows:

1. In Article 4(4), subparagraph (d) shall be deleted.
The existing subparagraphs (e) to (g) shall become subparagraphs (d) to (f), respectively.
2. In Article 4(4), there shall be added subparagraph (g) reading as follows:
“g) other information for making a transfer as required under a separate legal provision.^{11a)}”.
The footnote to reference 11a shall read as follows:
“^{11a)} 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 of 8 December 2006).”.
3. In Article 8(3), the words “the National Bank of Slovakia” shall be replaced with the words “the European Central Bank”.
4. In Article 12(6)(h), after the word “transfer” there shall be inserted the words “required under a separate legal provision,^{11a)} or”.
5. In Article 21a(2)(b), the words “or equivalent in the Slovak currency, converted at the exchange rate published by the National Bank of Slovakia ruling on the date the monetary contribution is paid up” shall be deleted.
6. In Article 30(2), the words “or equivalent in the Slovak currency, converted at the exchange rate published by the National Bank of Slovakia ruling on redemption date of the electronic money” shall be deleted.
7. In Article 44(4), after the word “securities” there shall be inserted the words “and other assets”.
8. In Article 62(2)(b), the word “provisions” shall be followed by reference 38.
The footnote to reference 38 shall read as follows:
“³⁸⁾ For example, Act No. 367/2000 Coll. as amended; Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts).”.
9. In Article 62(3), first sentence, the word “act” shall be followed by reference 38.
10. In Article 75, paragraph (1) shall be deleted and the designation of paragraph (2) shall also be deleted.
11. In Article 77, paragraph (2) shall be deleted.
The existing paragraphs (3) to (5) shall become paragraphs (2) to (4), respectively.
12. After Article 78, there shall be inserted Article 78a which, including the heading, shall read as follows:

**“Article 78a
Repealing provision effective
as of the euro introduction date in the Slovak Republic**

Provision of the National Bank of Slovakia No. 9/2002 of 12 December 2002 laying down the method of formation, structure and list of payment purpose codes used in the payment system (Notification No. 698/2002 Coll.) shall be repealed.”.

13. Throughout the text of the Act, the words “the Slovak currency” in all forms shall be replaced with the words “the euro currency” in the respective grammatical form.

Section XIV

Act of the National Council of the Slovak Republic No. 202/1995 Coll., the Foreign Exchange Act and Act amending Act of the National Council of the Slovak Republic No. 372/1990 Coll. on misdemeanours, as amended, as amended by Act No. 45/1998 Coll., Act No. 200/1998 Coll., Act No. 388/1999 Coll., Act No. 367/2000 Coll., Act No. 442/2000 Coll., Act No. 456/2002 Coll., Act No. 602/2003 Coll., Act No. 554/2004 Coll., Act No. 747/2004 Coll., Act No. 214/2006 Coll., and Act No. 209/2007 Coll., shall be amended as follows:

1. In Article 7(1) and (2), the word “Slovak” shall be replaced with the words “the euro currency”.
2. In Article 7(3), the word “Slovak” shall be replaced with the words “the euro currency”.
3. In Article 43, paragraph (3) including the footnote to reference 31 shall be deleted.
4. Throughout the text of the Act, except in the transitional provisions, the words “the Slovak currency” in all forms shall be replaced with the words “the euros” in the respective grammatical form.

Section XV

Act No. 43/2004 Coll. on retirement pension saving (including amendments to certain acts), as amended by Act No. 186/2004 Coll., Act No. 439/2004 Coll., Act No. 721/2004 Coll., Act No. 747/2004 Coll., Act No. 310/2006 Coll., Act No. 644/2006 Coll., Act No. 677/2006 Coll., and Act No. 659/2007 Coll. shall be amended as follows:

1. In Article 23(10), the words “Slovak korunas” shall be replaced with the words “euro cents”.
2. In Article 75(2), the words “the Slovak korunas” shall be replaced with the words “the euros” and the words “four decimal places” shall be replaced with the words “six decimal places”.
3. In Article 114(3), the words “disputes are not” shall be replaced with the words “dispute resolution is not”.
4. In Article 115(1), introductory sentence, the word “separate legal provisions” shall be followed by reference 93a.

The footnote to reference 93a shall read as follows:

“^{93a}) For example, Act No. 367/2000 Coll. as amended, Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts).”.

5. After Article 123i, there shall be inserted Article 123j which, including the heading, shall read as follows:

**“Article 123j
Transitional provisions
effective as of 1 January 2008**

(1) Each retirement pension fund management company shall prepare, not later than three months before the euro introduction date in the Slovak Republic, and implement measures, rules and procedures through which it shall secure continuous and undisturbed changeover from the Slovak currency to the euro by setting up and managing retirement pension funds for conduct of retirement pension saving, in particular

- a) rules and procedures applied in redenomination, conversion and rounding of value and net value of retirement pension fund's assets, value of pension units and current value of personal pension accounts of savers, value of retirement pension benefit, and data concerning development in the value of assets, yields and average yields from the management of retirement pension fund's assets,
- b) measures applied in the management of retirement pension fund's assets in relation to the changeover from the Slovak currency to the euro,
- c) method and rules of providing information to savers and retirement pension beneficiaries in regard to significant circumstances related with the changeover from the Slovak currency to the euro, in particular method and rules of disclosing and making available, to the individual savers and to the individual retirement pension beneficiaries, information on current value of pension unit, current value of their personal pension account, and value of their retirement pension benefit, as well as on any amendment or updating of statutes and information prospectuses of retirement pension funds ensuing from the changeover from the Slovak currency to the euro.

(2) Retirement pension fund management company shall, not later than three months before the euro introduction date in the Slovak Republic and for a period of at least six months following the euro introduction date in the Slovak Republic, publish on its website and at all its business premises used in communicating with savers, retirement pension beneficiaries or other persons relevant information on measures, rules and procedures which will be implemented, are implemented or were implemented for securing the changeover from the Slovak currency to the euro.

(3) Retirement pension fund management company shall prepare information in the scope according to paragraph (1). Retirement pension fund management company shall, within the period of last three months before the euro introduction date in the Slovak Republic, provide such information, free of any charge, to each saver with whom such company enters into a contract on retirement pension saving in that period; the other savers and retirement pension beneficiaries shall be provided with such information, free of any charge, upon their request.

(4) Monetary data on amounts related with retirement pension saving, including monetary data on development in the value of assets, yields and average yields from the retirement pension fund's asset management, which are included in the retirement pension fund's documents or in other information designed for savers or retirement pension beneficiaries, shall, for the purpose of preparation for the changeover and the changeover from the Slovak currency to the euro, be converted according to the conversion rate and other rules governing the changeover from the Slovak currency to the euro. Monetary data on amounts related with retirement pension saving, including monetary data on development in the value of assets, yields and average yields from the retirement pension fund's asset management, which are included in information designed for savers or retirement pension beneficiaries, shall be subject to the dual display in the scope stipulated in separate legal provisions,⁹⁸⁾ if respective information is issued or published during the mandatory period of the dual display pursuant to separate legal provisions on introduction of the euro in the Slovak Republic.⁹⁸⁾

(5) Retirement pension fund management companies shall, within one quarter of a year following the euro introduction date in the Slovak Republic at the latest, be required to inform to their savers in writing and free of any charge about the current value of pension unit and current value of their personal pension account as at the euro introduction date in the Slovak Republic, which information shall under this Act include also the conversion and rounding of such current values from the Slovak currency to the euros, performed in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euro. Furthermore, retirement pension fund management companies shall, within one quarter of a year following the euro introduction date in the Slovak Republic at the latest, be required to inform their retirement pension beneficiaries in writing and free of any charge about the conversion and rounding of the value of retirement pension benefit from the Slovak currency to the euros, performed in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euro.⁹⁸⁾

(6) The scope and content of information to be published under paragraph (2) shall be set forth by a Provision which the National Bank of Slovakia is entitled to adopt and which shall then be published in the Collection of Laws of the Slovak Republic.”.

The footnote to reference 98 shall be as follows:

“⁹⁸⁾ Article 1(2)(i), Article 2, and Article 18 of Act No. 659/2007 Coll.”. [*note: Act on the introduction of the euro currency in the Slovak Republic*]

Section XVI

Act No. 650/2004 Coll. on supplementary pension saving (including amendments to certain acts), as amended by Act No. 747/2004 Coll., Act No. 584/2005 Coll., Act No. 310/2006 Coll., and Act No. 659/2007 Coll. shall be amended as follows:

1. In Article 28(1), the following words shall be added at the end: “and against financing terrorism”.
2. Throughout Article 61, the words “Slovak korunas” shall be replaced with the word “euros”.
3. In Article 70(3), the words “disputes are not” shall be replaced with the words “dispute resolution is not”.
4. In Article 71(1), introductory sentence, the words “separate legal provisions” shall be followed by reference 45a.

The footnote to reference 45a shall read as follows:

“^{45a)} For example, Act No. 367/2000 Coll. as amended, Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts).”.

5. After Article 87d, there shall be inserted Article 87e which, including the heading, shall read as follows:

“Article 87e Transitional provisions effective as of 1 January 2008

(1) Each supplementary pension fund management company shall prepare, not later than three months before the euro introduction date in the Slovak Republic, and implement measures, rules and procedures through which it shall secure continuous and undisturbed changeover from the Slovak currency to the euro by setting up and managing supplementary pension funds for conduct of supplementary pension saving, in particular

- a) rules and procedures applied in redenomination, conversion and rounding of value and net value of supplementary pension fund’s assets, value of personal

- accounts of participants, value of personal accounts of supplementary pension beneficiaries, value of supplementary pension benefits, and data concerning development in the value and net value of assets, yields and average yields from the management of supplementary pension fund's assets,
- b) measures applied in the management of supplementary pension fund's assets in relation to the changeover from the Slovak currency to the euro,
 - c) method and rules of providing information to participants and supplementary pension beneficiaries in regard to significant circumstances related with the changeover from the Slovak currency to the euro, in particular method and rules of disclosing and making available, to the individual participants and to the individual supplementary pension beneficiaries, information on value of their personal account and value of their supplementary pension benefits, as well as on any amendment or updating of statutes and information prospectuses of supplementary pension funds ensuing from the changeover from the Slovak currency to the euro.

(2) Supplementary pension fund management company shall, not later than three months before the euro introduction date in the Slovak Republic and for a period of at least six months following the euro introduction date in the Slovak Republic, publish on its website and at all its business premises used in communicating with participants, supplementary pension beneficiaries or other persons relevant information on measures, rules and procedures which will be implemented, are implemented or were implemented for securing the changeover from the Slovak currency to the euro.

(3) Supplementary pension fund management company shall prepare information in the scope according to paragraph (1). Supplementary pension fund management company shall, within the period of last three months before the euro introduction date in the Slovak Republic, provide such information, free of any charge, to each participant with whom such company enters into a contract on supplementary pension saving in that period; the other participants and supplementary pension beneficiaries shall be provided with such information, free of any charge, upon their request.

(4) Monetary data on amounts related with supplementary pension saving, including monetary data on development in the value and net value of assets, yields and average yields from the supplementary pension fund's asset management, which are included in the pension fund's documents or in other information designed for participants or supplementary pension beneficiaries, shall, for the purpose of preparation for the changeover and the changeover from the Slovak currency to the euro, be converted according to the conversion rate and other rules governing the changeover from the Slovak currency to the euro. Monetary data on amounts related with supplementary pension saving, including monetary data on development in the value and net value of assets, yields and average yields from the supplementary pension fund's asset management, which are included in information designed for participants or supplementary pension beneficiaries, shall be subject to the dual display in the scope stipulated in separate legal provisions,⁵²⁾ if respective information is issued or published during the mandatory period of the dual display pursuant to separate legal provisions on introduction of the euro in the Slovak Republic.⁵²⁾

(5) Supplementary pension fund management companies shall, within one quarter of a year following the euro introduction date in the Slovak Republic at the latest, be required to inform their participants of supplementary pension saving in writing and free of any charge about the current value of the balance of their personal participant's account as at the euro introduction date in the Slovak Republic, which information shall under this Act include also the conversion and rounding of such amount from the Slovak currency to the euro, performed in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euro. Furthermore, supplementary pension fund management companies shall,

within one quarter of a year following the euro introduction date in the Slovak Republic at the latest, be required to inform their supplementary pension beneficiaries in writing and free of any charge about the conversion and rounding of the value of the balance of their personal supplementary pension beneficiary's account and of the value of their supplementary pension benefit from the Slovak currency to the euro, performed in accordance with the conversion rate and other rules governing the changeover from the Slovak currency to the euro.⁵²⁾

(6) The scope and content of information to be published under paragraph (2) shall be set forth by a Provision which the National Bank of Slovakia is entitled to adopt and which shall then be published in the Collection of Laws of the Slovak Republic.”.

The footnote to reference 52 shall be as follows:

⁵²⁾ Article 1(2)(i), Article 2, and Article 18 of Act No. 659/2007 Coll.”. [*note: Act on the introduction of the euro currency in the Slovak Republic*]

Section XVII

Act No. 461/2003 Coll. on social insurance, as amended by Act No. 551/2003 Coll., Act No. 600/2003 Coll., Act No. 5/2004 Coll., Act No. 43/2004 Coll., Act No. 186/2004 Coll., Act No. 365/2004 Coll., Act No. 391/2004 Coll., Act No. 439/2004 Coll., Act No. 523/2004 Coll., Act No. 721/2004 Coll., Act No. 82/2005 Coll., Act No. 244/2005 Coll., Act No. 351/2005 Coll., Act No. 534/2005 Coll., Act No. 584/2005 Coll., Act No. 310/2006 Coll., Judgment of the Constitutional Court of the Slovak Republic No. 460/2006 Coll., Act No. 529/2006 Coll., Judgment of the Constitutional Court of the Slovak Republic No. 566/2006 Coll., Act No. 592/2006 Coll., Act No. 677/2006 Coll., Act No. 274/2007 Coll., and Act No. 659/2007 Coll. shall be amended as follows:

1. In Article 56(1), the words “Slovak korunas” shall be replaced with the words “euro cents”.
2. In Article 64(5), the word “two” shall be replaced with the word “four”.
3. In Article 116(8), the words “whole Slovak korunas” shall be replaced with the words “10 euro cents”.
4. In Article 129(2), the words “whole Slovak korunas upwards” shall be replaced with the words “10 euro cents downwards”.
5. In Article 138(1)(a), the words “in the Slovak currency” shall be replaced with the words “in the euros”, and the words “to the Slovak currency” shall be replaced with the words “to the euros”.
6. In Article 138(25), the words “Slovak korunas” shall be replaced with the words “euro cents”.
7. In Article 168(2), after subparagraph c) there shall be inserted a new subparagraph d) reading as follows:
“d) from the financial resources provided for covering the expenditures related with the introduction of the euro in the Slovak Republic.”.
The existing subparagraphs d) to i) shall become subparagraphs e) to j), respectively.
8. After Article 293aq, there shall be inserted Article 293ar which, including the heading, shall read as follows:

“Article 293ar Transitional provisions effective as of 1 January 2008

(1) The amount of benefit, entitlement to which arose prior to the euro introduction date in the Slovak Republic (hereinafter the “euro introduction date”) and which has not been effectively determined by the date immediately preceding the euro introduction date, shall be determined in the Slovak korunas and, in regard to the period from the date on which entitlement to the benefit payment arose to the date immediately preceding the euro introduction date, shall be converted to the amount

in the euros using the conversion rate. The respective amount of benefit determined in the Slovak korunas to be paid as of the euro introduction date shall be converted to the amount in the euros at the conversion rate and shall be rounded to 10 cent upwards.

(2) For the purposes of Articles 11(2), 63(10), 66(8), 68(6), 84(3) and 103(3), the amount of the general assessment base stipulated in the Slovak korunas shall be converted to the amount in the euros using the conversion rate.

(3) Should assessment bases relevant for determination of sickness insurance benefit under Article 54(1) and (2), injury insurance benefit under Article 84, and unemployment benefit under Article 108 in the decisive period be determined in the Slovak korunas, the sum of assessment bases in the Slovak korunas shall be converted to the amount in the euros using the conversion rate. The same shall apply to guarantee insurance benefit, should the sum of confirmed claims according to Article 102(a) to (h), reduced according to Article 103(1), be expressed in the Slovak korunas.

(4) Should the decisive period for determination of pension benefit under Articles 261, 262, 263a, 263b, 273(2), 274(2) and 293k, which is decided upon after the date immediately preceding the euro introduction date pursuant to the legal provisions effective until the date immediately preceding the euro introduction date, include also calendar years before the euro introduction date, the amount of pension benefit shall be determined in the euros and gross earnings used for determination of the average monthly income for these years shall be converted to the amount in the euros using the conversion rate.”.

Section XVIII

Act No. 462/2003 Coll. on income compensation during temporary work incapability of the employee (including amendments to certain acts), as amended by Act No. 244/2005 Coll., Act No. 310/2006 Coll., and Act No. 659/2007 Coll. shall be amended as follows:

In Article 10(2), the words “Slovak korunas” shall be replaced with the words “euro cents”.

Section XIX

Act No. 171/2005 Coll. on gambling games (including amendments to certain laws) shall be amended as follows:

1. In Article 3(1), first sentence, after the word “player” there shall be inserted the words “after placing a stake”.
2. In Article 3(4)(c), the words “SKK 10” shall be replaced with the words “at the level of 50 euro cents”.
3. In Article 3(4)(f), the words “SKK 50,000” shall be replaced with the words “at the level of EUR 1,500”.
4. In Article 5(1), after the first sentence there shall be inserted a new second sentence reading as follows: “In each casino there shall be at least five gaming tables.”.
5. In Article 5(1), second sentence, after the word “also” there shall be inserted the words “video games,”.
6. In Article 10(2), subparagraph (f) shall be deleted.
7. In Article 10(4), there shall be inserted subparagraph (d) reading as follows:
“d) issue the authorization to conduct an inspection, if technical control is a part of such an inspection.”.
8. In Article 11(1)(e), the full stop at the end shall be replaced with a comma and there shall be added the following words: “whereas the costs connected with their participation in the technical control shall be born by the authorized testing laboratory.”.

9. In Article 11(2)(a), after the words “execution of an inspection” there shall be inserted the words “or the authorization to execute an inspection, if technical control is a part of an inspection.”.
10. In Article 12, there shall be added subparagraph (e) reading as follows:
“e) natural persons and legal persons promoting gambling games, for which no licence was granted or issued, in the territory of the Slovak Republic.”.
11. In Article 20(6)(j), the words “fulfilment of obligation” shall be replaced with the words “blocking of financial collateral under Article 36(2) and affirmation that no financial resources delivered from loans, credits or other sources were used for making a financial collateral”.
12. In Article 23, paragraph (2) shall read as follows:
“(2) A decision on granting individual licence shall, in addition to the particulars set out in a separate legal provision⁴), state the type of gambling game for which operation the individual licence is granted, and the number of the account to which the respective tax shall be paid under Article 37, approve the gambling plan of the gambling game and a specimen lottery ticket, if such tickets are to be used by operation of the gambling game, and stipulate the commencement date of operation of the gambling game and the period for which the individual licence is granted. The statement of the decision on granting individual licence for operation of gambling games, which license is granted by the Ministry, may also include other characteristics of technical equipment designated for operation of gambling games.”.
13. In Article 23(3), the full stop at the end shall be replaced with a comma and there shall be added the following words: “or upon request of a gambling operator. If the individual license is withdrawn by a municipality, the Ministry shall be informed of such withdrawal within 15 days from the date on which the individual license withdrawal decision becomes final and conclusive.”.
14. In Article 24, paragraph (1) shall read as follows:
“(1) The Tax Authority covering the field of gambling games, having local competence for the place where the gambling machine will be operated, shall provide the gambling operator, after granting the licence to operate the gambling game by gambling machines, with an identification card for each individual gambling machine. The gambling machine operator shall tag the gambling machines with the identification card on the machine surface accessible to the supervisors in a manner to prevent damage to the identification card through operation of the gambling machine. Until the identification card is issued, the gambling machine can not be put into operation. The Tax Authority covering the field of gambling games, having local competence for the place where the gambling machine will be situated, shall communicate to the Ministry the number of identification cards issued to the gambling operator within 15 business days after the end of the calendar month in which they were issued.
15. In Article 24(3), there shall be inserted a new paragraph 3 reading as follows:
“(3) If the gambling operator relocates the gambling machine to an other municipality, he/she shall return the issued identification card to the issuing Tax Authority under paragraph 1, and shall do so before a new identification card is issued under paragraph 1. The Tax Authority under paragraph 1 shall not issue the new identification card, until the original identification card is returned by the gambling operator.”.
16. In Article 30(1), the words “within the scope of authorization” shall be replaced with the words “performed within the scope of and under the conditions mentioned in authorization.”
17. In Article 30(2), the words “provide for” shall be replaced with the words “apply with the authorized testing laboratory in writing for”.
18. In Article 32(3), after subparagraph (e) there shall be inserted a new subparagraph f) reading as follows:
“f) gambling currency,”.
The existing subparagraphs (f) to (l) shall become subparagraphs (g) to (m), respectively.

19. In Article 35, after paragraph (16) a new paragraph (17) shall be inserted as follows:
“(17) The operator of gambling games operated by gambling machines shall submit to the Ministry a document on making a financial collateral and a confirmation of fulfilment of the obligation under Article 36(2) before filing an application for granting a licence to operate gambling games by gambling machines and at each change in the amount of the financial collateral.”
20. In Article 36(1), the following sentence shall be added at the end: “The financial collateral shall not be subject to execution proceeding under a separate legal provision.^{18a)}”.
The footnote to reference 18a shall read as follows:
^{18a)} Act of the National Council of the Slovak Republic No. 233/1995 Coll. on court distrainers and distraint – the Distress Act - (including amendments to certain laws), as amended.”
21. In Article 36(2), the introductory sentences shall read as follows:
“The applicant shall make the financial collateral to a separate account in bank or branch of foreign bank, and the security deposit shall be blocked in favour of the Ministry during the whole validity period of the licence. The applicant is not allowed to use as financial collateral the financial resources coming from loans, credits or other external sources. The blockage can be cancelled only by a previous written consent of the Ministry, if”.
22. In Article 36(2)(c), the words “authority which granted individual licence to the operator or which issued general licence” shall be replaced with the word “Ministry”.
23. In Article 36 (3), the words “or municipalities” shall be deleted.
24. In Article 36(4)(a), after the words “ticket lotteries” there shall be inserted a comma and the words “instant lotteries”.
25. In Article 36(4)(d), the words “SKK 10,000,000” shall be replaced with the words “at the level of EUR 750,000”.
26. In Article 36(4), subparagraph (e) shall read as follows:
“e) gambling machines, at the level of EUR 150 per each gambling machine but at least at the level of EUR 60,000 for one gambling operator,”.
27. In Article 36(4)(f), the comma shall be replaced with the words “in a single casino,”.
28. In Article 36(4), subparagraph (g) shall read as follows:
“g) gambling games listed in Article 3(2)(e), at the level of EUR 750,000.”.
29. In Article 37(1)(k), the number “3” shall be replaced with the number “5”.
30. In Article 37(4), the words “SKK 100” shall be replaced with the words “at the level of EUR 5”.
31. In Article 37, after paragraph (7) there shall be inserted a new paragraph (8) reading as follows:
“(8) If the taxes under paragraph (1) were not paid within the maturity period, the supervisory authority which administers the taxes shall begin to collect the overdue payment.”.
The existing paragraphs (8) to (11) shall become paragraphs (9) to (12), respectively.
32. In Article 40(4), the words “up to SKK 200,000” shall be replaced with the words “not exceeding the level of EUR 5,000”.
33. In Article 41(2), introductory sentence, the words “over SKK 200,000” shall be replaced with the words “exceeding the level of EUR 5,000”.
34. In Article 41(2)(b), the words “entry into force” shall be replaced with the word “issuance”.
35. In Article 42(1), at the end of the introductory sentence there shall be added the words “at the level” and in subparagraphs a) and b) the words “SKK 200,000” shall be replaced with the words “EUR 5,000”.
36. In Article 48, paragraph (3) shall read as follows:
“(3) The stake per gambling game must not exceed 10 euro cents and the winnings per gambling game must not exceed the amount at the level of EUR 15; this shall not apply to gambling machines operated in casinos.”.

37. In Article 50(2), the words “SKK 100,000” shall be replaced with the words “amount at the level of EUR 3,000”.
38. In Article 51, paragraphs (2) and (3) shall read as follows:
“(2) For gambling games played through technical equipment operated directly by the players, the minimum stake shall be the amount at the level of 10 euro cents and the maximum stake per position must not exceed the amount at the level of EUR 10. The jackpot must not exceed the amount at the level of EUR 3,000. These restrictions shall not apply to gambling games played through technical equipment operated directly by the players in casino.
(3) For operation of video games, the minimum stake shall correspond to the amount at the level of 10 euro cents and the maximum stake must not exceed the amount at the level of EUR 10 per gambling game. The jackpot must not exceed the amount at the level of EUR 3,000. These restrictions shall not apply to operation of video games in casino.”.
39. In Article 51(6), after the words “operated directly by players” there shall be inserted the words “or five and more video game terminals”.
40. In Article 54(2), the words “SKK 100” shall be replaced with the words “at the level of EUR 5”.
41. In Article 54(7), the following sentence shall be added at the end: “Liability for any damage caused by suspension of operation of a gambling game due to failure of the supervised entity to provide cooperation shall be born by the respective supervised entity.”.
42. In Article 54, there shall be added paragraph 13 reading as follows:
“(13) If the fines or default interest under paragraph (1) were not paid within the maturity period, the supervisory authority which imposed the fine or which administers the taxes shall begin to collect the overdue payments.”.
43. In Article 56(1), the words “a gambling operator” shall be replaced with the words “a supervised entity under Article 12(d)”.
44. In Article 56(2), the words “a gambling operator” shall be replaced with the words “a supervised entity under Article 12(a), (b) and (e)”, after the word “plan” there shall be inserted a comma and the words “the record of suspension of operation of a gambling game”, and the following words shall be added at the end: “or promote gambling games, for which no licence was granted or issued, in the territory of the Slovak Republic.”.
45. In Article 57(2), there shall be added subparagraph (e) reading as follows:
“e) the collection of overdue payments under Article 37(8) and Article 54(13).”.
46. In Article 57, after paragraph (2) there shall be added a new paragraph (3) reading as follows:
“(3) The collection of overdue payments under Article 37(8) and Article 54(13) shall be subject, as appropriate, to the provisions of a separate legal provision on tax execution proceedings.²²⁾”.
- The existing paragraphs (3) and (4) shall become paragraphs (4) and (5), respectively.
- The footnote to reference 22 shall read as follows:
“²²⁾ Act of the National Council of the Slovak Republic No. 511/1992 Coll. as amended.”.
47. After Article 57, there shall be inserted Article 57a reading as follows:

“Article 57a

The Ministry may issue a generally binding legal regulation laying down

- a) requirements for equipment and systems used in operation of gambling games,
 - b) elements of application for expert examination of equipment and systems used in operation of gambling games.”.
48. After Article 58, there shall be inserted Article 58a which, including the heading, shall read as follows:

**“Article 58a
Transitional provisions
effective as of 1 January 2008**

(1) Gambling operators and authorized testing laboratories shall ensure compliance of their legal relations with this Act by the euro introduction date pursuant to separate legal provision.²³⁾

(2) In a case of change in information and facts according to this Act, operators of gambling games other than games referred to in Article 3(2)(d) who were granted individual licence under existing provisions shall apply for amendment to the granted individual licence in accordance with Article 21(13) by 30 June 2008 at the latest, otherwise the individual licence granted under existing provisions shall expire at the end of the term for which it was granted but not later than as at the euro introduction date laid down by a separate legal provision.²³⁾ Individual licence of the gambling operators whose application for amendment to the granted individual licence according to the first sentence was not approved shall also expire as at this date.

(3) For the purposes of proceedings on granting of individual licence to operate gambling games through gambling machines in the year 2009, which license is granted by municipality, the euro shall not be treated as a foreign currency; it shall apply also to proceedings initiated before 1 January 2009. The provisions of Articles 36(17) and 36(2), first sentence, in the wording effective as of 1 January 2008, shall be for the first time applied before filing an application for granting a licence to operate gambling games by the gambling machines for the year 2009.

(4) Expert examination documents concerning the equipment and systems specified in Article 30(2), which are certificates under Article 32 attached to application for granting or amending individual licence in proceedings under paragraphs (2) or (3), shall state also information on the gambling currency. Such certificates shall come into force on the date on which the decision on granting or amending of individual licence which was issued in proceeding under paragraphs (2) or (3) becomes final and conclusive. Upon the application of gambling operator, authorized testing laboratory shall be entitled until 31 December 2010 to attest repeatedly the validity of such certificates. Should an authorized testing laboratory not attest repeatedly the validity of such certificates as of 31 December 2010 at the latest, such certificates shall expire.

(5) Certificates issued under existing provisions shall expire as at the euro introduction date in the Slovak Republic.²³⁾ Certificates expiring, according to the validity date stated therein, earlier than on the euro introduction date in the Slovak Republic shall expire as at the date stated on the certificate.

(6) Proceedings under paragraphs (2) and (3) shall not be subject to time limits laid down by existing provisions. The decisions of the Ministry or a municipality regarding the applications under paragraphs (2) and (3) shall be adopted within 30 days from the date of filing of a complete application.

(7) Proceedings on granting of individual licence, which were commenced but not validly concluded before 1 January 2008, shall be concluded in accordance with the existing provisions.

(8) Proceedings on collection of overdue payments of taxes under Article 37 or sanctions under Article 54(1)(e) and (f), which were commenced but not validly concluded before 1 January 2008, shall be concluded in accordance with the existing provisions.

(9) For the purpose of conversion, to the Slovak korunas, of monetary rates which are stated in euro cents or euros in this Act, during the period from 1 January 2008 to the date immediately preceding the euro introduction date in the Slovak Republic

lic the foreign exchange reference rate set and published by the National Bank of Slovakia shall be used, whereas within the individual calendar months the exchange rate ruling on the first day of the respective calendar month shall apply, and the rate resulting from the conversion shall be rounded to whole korunas.

(10) The Tax Authority according to Article 24(1), in the wording effective as of 1 January 2008, shall for the first time communicate to the Ministry the number of identification cards issued to the gambling operator after granting the licence to operate gambling games by the gambling machines for the year 2009.

(11) The procedure to cancel the blockage of financial collateral and to use financial collateral in operation of gambling games by gambling machines blocked in favour of the municipality shall be governed by the existing provisions.”

The footnote to reference 23 shall read as follows:

“²³) Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain laws).”

Section XX

Act No. 530/2003 Coll. on the Commercial Register (including amendments to certain laws), as amended by Act No. 432/2004 Coll., Act No. 562/2004 Coll., and Act No. 24/2007 Coll., shall be amended as follows:

1. In Article 6(1)(f), the full stop at the end shall be replaced with a comma and there shall be added the following words: “except for submissions which under a separate act^{6d}) are not subject to the obligation to pay taxes and charges.”.

The footnote to reference 6d shall read as follows:

“^{6d}) For example, Article 768e(3) of the Commercial Code; Article 9(5) and Articles 10 to 15 of Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts); footnote 5 to item 17 in the appendix to the Act of the National Council of the Slovak Republic No. 71/1992 Coll. on court fees and fee for statement of criminal records, as amended.”.

Section XXI

Act of the National Council of the Slovak Republic No. 18/1996 Coll. on prices, as amended by Act No. 196/2000 Coll., Act No. 276/2001 Coll., Act No. 436/2002 Coll., Act No. 465/2002 Coll., Act No. 520/2002 Coll., Act No. 523/2004 Coll., Act No. 68/2005 Coll., and Act No. 117/2006 Coll. shall be amended as follows:

1. In Article 18(1), at the end of the introductory sentence there shall be added the words “in valid currency unit”, and in subparagraph b) the words “up to the amount of SKK 1,000,000” shall be replaced with the words “up to EUR 30,000”.
2. In Article 18(2), the words “up to the amount of SKK 2,000,000” shall be replaced with the words “in valid currency unit up to EUR 60,000”.
3. In Article 18(3), at the end there shall be added the following sentence: “When imposing fines for violation of pricing discipline in connection with preparation for the changeover or the changeover from the Slovak currency to the euro,^{15a)} instead of fine amounts under paragraphs 1(b) and (2) hereof, the amounts under separate legal provision^{15b)} shall apply.”.

The footnotes to references 15a and 15b shall read as follows:

“^{15a)} For example, Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts).

^{15b)} Article 20(2) and (3) and Article 24(7) of Act No. 659/2007 Coll.” [*note: Act on the introduction of the euro currency in the Slovak Republic*]

4. After Article 23b, there shall be inserted Article 23c which, including the heading, shall read as follows:

**“Article 23c
Transitional provisions
effective as of 1 January 2008**

For conversion, to the Slovak korunas, of the amounts stipulated in Article 18(1)(b) and Article 18(2), during the period from 1 January 2008 to the date immediately preceding the euro introduction date in the Slovak Republic the foreign exchange reference rate set and published by the National Bank of Slovakia shall be used.”.

Section XXII

Act No. 258/2001 Coll. on consumer credit and on amendment to Act of the National Council of the Slovak Republic No. 71/1986 Coll. on the Slovak Trade Inspectorate, as amended, as amended by Act No. 264/2006 Coll., and Act No. 659/2007 Coll. shall be amended as follows:

1. In Article 1(2)(e), the words “amount in SKK corresponding to” and the words “amount in SKK corresponding to” shall be deleted.
2. In Article 3, there shall be added paragraph (11) reading as follows:
“(11) Where the consumer credit contract contradicts the provision of paragraph (10), it shall be null and void to the extent to which it contravenes this provision, if the party affected by such contract invokes the invalidity.”
3. In Article 7a, paragraph (4) shall read as follows:
“(4) The range, the structure of data about new consumer credit granted, terms and way of submission of this data, content of information from this data, manner and terms of publishing of this information shall be specified by a separate legal provision issued by the Ministry.”.
4. In Article 8aa, there shall be added paragraph (3) reading as follows:
“(3) A Government Regulation according to Article 3(10) shall be published 60 days after the publication of the average amount of the annual percentage rate of expenses under Article 7a(2) at the latest.”.

Section XXIII

Act of the National Council of the Slovak Republic No. 63/1993 Coll. on state symbols of the Slovak Republic and on their use, as amended by Act of the National Council of the Slovak Republic No. 240/1994 Coll., Act of the National Council of the Slovak Republic No. 273/1996 Coll., Act No. 515/2003 Coll., Act No. 277/2006 Coll., and Act No. 335/2007 Coll. shall be amended as follows:

In Article 3(6)(i), the words ‘banknotes, coins and’ shall be deleted.

Section XXIV

Act No. 231/1999 Coll. on state aid, as amended by Act No. 434/2001 Coll., Act No. 461/2002 Coll., Act No. 203/2004 Coll., Act No. 82/2005 Coll., Section I (20) of Act No. 468/2005, and Act No. 518/2005 Coll., shall be amended as follows:

In Article 18(4)(b), the words “discount rate set by the National Bank of Slovakia” shall be replaced with the words “valid base interest rate of the European Central Bank^{21a)}”. The footnote to reference 21a shall read as follows:

^{21a)} Section 12(12.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank (OJ C 321E of 29 December 2006).”.

Section XXV

Act of the National Council of the Slovak Republic No. 82/1994 Coll. on state material reserves, as amended by Act No. 169/2001 Coll., Act No. 291/2002 Coll., Act No. 428/2003 Coll., and Act No. 240/2006 Coll. shall be amended as follows:

1. In Article 5d(4), the words “discount interest rate set by the National Bank of Slovakia^{5g)}” shall be replaced with the words “base interest rate of the European Central Bank^{5g)}”.

The footnote to reference 5g shall read as follows:

“^{5g)} Section 12(12.1) of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank (OJ C 321E of 29 December 2006).”.

2. In Article 6(3), the words “set by the National Bank of Slovakia” shall be replaced with the words “of the European Central Bank^{5g)} valid”.

Section XXVI

Act No. 80/1997 Coll. on the Export-Import Bank of the Slovak Republic, as amended by Act No. 336/1998 Coll., Act No. 214/2000 Coll., Act No. 623/2004 Coll., and Act No. 688/2006 Coll. shall be amended as follows:

1. In Article 18(1) and Article 24(5)(d), the words “Slovak currency or in a foreign currency” shall be replaced with the words “euros or in other currency”.

2. In Article 18(3), the first sentence shall read as follows: “Eximbanka shall submit information and documents on its activities to the National Bank of Slovakia,⁶⁾”.

The footnote to reference 6 shall read as follows:

“²⁾ Act of the National Council of the Slovak Republic No. 566/1992 Coll. on the National Bank of Slovakia, as amended.”.

3. In Article 24(5)(e), the words “Slovak currency or in a foreign currency inland or abroad” shall be replaced with the words “euros or in other currency on the domestic or a foreign financial market”.

Section XXVII

Act No. 507/2001 Coll. on postal services, as amended by Act No. 15/2004 Coll., Act No. 199/2004 Coll., and Act No. 191/2007 Coll. shall be amended as follows:

1. In Article 26(1), the following sentence shall be added at the end: “The tariff of the universal postal service provider issued under this Act may contain also unit prices calculated only to two decimal places.^{11a)}”.

The footnote to reference 11a shall read as follows:

“^{11a)} Article 2(5) of Act No. 659/2007 Coll. on the introduction of the euro currency in the Slovak Republic (including amendments to certain acts).”.

2. After Article 42, there shall be inserted Article 42a which, including the heading, shall read as follows:

**“Article 42a
Transitional provisions
effective as of 1 January 2008**

(1) Slovak currency-denominated postage stamps and other stamped stationery issued prior to the euro introduction date in the Slovak Republic (hereinafter the “euro introduction date”) may be used in rendering postal services according to this Act during the period of one year from the euro introduction date. The universal service provider shall not provide for exchange of the Slovak currency-denominated postage stamps and stamped stationery issued prior to the euro introduction date for other valid postage stamps and stamped stationery, either during the term of their validity or after expiration thereof.

(2) Within 90 days following the expiry of postage stamps and stamped stationery pursuant to paragraph (1), the universal service provider shall execute and finish withdrawal of the postage stamps and stamped stationery denominated in the Slovak currency, and thereafter destroy such withdrawn postage stamps and stamped stationery, including any stock thereof, in cooperation with the Ministry.

(3) The procedures relating to expiration of validity of the postage stamps and stamped stationery and their exchange pursuant to the other provisions of this Act shall not apply to the postage stamps and stamped stationery which expired pursuant to paragraph (1) hereof.”.

Section XXVIII

Act No. 291/2002 Coll. on the State Treasury (including amendments to certain acts), as amended by Act No. 386/2002 Coll., Act No. 428/2003 Coll., Act No. 523/2004 Coll., Act No. 581/2004 Coll. Act No. 747/2004 Coll., Act No. 68/2005 Coll., Act No. 659/2005 Coll., Act No. 238/2006 Coll., Act No. 198/2007 Coll., and Section I (163) of Act No. 209/2007 shall be amended as follows:

1. In Article 2b(1)(l), the full stop at the end shall be replaced with a semicolon and there shall be added the following words: “for these purposes shall ensure the cooperation with foreign rating agencies in determining rating of the Slovak Republic, which means assessing and evaluating the ability and readiness of the Slovak Republic to settle its financial obligations,”.
 2. In Article 6(1), subparagraph (g) shall read as follows:
“(g) shall open the accounts of the State Treasury in the European Central Bank, in the National Bank of Slovakia, in other central bank which is a part of the European System of Central Banks, in bank,¹³⁾ branch of foreign bank,¹³⁾ or in foreign bank¹³⁾ which has its registered office in the territory of a member state of the European Union or other contracting state of the European Economic Area and which benefits from the ‘single passport’ under the laws of the European Union¹³⁾ (hereinafter the “foreign bank with its registered office in a member state”),”.
- The footnote to reference 13 shall read as follows:
“¹³⁾ Article 2(1),(5),(7) and (8), and Article 11(1), (2) and (5) of Act No. 483/2001 Coll. on banks (including amendments to certain acts), as amended.”.
3. In Article 6(1), subparagraph (m) shall read as follows:
“(m) shall arrange for its clients cross-border transfers of money,^{13b)} (hereinafter the “cross-border transfers”) through the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state,”.
 4. In Article 6, paragraph (4) shall read as follows:
“(4) If the State Treasury arranges for its clients cross-border transfers, where the amount transferred is converted from one currency to other currency, such conversion of the currencies shall be based on current exchange rate on the foreign exchange market.”.
 5. In Article 11, paragraph (1) shall read as follows:
“(1) Single account is a memorandum account which is a total of the balances of the accounts of the State Treasury kept with the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state. The single account is kept with the State Treasury.”.
 6. In Article 11, paragraphs (3) and (4) shall read as follows:
“(3) Balances of money on the accounts of the State Treasury kept with the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank,

or foreign bank with its registered office in a member state and registered on the single account earn a contractual interest.

- (4) Payments from the accounts of the State Treasury kept with the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state and recorded on a single account shall be made by the State Treasury only.”.
7. In Article 13(1), the words “up to the amount of one million Slovak korunas” shall be replaced with the words “in valid currency unit up to thirty thousand euros”.
8. In Article 19(2), the second sentence shall read as follows: “Transfers of funds in foreign currency shall be carried out by the State Treasury on a contractual basis through the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state.”.
9. Article 21, including its heading, shall read as follows:

**“Article 21
Relation of the State Treasury to central banks
and other banking entities**

(1) In order to execute domestic transfers and cross-border transfers by the State Treasury on a contractual basis, the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state shall keep for the State Treasury the accounts in the euros, including the settlement account for covering and fulfilling the obligations arising from the participation in the payment system pursuant to separate legal provisions^{29a}), and the accounts in foreign currencies, including the account of funds of the European Communities, whose balances shall be recorded on a single account.

(2) In order to execute cross-border transfers by the State Treasury on a contractual basis, the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state shall keep for the State Treasury the accounts in the euros and the accounts in foreign currencies whose balances shall be recorded on a single account.

(3) Keeping of the State Treasury’s accounts with the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state, settlement on these accounts, and performance of other services for the State Treasury, including the terms and method of earning interest on the credit balances of the State Treasury’s accounts, shall be regulated by contracts between the State Treasury and the European Central Bank, the National Bank of Slovakia, other central bank which is a part of the European System of Central Banks, bank, branch of foreign bank, or foreign bank with its registered office in a member state.

(4) The State Treasury shall made a contract with the National Bank of Slovakia, banks, branches of foreign banks and postal enterprise concerning the method of cash withdrawal and deposit made by clients of the State Treasury.

(5) The State Treasury, agency, and the Ministry shall provide the National Bank of Slovakia with data concerning the area of the budget management of the Slovak Republic and the area of the public finance. The scope of data and details of their provision shall be regulated on a contractual basis.”.

9. After Article 23b, there shall be inserted Article 23c which, including the heading, shall read as follows:

**“Article 23c
Transitional provisions
effective as of 1 January 2008**

For conversion, to the Slovak korunas, of the amount stipulated in Article 13(1), during the period from 1 January 2008 to the date immediately preceding the euro introduction date in the Slovak Republic the foreign exchange reference rate set and published by the National Bank of Slovakia shall be used.”.

Section XXIX

Act No. 42/1992 Coll. on regulation of property relationships and settlement of possessory interests in cooperatives, as amended by Act No. 297/1992 Coll., Act No. 496/1992 Coll., Act No. 565/1992 Coll., Act of the National Council of the Slovak Republic No. 182/1993 Coll., Act of the National Council of the Slovak Republic No. 264/1995 Coll., Judgment of the Constitutional Court of the Slovak Republic No. 218/1997 Coll., Act No. 566/2001 Coll., and Act No. 3/2005 Coll. shall be amended as follows:

1. The footnote to reference 12a shall read as follows:
“^{12a)} Article 2(2)(p) of Act No. 566/2001 Coll. on securities and investment services (including amendments to certain acts) – the Securities Act.”.
2. In Article 17(3), first sentence, at the end there shall be added following words: “or in the physical form.”.
3. The footnotes to references 12b to 12d shall read as follows:
“^{12b)} Article 11 of Act No. 566/2001 Coll.
^{12c)} Article 10(1) of Act No. 566/2001 Coll.
^{12d)} Act No. 566/2001 Coll., as amended.”.
4. In Article 17e(4), the reference 12kk shall be replaced with the reference 12d. The footnote to reference 12kk shall be deleted.

Section XXX

The Chairman of the National Council of the Slovak Republic shall hereby be authorized to promulgate in the Collection of Laws of the Slovak Republic the full text of Act of the National Council of the Slovak Republic No. 566/1992 Coll. on the National Bank of Slovakia, as amended by Act of the National Council of the Slovak Republic No. 26/1993 Coll., Act of the National Council of the Slovak Republic No. 159/1993 Coll., Act of the National Council of the Slovak Republic No. 249/1994 Coll., Act of the National Council of the Slovak Republic No. 374/1994 Coll., Act of the National Council of the Slovak Republic No. 202/1995 Coll., Act of the National Council of the Slovak Republic No. 118/1996 Coll., Act of the National Council of the Slovak Republic No. 386/1996 Coll., Act No. 348/1999 Coll., Act No. 149/2001 Coll., Act No. 602/2003 Coll., Act No. 747/2004 Coll., Act No. 519/2005 Coll., and Section II hereof.

**Section XXXI
Entry into force**

This Act shall enter into force on 1 January 2008, except for the provisions of Section XXII, point 2 to 4 [Article 3 (11), Article 7a (4), Article 8aa (3)], which shall enter into force on 1 April 2008, and except for the provisions of Section II, point 2 [Article 2(1)(a) and (b)], point 6 [Article 3], points 8 and 9 [Article 4(4), Article 6(1)(a)], point 12 [Article 6(2)(e)], points 28 to 30 [Articles 15, 16 and 17(1)], point 32 [Article 17c], point 34 [Article 17h(2)], point 37 [Articles 20 and 21], point 45 [Article 28], point 51 [Article 31(1)] and point 58 [Articles 38 and 39], the provisions of Section III, point 1 [Article 5(6)], the

provisions of Section IV, point 2 [Article 93(3)], points 4 and 5 [Article 108(1) and Article 109(1)], point 13 [Article 157(1), fourth sentence], point 14 [Article 162(3)], point 17 [Article 223(3)] and point 21 [Article 369(1)], the provisions of Section V, point 5 [Article 40(10)] and point 7 [Article 42(7)], the provisions of Section VI, point 4 [Article 3 (2)(c), point 1], point 35 [Article 76(2)], point 39 [Article 85(4)], points 41 to 43 [Article 87(2) and (3) and Article 88(8)] and point 63, the provisions of Section VII, point 3 [Article 3(1)(c) point 1], the provisions of Section VIII, point 2 [Section I, Article 48(2)], the provisions of Section X, point 1 [Article 2(2)(c), points 1 and 2, Article 38(1), Article 67(2), Article 87(2)(d)] and points 10 to 12 [Article 84(2) and (3), Article 85a(2) and (4), Article 87(2)(i)], the provisions of Section XI, the provisions of Section XII, point 2 [Article 7(4)] and points 4 to 6 [Article 9(1), Article 9(3), Article 10(8)], the provisions of Section XIII, point 1 [Article 4(4)(d)], point 3 [Article 8(3)], points 5 and 6 [Article 21a(2)(b), Article 30(2)] and points 10 to 12 [Article 75, Article 77(2) to (5), Article 78a] and point 13, the provisions of Section XIV, the provisions of Section XV, points 1 and 2 [Article 23(11), Article 75(2)], the provisions of Section XVI, point 2 [Article 61], the provisions of Section XVII points 1 to 6 [Article 56(1), Article 64(5), Article 116(8), Article 129(2), Article 138(1)(a), and Article 138(25)], the provisions of Section XVIII, the provisions of Sections XXII, point 1 [Article 1 (2)(e)] and the provisions of Section XXIII to XXVI which shall enter into force on the euro introduction date in the Slovak Republic (i.e. on 1 January 2009).

Act No. 70/2008 Coll. entered into force on 1 April 2008, except for the provisions of Section V, which entered into force on 2 April 2008. [Note: Amendments to the Act on the Introduction of the Euro in the Slovak Republic contained in section IX of Act No. 70/2008 Coll. entered into force on 1 April 2008.]

Act No. 270/2008 Coll. (Act of 18 June 2008) entered into force on 1 August 2008, except for the provisions of Article I, item 3 [Article 3, paragraph 2], items 4 and 5 [Article 4, paragraph 5 to 7], item 8 [Article 7, paragraph 2, letter c)], item 9 [Article 16, paragraph 1], item 13, items 16 and 17 [Article 31, paragraph 2 to 8], item 21 [Article 32, paragraph 5], item 22 [Article 32, paragraph 6], item 23 [Article 32, paragraph 10], item 27 [Article 36, paragraph 7], item 29 [Division Two and Three of Part Four] and item 31 [Article 61, paragraph 2, letter b)], which shall come into effect on the day of introduction of the euro in the Slovak Republic (i.e. on 1 January 2009). [Note: Amendments to the Act on the Introduction of the Euro in the Slovak Republic contained in section IV of Act No. 270/2008 Coll. entered into force on 1 August 2008.]

Act No. 397/2008 Coll. entered into force on 1 November 2008.

Act No. 421/2008 Coll. entered into force on 1 November 2008.

BACKGROUND TO THE BILL

GENERAL OUTLINE

The aim of the present bill on the introduction of the euro currency in the Slovak Republic and on amendments to certain laws (hereinafter referred to as 'Bill on the euro introduction in Slovakia') is designed to create basic legal conditions in the Slovak Republic for the problem-free and successful introduction of the euro and the entry of Slovakia into the euro area, by creating, in the most comprehensive manner, a general legal framework in the Slovak Republic for the organised and smooth solution of all key matters which are related to the euro changeover, during the process of preparation for the introduction of the euro in Slovakia and during the changeover from the Slovak currency to the euro (after the economic convergence criteria, i.e. the Maastricht criteria, have been met).

In connection with the Bill on the euro introduction in Slovakia and the legal framework of the European Communities/European Union for the euro area and for the euro as the single currency in the euro area, it can be stated that, by signing the Treaty of Accession to the European Union, the Slovak Republic has undertaken to adopt the euro as legal tender (after meeting all conditions for the euro introduction in Slovakia). According to Article 4 of the Conditions of Accession Act attached to the Treaty concerning the Accession of the Slovak Republic to the European Union (*Official Journal of the EU L 236, 23/09/2003; Notification No. 185/2004 Coll.*), each new Member State (including the Slovak Republic) shall become, with effect from the date of accession to the European Union, a member of the Economic and Monetary Union (EMU) as a Member State with a derogation for the adoption of the single European currency as legal tender. (This is a temporary relief granted on the basis of Article 122 of the Treaty establishing the European Community). This derogation for the introduction of the euro (as single European currency) and the commitments of the Member States according to Articles 4 and 10 of the Treaty establishing the European Community mean together that, among other things, the Slovak Republic has undertaken to ensure the compatibility of Slovak laws with the legislation of the European Union/European Communities for the euro area and for the euro as the single European currency and to create basic legal conditions in the Slovak Republic for the smooth and successful introduction of the euro in Slovakia and for the entry of the Slovak Republic into the euro area.

The aim of the provisions of Section I of the Bill on the euro introduction in Slovakia are designed to create a comprehensive legal framework in Slovakia for the organised and smooth solution of all the key matters that are related to the changeover from the Slovak currency to the euro, during the process of preparation for the euro introduction and during the euro changeover process. The provisions of Section I of the Bill mostly govern matters related to money circulation, including a temporary period of dual circulation which will last for the first 16 days following the euro introduction in Slovakia. The Bill also specifies the procedure to be followed in exchanging Slovak banknotes and coins for euro. The Bill assumes that the exchange of Slovak banknotes/coins for euro notes/coins will be ensured by the National Bank of Slovakia, as well as by domestic and foreign banks (commercial banks) operating in Slovakia, within the following time limits. The banks will exchange Slovak coins over a period of six months following the euro introduction and

Slovak banknotes over a period of one year after the euro changeover. The National Bank of Slovakia shall ensure the exchange of commemorative Slovak coins without a time limit; other Slovak coins (used in circulation) will be exchanged over a period of five years as of the euro changeover date, Slovak banknotes will be exchanged without a time limit. For the sake of completeness, it should be mentioned that damaged or defective Slovak banknotes and coins will be exchanged and counterfeit or modified Slovak banknotes and coins will be sized in a similar manner as previously, up to the expiration of the period stipulated by law for the exchange of Slovak banknotes and coins for euro. (Section II also contains a provision abrogating the current provision of the National Bank of Slovakia Act concerning Slovak banknotes and coins in connection with the euro changeover in Slovakia, since this provision will become obsolete). The provisions of Section I of the Bill also govern matters related to non-cash payments, including procedures used in converting koruna-denominated bank deposits into euro deposits. The Bill assumes that banks will be obligated to convert all non-cash instruments deposited or provided in Slovak koruna into euro automatically as of the date of euro changeover, using conversion and rounding according to the valid conversion rate. Furthermore, Section I of the Bill contains provisions concerning matters related to the base interest rate and other reference rates, exchange rates and indices derived from interbank money market deals in Slovak currency, as well as matters related to the procedures to be followed in exchanging and converting prices, monetary amounts, the nominal values of the share capital of legal entities, the nominal values of contributions to the share capital of legal entities, the nominal values of securities and other financial and equity amounts from Slovak koruna to euro, while observing the principle of protection of the economic and social interests of citizens and consumers, the principle of continuity of legal relations, and the principle of price neutrality in the course of changeover from the Slovak currency to the euro. Part of Section I of the Bill are provisions concerning the dual display of prices, payments and other financial and equity amounts in Slovak koruna and euro in accordance with the conversion rate set for converting Slovak koruna into euro. The dual display of prices, payments, and other values will be compulsory during the period of dual display, which will begin according to the Bill one calendar month after the koruna/euro conversion rate is fixed and will end one year after the euro introduction in Slovakia. The total proposed length of the dual display period will be approximately one and a half year, running from around half a year before the euro introduction in Slovakia until one year afterwards. Section I of the Bill contains provisions concerning supervision and oversight of compliance with the rules and obligations during the changeover from the Slovak currency to the euro, while according to the proposed provision, this supervision and oversight will be exercised by the National Bank of Slovakia, the Slovak Trade Inspectorate, municipalities, and other supervisory authorities as laid down by separate laws. Section I of the Bill also includes common, temporary, and final provisions pertaining to the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro. Since the Bill on the euro introduction in Slovakia affects all citizens, consumers, economic entities, and public authorities to some extent, and the national regulations on the Slovak currency will be abrogated and replaced by the legal framework of the EC/EU for the euro in the euro area, the Bill (*taking into account the ruling of the Court of Justice of the EC, e.g. in the matter of C-272/83 of 28/03/1985; [1985] ECR 1057*) contains, in the interest of transparency, completeness, and clarity, several blanket provisions with references to the relevant provisions of the legal framework of the EC/EU for the euro as the single European currency in the euro area, including references to the relevant provisions concerning euro banknotes and coins as legal tender in the euro area. The provisions of the Bill also take into account the binding rulings of the Court of Justice of the EC, including a definition of the legal framework of the EC/EU for the euro as the single currency within the euro area, mainly its decisions in matters such as C-359/05 of 18/01/2007 (OJ EU C 56, 10/03/2007) and C-19/03 of 14/09/2004 (OJ EU C 284, 20/11/2004). These rulings of the Court of Justice of the European Communities is of extraordinary importance for the national laws of the EU Member States during the implementation and application of the legal framework of the EC/EU for the euro as the single currency within the euro area. For the sake of completeness, it should also be mentioned that the provisions of the Bill take into account (must take into account) the fact that the koruna/euro conversion rate and the term (date) of euro introduction in the Slovak

Republic cannot be determined by the institutions of the Slovak Republic; they are set by the Council of the European Union. In compliance with these rules, the Slovak Republic has a duly approved and up-to-date National Euro Changeover Plan, approved by the Government of the SR in Resolution No. 525/2005 of 6/7/2005. The updated version of this plan was approved by the Government of the SR in Resolution No. 289/2007 of 21/3/2007. According to the National Changeover Plan for the Slovak Republic, the Slovak Republic plans to meet all legislative conditions as well as the economic convergence criteria for the adoption of the euro according to the requirements of the European Union so that the euro is introduced in Slovakia with effect from 1 January 2009. The fulfilment of the legal conditions for the euro changeover is expected to be achieved through the present Bill on the euro introduction in Slovakia.

The Bill on the euro introduction in Slovakia (Sections II to XXVIII) also includes amendments to a whole range of other laws, mainly to the National Bank of Slovakia Act, the Act on the Supreme Control Office of the SR, the Commercial Code, laws pertaining to securities, investment services, collective investment, insurance, banking and deposit protection, retirement pension saving, social insurance, and amendments to other laws. These amendments mainly contain provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro. Of special importance is the amendment to the National Bank of Slovakia Act (and the related Act on the Supreme Control Office of the SR), because the amendment to the National Bank of Slovakia Act – which contains general legal regulations for the Slovak currency – is a major step towards the achievement of compatibility between the Slovak legislation and that of the European Union/European Communities on the national central banks of euro-area Member States, and the fulfilment of the legislative conditions for the introduction of the euro according to the requirements of the European Union/European Communities.

In this connection, the Bill on the euro introduction in Slovakia assumes (in Section II of the Bill) an amendment to the Act on the National Bank of Slovakia (hereinafter referred to as ‘NBS Act’), mainly to the provisions concerning monetary policy, monetary policy instruments, the issuance of banknotes and coins, and the provisions concerning operations and other activities of the NBS so that the NBS Act is fully compatible with the legislation of the European Union/European Communities on euro-area central banks and the euro as the single European currency within the euro area. The amendment will also modify the provisions of the NBS Act concerning the powers, tasks, and responsibilities of the Bank Board of the NBS and the members of the Bank Board. The most important changes proposed in the draft amendment to the NBS Act are the transfer of key central bank powers in the area of monetary policy and currency issuance and the transfer of part of the foreign reserves from the National Bank of Slovakia to the European Central Bank as of the date of euro changeover in the Slovak Republic. Of the key central bank powers, the exclusive power to determine the country’s monetary policy and monetary policy instruments will be transferred, as well as the exclusive power to issue banknotes and mint coins. In the area of exchange rate policy, the powers of the National Bank of Slovakia will also be transferred to the European Central Bank and the authorities of the European Union with effect from the date of euro introduction in the Slovak Republic. Section II also contains a provision for the gradual abrogation of the existing provisions of the NBS Act concerning Slovak banknotes and coins in connection with the euro changeover in Slovakia, since these provisions will become obsolete (they would otherwise become legal relics). An important change in Sections II and III of the Bill (in amendments to the NBS Act and the Act on the Supreme Control Office of the SR) is the fact that the authority to appoint (approve) independent external auditors for verifying the financial statements of the National Bank of Slovakia will pass from the Supreme Control Office of the Slovak Republic to the Council of the European Union, which will exercise this authority at the proposal of the Governing Council of the European Central Bank.

The amendments set out in Sections II to XXVIII of the Bill contain only marginal provisions for the replacement of amounts in Slovak koruna with amounts in euro, while the primary reason behind these provisions is not the conversion of these amounts in the course of

changeover from the Slovak currency to the euro, but the harmonisation of these amounts with the amounts in euro as laid down in other Slovak or European regulations (for example, in the amendment to the law on securities in Section VI, the limits for the share capital of securities dealers expressed in Slovak koruna are replaced with limits expressed in euro in compliance with the legal regulations of the EC/EU). The subject of these provisions of the Bill, where amounts in Slovak koruna are exceptionally replaced by amounts in euro, are in principle only amounts that are used as thresholds, and not as payable amounts according to the definition of redenomination under Article 1(j) of the Council Directive (EC) No. 974/98 of 3 May 1998 on the euro introduction (*OJ EC L 139, 11/5/1998; Special Edition OJ EU, 10/Volume 01*). Since the koruna/euro conversion rate has not yet been fixed (it will be set by the EU Council approximately in the middle of 2008), the Bill on euro introduction in Slovakia does not contain (cannot contain) provisions for the conversion of specific payable amounts from Slovak koruna to euro exclusively on account of changeover from the Slovak currency to the euro, since missing the final conversion rate would lead to a breach of the EC/EU rules governing the euro introduction. A similar procedure was followed by the other Member States which have already adopted the euro and enacted general euro-laws without reference to the conversion of specific payable amounts into euro before the fixation of the conversion rate for their national currencies. Such a procedure also takes into account the rulings of the European Court of Justice in matters related to changeover from the national currency to the euro, because the ruling on the C-359/05 ESTAGER case of 18 January 2007 indicates that, if specific amounts of charges or payments (payable amounts) for private legal or natural persons are converted exclusively on account of changeover from the national currency to the euro, the conversion is to be calculated in principle at the conversion rate or at a more favourable rate for the benefit (not to the disadvantage) of the private legal or natural persons concerned.

The Bill on the euro introduction in Slovakia is not related to the economic aspects of euro adoption in Slovakia, since the Slovak Republic has undertaken in the Treaty of Accession to the European Union to adopt the euro as legal tender, by fulfilling all the conditions and criteria for the euro introduction in Slovakia. (*The introduction of the euro in Slovakia is not decided by this law; the euro will be introduced in the SR on the basis of the EU Council's decision after the Slovak Republic has fulfilled the economic convergence criteria for the adoption of the euro according to the requirements of the European Union*). The economic aspects (contributions and risks) of the euro changeover in Slovakia are analysed in numerous documents, e.g. *Estimated Effects of the Euro Changeover on the Slovak Population, Estimated Effects of the Euro Changeover on the Entrepreneurial Sector, Impact of the Euro Changeover on the Slovak Economy*, prepared by the Research Department of the NBS and available on the web page of the NBS (www.nbs.sk), and in the valid National Euro Changeover Plan for the SR, which was approved by the SR Government in Resolution No. 525/2005 of 6 July 2005 and which was updated by the SR Government in Resolution No. 289/2007 of 21 March 2007. On the basis of these documents, we assume that the introduction of the euro in Slovakia will have a positive impact on the Slovak economy as the whole, which will also be reflected in the country's gross domestic product (GDP). For example, the analysis 'Impact of the Euro Changeover on the Slovak Economy' indicates that the introduction of the euro in Slovakia will have both advantages and disadvantages, while the estimated one-off expenses on conversion during the euro changeover will amount to approximately 0.3% of annual GDP, there will be no transactions costs after the changeover, which means savings in the amount of approximately 0.36 % GDP, there will be no exchange rate risk, thus the adoption of the euro in Slovakia will stimulate steady growth in foreign trade and foreign direct investment, which is estimated to increase GDP by approximately 7 to 20% in the SR. The analysis of the effects of euro adoption in Slovakia, the approval and implementation of the present Bill are not expected to have a negative financial impact on the State budget, the budgets of municipalities, higher territorial units (regional self-governments), not on other budgets in the public sector. One of the most serious risks associated with the euro changeover is the risk of price inflation or the citizens' feeling that they will suffer losses during the changeover. In most Member States which adopted the euro in 2002 (EU-12), consumers had a feeling of an excessive price increase. From the economic point of view,

however, the introduction of the euro represents no reason for a price increase, which was confirmed by statistical data from other euro-area countries. In the EU-12 countries, the contribution of the euro introduction in 2002 to the increase in prices was 0.09% to 0.28%, i.e. it was only a small part of the overall inflation (2.5%). However, consumers perceived substantially higher price increases, which was caused by a combination of unfavourable circumstances, which consumers incorrectly ascribed to the euro changeover (poor crops, rise in food prices, tax increase) and to price increases for certain services (mainly for restaurant/café services, accommodation and recreation services) resulting from weaker competition in this area. The present Bill will have neither environmental impact, nor a negative impact on the economy, employment, the creation of new jobs, or on combat against money laundering and terrorist financing. The Bill on the euro introduction in Slovakia was discussed in the Economic and Social Council of the Slovak Republic on 25 June 2007 and in the Legislative Council of the SR Government on 10 July 2007. The sponsor institutions for the Bill on the euro introduction in Slovakia were the Ministry of Finance of the SR, the National Bank of Slovakia, the Ministry of Justice of the SR, and the Ministry of Economy of the SR, while this Bill was prepared on the basis of the updated National Euro Changeover Plan for the Slovak Republic and the Plan of Legislative Tasks for the Slovak Republic in 2007.

The submitted Bill on the euro introduction in Slovakia complies with the Constitution of the Slovak Republic and the laws of the Slovak Republic, the rulings of the Constitutional Court of the SR (e.g. *the Resolution of the Constitutional Court of the Slovak Republic in PL CC 6/98 of 24/6/1998*), and with international treaties and other international documents by which the Slovak Republic is bound, mainly the Treaty establishing the European Communities and the Treaty establishing the European Union, including the Protocol on the Statute of the European System of Central Banks and of the European Central Bank. The Bill also complies with the Treaty concerning the Accession of the Slovak Republic to the European Union. The Bill also complies with the legal framework of the European Communities/European Union for the euro area and for the euro as the single European currency within the euro area [mainly the provisions of Articles 1 to 5, including the preamble (e.g. *para. 11 – recital 11 of the preamble*) of the Council Directive (EC) No. 1103/97/EC of 17 June 1997 on certain provisions concerning the euro introduction in full wording and the provisions of Articles 1 to 16, including the preamble (e.g. *paragraphs. 14 and 20 – recitals 14 and 20 of the preamble*) of the Council Directive 974/98/EC of 3 May 1998 on the euro introduction in full wording, the provisions of Council Regulation (EC) No. 2866/98/EC of 31 December 1998 on the conversion rates between the euro and the currencies of euro-area Member States in full wording, as well as the binding rulings of the Court of Justice of the European Communities, mainly its rulings in the following cases: C-359/05 of 18 January 2007 (OJ EU C 56, 10 March 2007), C-272/83 of 28 March 1985 (1985 ECR 1057), and C-19/03 of 14 September 2004 (Official Journal EU C 284, 20/11/2004). The preparation of compliance plates for the Bill is out of question owing to the fact that they are irrelevant for the Bill on the euro introduction in Slovakia and they transpose no EC/EU directives. The present Bill in the euro introduction in Slovakia was also submitted by the Ministry of Finance of the SR to the European Central Bank (ECB) in line with the Council Decision (EC) No. 98/415/EC of 29 June 1998 on the consultations of the European Central Bank by national authorities regarding draft legislative regulations (*OJ EC L 189, 3/7/1998; Special Edition OJ EU, 10/Volume 01; Corrigendum OJ EU L 234, 29/8/2006*), while the national legislative process continued in accordance with Article 3(4) of the Council Decision (EC) No. 98/415/EC.

The Bill on the euro introduction in Slovakia is proposed to enter into force on 1 January 2008. Nevertheless, its key provisions will actually be only applied after the conversion rate has been fixed, namely as of the euro introduction date, and will take effect as of the date of euro introduction in the Slovak Republic (i.e. 1 January 2009, according to the National Plan). According to the rules applying to the euro area, however, the introduction of the euro currency in the Slovak Republic will not be determined by the Slovak institutions, but by the Council of the European Union after the Slovak Republic has met

all the requirements and conditions (i.e. the Maastricht criteria of economic convergence) for the adoption of the euro in Slovakia.

COMPATIBILITY CLAUSE

Compatibility of the Bill on the introduction of the euro currency in the Slovak Republic and on amendments to certain laws with the laws of the European Communities and the European Union

1. Proposer of the Bill:

Government of the Slovak Republic.

2. Title of the Bill:

Bill on the introduction of the euro currency in the Slovak Republic and on amendments to certain laws.

3. Subject matter of the Bill:

- a) In the law of the European Communities, the subject matter of this Bill is governed:
- **in primary legislation:**
 - by Article 4(2), Art. 8, Art. 101, Art. 102, Art. 105 to Art. 124 and Art. 249 of the Treaty establishing the European Community in full wording (OJ EU C 321E, 29/12/2006);
 - by Protocol No. 18 of the Statute of the European System of Central Banks and the European Central Bank in full wording;
 - by Protocol No. 21 concerning the convergence criteria according to Article 121 of the Treaty establishing the European Community.
 - **in secondary legislation:**
 - by Council Regulation (EC) No. 3603/93/EC of 13 December 1993, specifying definitions for the application of the prohibitions referred to in Articles 104 and 104b(1) of the Treaty (OJ EC L332, 31/12/1993; Special Edition OJ EU, 10/Volume 01);
 - by Council Regulation (EC) No. 3604/93 of 13 December 1993, specifying definitions for the application of the prohibition of privileged access referred to in Article 104a of the Treaty (OJ EC L 332, 31/12/1993; Special Edition OJ EU, 10/Volume 01),
 - by Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ EC L 162, 19/6/1997; Special Edition OJ EU, 10/Volume 01);
 - by Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ EC L 139, 11/5/1998; Special Edition OJ EU, 10/Volume 01);
 - by Council Regulation (EC) No. 975/98 of 3 May 1998 on the denominations and technical specifications of euro coins intended for circulation (OJ EC L 139, 11/5/1998; Special Edition OJ EU, 10/Volume 01);
 - by Council Decision (EC) No. 98/415/ES of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ EC L 189, 3/7/1998; Special Edition OJ EU, 10/Volume 01; corrigendum OJ EU L 234, 29/8/2006);

- by Council Regulation (EC) No. 2866/98 of 31 December 1998 on the conversion rates between the euro and the currencies of the Member States adopting the euro (OJ EC L 359, 31/12/1998);
 - by the Guideline of the European Central Bank of 31 August 2000 on monetary policy instruments and procedures of the Eurosystem (ECB/2000/7) (OJ L 310, 11/12/2000; Special Edition OJ EU, 10/Volume 01);
 - by Council Regulation (EC) No. 1338/2001 of 28 June 2001, laying down measures necessary for the protection of the euro against counterfeiting (OJ EC L 181, 4/7/2001; Special Edition OJ EU, 19/Volume 04);
 - by Council Regulation (EC) No. 1339/2001 of 28 June 2001, extending the effects of Regulation (EC) No. 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting (OJ EC L 181, 4/7/2001; Special Edition OJ EU, 19/Volume 04);
 - by the Decision of the European Central Bank of 6 December 2001 on the issue of euro banknotes (ECB/2001/15) (OJ EC L 337, 20/12/2001; Special Edition OJ EU, 10/Volume 03);
 - by Decision ECB/2003/4 of the European Central Bank of 20 March 2003 on the denominations, specifications, reproduction, exchange and withdrawal of euro banknotes (OJ L 078, 25/3/2003; Special Edition OJ EU, 10/Volume 03);
 - by Regulation (EC) No.1745/2003 of the European Central Bank of 12 September 2003 on the application of minimum reserves (ECB/2003/9) (OJ EU L 250, 2/10/2003; Special Edition OJ EU, 10/Volume 03);
 - by Council Regulation (EC) No. 2182/2004 of 6 December 2004, concerning medals and tokens similar to euro coins (OJ EU L 373, 21/12/2004);
 - by Council Regulation (EC) No. 2183/2004 of 6 December 2004, extending to the non-participating Member States the application of Regulation (EC) No. 2182/2004 concerning medals and tokens similar to euro coins (OJ EU L 373, 21/12/2004);
 - by Guideline ECB/2006/16 of the European Central Bank of 10 November 2006 on the legal framework for accounting and financial reporting in the European System of Central Banks (OJ EU L 348, 11/12/2006).
- b) In the law of the European Union, the subject matter of this Bill is governed:
- **in primary legislation:**
 - by Article 1(1) of the Treaty on the Accession of the Slovak Republic to the European Union and Article 2 of the Attached Act on the conditions of accession and amendments to the treaties on which the European Union is based (OJ EU L 236, 23/9/2003; Notification No.185/2004 Coll.);
 - by Article 2 of the Treaty establishing the European Union (OJ EU C 321E, 29/12/2006).
 - c) In the rulings of the Court of Justice of the European Communities (EC), the subject matter of this Bill is reflected in:
 - the ruling of the Court of Justice of the European Communities of 14 September 2004 in the case C-19/03, Landgericht (München I): Verbraucher-Zentrale Hamburg eV v. O2 (Germany) GmbH & Co. OHG (OJ EU C 284, 20/11/2004, page 3);
 - the ruling of the Court of Justice of the European Communities of 18 January 2007 in the case C-359/05, Estager SA v. Receveur principal de la recette des douanes de Brive (OJ EU C 056, 10/3/2007, page 8).

4. Commitments of the Slovak Republic in relation to the European Communities and the European Union:

a) In the Treaty of Accession of the Slovak Republic to the European Union, the Slovak Republic has committed itself to adopt the euro as the single currency within the euro area. According to Article 4 of the Act on the conditions of accession attached to the Treaty of Accession of the Slovak Republic to the European Union (Notification No. 185/2004 Coll.), each new Member State (including the Slovak Re-

public) shall become, from the date of accession to the European Union, a participant in the Economic and Monetary Union (EMU) as a Member State with a derogation for the introduction of the euro pursuant to Article 122 of the Treaty establishing the European Community. This temporary relief from the obligation to adopt the euro (the single European currency) as legal tender and the commitments of the EU Member States according to Articles 4 and 10 of the Treaty establishing the European Community mean together that, among other things, the Slovak Republic has undertaken to ensure the compatibility of Slovak laws (including the laws of the national central bank – NBS) with the laws of the European Union/European Communities for the euro area and for the euro as the euro area's single currency and to create basic legal conditions in the Slovak Republic for the smooth and successful introduction of the euro in Slovakia and for the entry of the Slovak Republic into the euro area. The abrogation of a Member State's derogation (including the derogation of Slovakia) for the introduction of the euro is within the competence of the Council of the European Union (not in the competence of the Member State), on the basis of the regular convergence reports of the European Commission (EC) and the European Central Bank (ECB) issued in accordance with Articles 121 and 122(2) of the Treaty establishing the European Community. The convergence reports of the EC and ECB focus on assessing the Member States with a derogation for the adoption of the euro, i.e. assessing these Member States in terms of their progress made in meeting the commitment to satisfy the requirements for achieving the third stage of the Economic and Monetary Union (EMU), with regard to the fulfilment of the legislative and economic requirements and conditions (criteria) for entry into the euro area and for the adoption of the euro in these Member States.

b) According to the Treaty on the Accession of the Slovak Republic to the European Union and the Act on the Conditions of Accession in particular, there is no temporary period for the Slovak Republic.

c) Regarded as groundless.

d) Against the SR, no proceedings have been started for a breach of the Treaty establishing the European Communities according to Articles 226 to 228 of the Treaty establishing the European Communities.

e) Regarded as groundless.

5. The degree of compatibility between the bill or draft legislation and the law of the European Communities or the law of the European Union:
 - fully compatible.

6. Sponsor and cooperating ministries:

The Ministry of Finance of the SR and the National Bank of Slovakia.

CLAUSE OF EFFECTS

Bill on the introduction of the euro currency in the Slovak Republic and on amendments to certain laws and its financial, economic, and environmental impacts, and impacts on employment and on the business environment

1. Estimated impact on public finance:

The Bill on the introduction of the euro in Slovakia is not related to the economic aspects (contributions or risks) of the euro changeover in Slovakia, since the Slovak Republic has undertaken to adopt the euro (after meeting the convergence criteria) in the Treaty of

Accession to the European Union, while the euro is introduced on the basis of the EU Council's decision, and not on the basis of this law. According to the available economic analyses and documents, the euro introduction in Slovakia is expected to have an overall positive impact on economic growth, including the growth of gross domestic product in the Slovak economy, and over the medium term horizon, no negative financial impact is expected on the State budget, the municipal budgets, the budgets of higher territorial units (regional self-governments), nor on other budgets in the public sector, since the costs of euro adoption in Slovakia are expected to be exceeded somewhat by the positive effects of this development as early as the first year following the changeover. (More details are given in the following chapter on the estimated economic effects.)

2. Estimated economic impacts:

The Bill on the euro introduction in Slovakia itself is not related to the economic aspects (contributions or risks) of the euro changeover in Slovakia, since the SR has undertaken to adopt the euro (after meeting the convergence criteria) in the Treaty of Accession to the European Union, while the euro is introduced on the basis of the EU Council's decision, and not on the basis of this law. The economic aspects (contributions and risks) of the euro changeover in Slovakia are analysed in numerous documents, *e.g. Estimated Impact of the Euro Changeover on the Slovak Population, Estimated Impact of the Euro Changeover on the Business Sector, Impact of the Euro Changeover on the Slovak Economy*, prepared by the Research Department of the NBS and available on the web page of the NBS (www.nbs.sk), and partly in the National Euro Changeover Plan for the SR, which was approved by the SR Government in Resolution No. 525/2005 of 6 July 2005 and which was updated by the SR Government in Resolution No. 289/2007 of 21 March 2007. The available economic analyses and documents on the effects of euro introduction in Slovakia assume that the euro changeover in Slovakia will have a positive overall impact on economic growth, including the growth of gross domestic product in the Slovak economy, and expects no negative effects on the population, or on the economic performance of businesses and other legal entities. For example, the analysis 'Impact of the Euro Changeover on the Slovak Economy' indicates that the adoption of the euro in Slovakia will have both advantages and disadvantages, while the estimated one-off costs on currency conversion during the changeover will amount to approximately 0.3% of annual GDP; there will be no transactions costs after the changeover, so approximately 0.36% of GDP will be saved per year; there will be no exchange rate risk, hence the introduction of the euro in Slovakia will stimulate dynamic growth in foreign trade and foreign direct investment, which, in the end, is estimated to increase GDP by roughly 7 to 20%. The available economic analyses and documents of the effects of euro adoption in Slovakia also indicate that one of the most serious risks associated with the euro changeover is a certain price increase or the feeling of citizens that they have suffered losses during this process. In most Member States which adopted the euro in 2002 (EU-12), consumers had a feeling of an excessive price increase. In economic terms, however, the euro introduction represents no reason for a price increase, which was also confirmed by statistical data from other euro-area countries. In the EU-12 countries, the adoption of the euro in 2002 accounted for a price increase of 0.09% to 0.28%, which was only a small part of overall inflation (2.5%). However, consumers perceived much higher inflation owing to a combination of unfavourable circumstances, which consumers incorrectly ascribed to the euro changeover process (poor crops, rise in food prices, tax increase) and to price increases for certain services (mainly for restaurant/café services, accommodation and recreation services) resulting from a weaker competition in this area.

3. Estimated environmental impacts:

The enactment of the present Bill on the euro introduction in Slovakia is expected to have no environmental impacts.

4. Estimated impacts on employment and on the business environment

The enactment of the present euro changeover bill is expected to have no negative impact on the level of employment/unemployment in the Slovak Republic, or on the creation of new jobs, nor on the business environment.

SPECIFIC POINTS

Ref.: Section I

Articles 1 and 2

The basic provisions proposed in Articles 1 and 2 of the Act on the introduction of the euro in the Slovak Republic – in compliance with the binding laws of the EC/EU – define (in Article 1(1)) the subject matter of this law and summarise (in Article 1(2)) the terms that are most frequently used in the process of preparation for the euro changeover in Slovakia, as well as the basic principles (in Article 2) used during preparations for and the process of changeover from the Slovak currency to the euro, during the dual display of prices and other values, which are not regulated by the valid laws of the EC/EU. The subject matter and aim of the Bill on the introduction of the euro in Slovakia is to create, in the most comprehensive manner, a general legal framework in Slovakia for the organised and smooth solution of all key matters that are related to the euro changeover, in the process of preparation for the euro introduction and during the changeover from the Slovak koruna to the euro as the currency unit and sole legal tender in the Slovak Republic. In the process of preparation for the euro introduction and during the changeover from the Slovak currency to the euro (including the procedure to be used in converting and rounding equity amounts and during the dual display of prices, payments, and other values) – *in compliance with the legally binding acts of the EC/EU* – all relationships shall be governed by the principle of protection of the economic interests of citizens and consumers, the principle of neutrality in exchanging and converting money, prices, payments, and other financial and equity amounts from Slovak koruna to euro, as well as the principle of continuity in existing legal relationships while observing the freedom of contract, without changing the actual financial values of the subject matters of legal relationships and without changing the parties, the validity or contents, unless the parties involved agree otherwise or unless a separate law or legal provision stipulates otherwise. Unit prices, price schedules, price tariffs, and other price components or other asset values (referred to in general as ‘unit prices’) which are expressed in the Slovak koruna and which serve as factors or a basis for partial calculations or conversions of final amounts, shall not be subject to rounding after conversion into euro (while the proposed law observes and complies with the binding rulings of the Court of Justice of the European Communities). If conversion from Slovak koruna into euro at the conversion rate results (will result) in final financial amounts in euro, which are to be actually paid or accounted for (hereinafter referred to as ‘final amounts’), such final amounts in euro shall, after conversion at the conversion rate, be rounded to two decimal places to the nearest euro cent, pursuant to the rules set out in a separate legal provision, i.e. Article 5 of the Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions concerning the introduction of the euro. According to the binding rulings of the Court of Justice of the European Communities, the final financial amounts to be actually paid or accounted for are primarily final amounts in statements of accounts or final amounts of prices, payments, or other values given in invoices, other accounting documents, contracts, payment documents, and in documents produced by electronic cash registers, or in other payment documents. On the basis of the general legal framework of the EC/EU for the euro area and for the euro as the single European currency, it can be stated that the total remainder of

the final amount which is smaller than half of a euro cent is rounded down, and the total remainder of the final amount which equals half of a euro cent or is larger than half of a euro cent is rounded up to the nearest euro cent, unless the parties of legal relationships agree otherwise. It follows from the binding rulings of the Court of Justice of the European Communities that the national legislation (*i.e. the law on the euro introduction in the SR or a separate regulation in the SR*) can stipulate – in the interest of legal continuity, price neutrality, protection of interests of citizens and consumers, and the preciseness of conversion of amounts in Slovak koruna into euro – the conversion of certain non-cash amounts into equivalent final amounts with a higher degree of accuracy and a higher number of decimal places than to the nearest euro cent, or that the national legislation (*i.e. the law on the euro introduction in the SR or a separate regulation in the SR*) can stipulate – in the interest of legal security and transparency of the final amounts – a higher degree of rounding for the final amounts in euro than to the nearest euro cent.

Ref.: Articles 3 to 7

The provisions of Articles 3 to 7 govern matters that are related to cash circulation, including the temporary dual cash circulation period (16 days), the processing of banknotes and coins, and the procedure to be followed in exchanging Slovak banknotes and coins for euro. Section II (amendment to the NBS Act) contains a proposal to abrogate the provisions concerning Slovak banknotes and coins in the National Bank of Slovakia Act in connection with the introduction of the euro in Slovakia, since these provisions will be obsolete and would become a legal relic. For the sake of completeness, it should be mentioned that the provisions of the existing regulations shall apply to Slovak banknotes and coins, to their acceptance and withdrawal from circulation (until the expiry of the dual cash circulation period), as well as to the replacement or withdrawal of damaged or otherwise mutilated Slovak banknotes and coins and to seizure of counterfeit or altered Slovak banknotes and coins (until the expiry of the periods fixed by law for the exchange of Slovak banknotes and coins). The Bill assumes that, from the euro changeover day, Slovak banknotes and coins will be exchanged by the National Bank of Slovakia, as well as by domestic and foreign banks operating in Slovakia (including domestic and foreign credit institutions operating in Slovakia), while the periods for the exchange of Slovak banknotes and coins will be as follows: banks shall exchange Slovak coins over a period of six months and Slovak banknotes over a period of one year from the euro introduction date. The National Bank of Slovakia shall exchange commemorative Slovak coins without time limitations; other Slovak coins (used in circulation) shall be exchanged over a period of five years of the euro introduction date and Slovak banknotes without time limitations.

Ref.: Article 8

The provisions of Article 8 govern matters that are related to non-cash circulation and non-cash financial operations, including a procedure for the automatic conversion (exchange) of bank deposits, bank loans, and other bank products from Slovak koruna into euro, as well as a procedure for domestic non-cash transfers or cross-border money transfers according to the law on payment systems (payments via banks) and a procedure for postal payments. As of the date of euro introduction, banks shall be obligated to recalculate and convert into euro any non-cash funds deposited or provided in Slovak koruna automatically and free of charge according to the valid conversion rate. With regard to the demanding technical conversion of payment system software and databases from functioning in Slovak currency to functioning in the euro currency (tens of hours or several days) and the changeover from the Slovak currency to the euro, it is necessary to extend the time limits for money conversion and for the discharge of financial liabilities by one working day, immediately following the euro introduction date (*i.e. 2 January 2009*).

Ref.: Articles 9 to 16

The provisions of Articles 9 to 16 govern matters related to the procedure to be followed in exchanging and converting prices, financial amounts, the nominal values of the share capital of legal entities, the nominal values of contributions to the share capital of legal entities (capital participations), the nominal values of securities and other financial and asset values from Slovak koruna into euro, while observing the principle of continuity of legal relationships, and the principle of price neutrality in converting Slovak koruna into euro, as well as authorising provisions for the procedure to be applied in certain specific areas related to the exchange and conversion of financial data from Slovak koruna into euro. Regarding the exchange and conversion of the nominal values of the share capital of legal entities, and the nominal values of contributions to the share capital of legal entities (capital participations), including the nominal values of equity securities (e.g. shares and temporary share certificates) from Slovak koruna into euro – *with respect to the analyses of the Ministry of Justice of the SR (which also take into account the procedures used in other EU Member States during the euro changeover)*, their nominal values are not expected to be converted automatically from Slovak koruna into euro by the public authorities (ex offio), but the legal entities concerned (the statutory or other body of the legal entity concerned) should be obligated by law to carry out the conversion and recalculation of these values. Regarding the conversion and recalculation of the nominal values of book-entry debt securities, book-entry fund shares/units, and book-entry cooperative shares (which represent receivables from the issuers of such book-entry securities), the issuers of book-entry debt securities, book-entry fund shares/units, and book-entry cooperative shares are proposed to be obligated by law to decide to convert and recalculate their nominal values from Slovak koruna to euro no later than one month before the euro introduction date (including the delivery of notification to the central securities depository). If this time limit is not observed (the central securities depository is not notified), the central securities depository is proposed to be entitled, with effect from the euro introduction date, to carry out the conversion, rounding, and recording of euro-denominated data on the nominal values of book-entry debt securities, book-entry fund shares/units, and book-entry cooperative shares. Articles 9 to 15 also contain provisions motivating and encouraging legal entities with share capital and issuers of securities to convert and recalculate the nominal values of their share capital, the nominal values of contributions to their share capital (capital participations), and the nominal values of securities properly and in due time from Slovak koruna into euro, no later than the date of delivery of a proposal or instruction for the entry of any change in the register of securities or other official register, where the share capital and contributions to the share capital of legal entities (capital participations) or securities are registered. On the basis of the National Euro Changeover Plan for the SR, Article 16 proposes a provision stipulating that registered or recorded data on financial amounts (financial data), including financial data on the history of asset values or financial amounts, which are expressed in Slovak currency and which relate to the period preceding the euro introduction date, for the purposes of use after the changeover from the Slovak currency to the euro or for the purposes of dual price display, will be converted from Slovak currency into euro at the conversion rate, unless a separate regulation stipulates otherwise.

Ref.: Article 17

Article 17 contains provisions concerning matters related to the base interest rate of the NBS (which will be replaced with the base interest rate of the European Central Bank), the reference exchange rates of the Slovak currency in relation to other currencies set and announced by the National Bank of Slovakia (which will be replaced for standard currencies by the reference exchange rates of the euro against other currencies set and announced by the European Central Bank, or for certain foreign currencies, they will be replaced by the reference exchange rates of the euro against other currencies or by the National Bank of Slovakia), and provisions concerning matters related to other reference interest rates, exchange rates, and financial indices (mainly the reference interest

rates SKONIA, BRIBOR, and BRIBID), which are derived from interest rates or other parameters (indices) used in trading in Slovak koruna on the interbank money market in the Slovak Republic.

Ref.: Article 18

Article 18 contains legal provisions governing the dual display of prices, payments, and other financial and asset values in Slovak koruna and euro at the conversion rate fixed for the changeover from the Slovak currency to the euro. The provisions of the proposed law concerning the dual display of prices and other values are based on the updated National Euro Changeover Plan for the SR. According to the submitted Bill, the dual display of prices, payments, and other values shall be compulsory over the period of dual display, which will begin one calendar month after the conversion rate fixing date for the Slovak koruna against the euro and will end one year after the date of euro introduction in Slovakia. The total proposed length of the dual display period will be approximately one and a half years, of which approximately six months before the euro changeover in Slovakia and one year afterwards. The submitted Bill stipulates in general that, if the dual display of prices, payments, and other values applies to monetary amounts stated in invoices, contracts, payment or disbursement documents, documents issued by electronic cash registers, cash receipts, other payment confirmation documents, or other accounting documents, only the final total amounts of prices, payments and other amounts which are to be actually paid or accounted for, in particular the final amounts of wages or salaries paid to employees or credited to a designated bank account, and the final prices of products, goods, services or works, shall be subject to dual display, unless this Act or a separate legal provision stipulates otherwise. The proposed provision concerning the dual display of prices, payments and other values is based on the National Euro Changeover Plan for the SR. The current National Euro Changeover Plan for the SR (Part I, Section D.3) stipulates the following: ‘The main instrument of increased consumer protection will be dual pricing. The final prices of all goods and services will be recalculated precisely at the conversion rate and dually displayed in an appropriate manner in both koruna and euro.’. The National Euro Changeover Plan for the SR (Part II, 4.1.2) also stipulates the following: ‘Dual pricing will be required everywhere where a financial amount, price or value expressed in the domestic currency is stated for the citizens. It will apply to all prices of goods and services, balances on accounts, invoices, charges for banking services, budgeted expenses, consumer loans, miscellaneous payments, wages, social benefits, account statements for citizens, etc.’. The current legal provision concerning consumer protection stipulates that it is not enough to display the price schedules, because the final prices of products, goods, services or works are not the prices given in the schedules, but the prices actually charged to the consumer (customer) or the prices paid by the consumer (customer).

Ref.: Articles 19 to 22

Articles 19 to 22 contain provisions concerning the supervision and oversight of compliance with the rules and the discharge of obligations in preparation for the changeover from the Slovak currency to the euro and during the changeover process. According to the proposed provision, such supervision and oversight shall be exercised by the National Bank of Slovakia, the Slovak Trade Inspectorate, the price controlling authorities, authorities in charge of consumer protection, including municipalities and other supervisory authorities according to separate regulations, within the limits of their powers. This means that, for example, municipalities shall be authorised to exercise such supervision and oversight of markets and market places. A key role in this supervision and oversight shall be played by the Slovak Trade Inspectorate, the price controlling authorities, and the National Bank of Slovakia. It is also assumed that, within the scope of supervision and oversight of compliance with the rules and the discharge of obligations during preparations for the changeover from the Slovak currency to the euro and during the changeover

process, the relevant supervisory bodies (including municipalities) will primarily proceed according to the existing basic legal regulations governing the activities of supervisory bodies during supervision and oversight. This is a solution similar to that enacted in Act No. 266/2005 Coll. on consumer protection in connection with distance financial services and on amendments to certain laws or in Act No. 510/2002 Coll. on payment systems and on amendments to certain laws, as amended.

Ref.: Articles 23 to 25

Articles 23 to 25 contain common, temporary, and final provisions pertaining to the introduction of the euro in Slovakia and to the changeover from the Slovak currency to the euro. These provisions stipulate – in accordance with the National Euro Changeover Plan for the SR – that every person shall bear his own costs and expenses incurred in connection with the euro changeover, while prices, including unit prices, charges or other payables must not be increased on account of costs and expenses related to the euro changeover, nor special charges, surcharges, or other payments required for the coverage of costs related to the euro changeover, or costs related to the conversion and recalculation of asset values from Slovak koruna into euro.

Ref.: Sections II to XXVIII

In Sections II to XXVIII, the Bill on the introduction of the euro in Slovakia contains draft amendments to laws that are related to the legislation on the euro changeover in Slovakia, mainly draft amendments to the Act on the National Bank of Slovakia, the Act on the Supreme Control Office of the Slovak Republic, the Commercial Code, the law on financial market supervision, the law on securities and investment services, the law on bonds, the law on bills of exchange and cheques, the law on collective investment, the banking law, the law on home savings, the law on deposit protection, the law on saving for retirement, the law on supplementary pension savings, the law on social insurance, the law on income compensation to employees during temporary incapability of work, the law on the payment system, the foreign exchange law, the law on gambling, the law on the Companies Register, the law on prices, the law on consumer loans, the law on the state symbols of the Slovak Republic and their use, the law on state assistance, the law on state material reserves, the law on the Export-Import Bank of the Slovak Republic, the law on postal services, and the law on the SR Treasury. These amendments mainly contain provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro. With regard to the economy and effectiveness of legislation, these amendments also contain some partial adjustments (corrections and supplements) to the amended laws which are harmonised with the related legislation in force, with the aim of eliminating, modifying, and remedying such legislative and factual inaccuracies or discrepancies in the current wording of the amended laws which cause complications in practice during the interpretation and application of the modified provisions in the amended laws. Among the proposed amendments, the amendment to the National Bank of Slovakia Act (and the related amendment to the Act on the Supreme Control Office of the SR) is of special importance – *according to the valid National Euro Changeover Plan for the SR*, because the amendment to the National Bank of Slovakia Act is essential to the compatibility of the Slovak laws with the legislation of the European Union/European Communities on the legal framework for central banks in the euro area and for the euro as the single currency within the euro area.

Ref: Section II

Section II of the Bill on the euro introduction in the Slovakia contains a draft amendment to Act No. 566/1992 Coll. on the National Bank of Slovakia as amended (hereinafter referred to as 'NBS Act'), which is based on the National Euro Changeover Plan for the SR approved by the Government and is fully compatible with the provisions of the Treaty

concerning the Accession of the Slovak Republic to the European Union (including the Act on the Conditions of Accession) and the provisions of the Treaty establishing the European Communities (including the attached Protocol on the Statute of the European System of Central Banks and the European Central Bank). The proposed amendment to the NBS Act (which forms Section II of this Bill) contains mainly provisions governing monetary policy, monetary policy instruments, and the issuance of banknotes and coins, as well as provisions concerning operations, financial performance, accounting, legislation, statistics, and other activities of the National Bank of Slovakia, so that the NBS Act is fully compatible with the legislation of the European Union/European Communities providing a legal framework for the euro as the single currency within the euro area and for the euro-area central banks, i.e. central banks included in the Eurosystem as the central banking system of the euro area within the European System of Central Banks. The amendment to the NBS Act also takes into account numerous aspects from the laws on national central banks in other EU Member States within the euro area (e.g. Belgium, Slovenia, Spain, Greece, Portugal, Ireland, and Austria). The proposed amendment to the NBS Act modifies and specifies numerous provisions [e.g. Articles 6 to 9, Art. 12, and Art. 13, Art. 41(a), and Art 45(a)] of the NBS Act concerning the powers, tasks, duties, responsibilities, and functions of the NBS, the Bank Board of NBS, and the Bank Board members so that the Slovak legislation is compatible with the other central bank laws within the European System of Central Banks. The most important changes resulting from the proposed amendment to the NBS Act are the transfer of key central bank powers in the area of monetary policy and currency issuance and the transfer of part of the foreign reserves from the National Bank of Slovakia to the European Central Bank with effect from the date of euro introduction in the Slovak Republic. Of the key central bank powers, mainly the exclusive power to determine the country's monetary policy and monetary policy instruments will be transferred, as well as the exclusive power to issue banknotes and coins. In the area of exchange rate policy, the powers of the National Bank of Slovakia will be transferred to the European Central Bank and to the relevant bodies of the European Union with effect from the date of euro introduction in the Slovak Republic. Article II also contains a provision for the gradual abrogation of the existing provisions pertaining to Slovak banknotes and coins in the NBS Act in connection with the euro changeover in Slovakia, since these provisions will be obsolete and would become legal relics. An important change in Sections II and III of the Bill (in the amendments to the NBS Act and the Act on the Supreme Control Office of the SR) is the fact that the authority to appoint (approve) independent external auditors for verifying the financial statements of the National Bank of Slovakia will pass from the Supreme Control Office of the Slovak Republic to the Council of the European Union, which will exercise this authority on the recommendation of the Governing Council of the European Central Bank. The legal provision on the processing of banknotes and coins is also amended so that banknotes and coins are processed in accordance with the requirements of the EU/EC (including the ESCB and the Eurosystem). Furthermore, some provisions of the NBS Act [mainly Article 45(1)] are harmonised with the provisions of Section I of the Bill on the euro introduction in Slovakia, some provisions [e.g. Article 35, Art. 41, Art. 43, Art. 44, and Art. 49aa] of the NBS Act are amended, and some provisions of the NBS Act are harmonised with the related legislation (e.g. Article 33(2) of the NBS Act is harmonised with the valid legal provision concerning the powers and activities of the Agency for Debt and Liquidity Management].

Ref.: Section III

Section III of the Bill on the euro introduction in Slovakia proposes an amendment to Act No. 39/1993 Coll. of the National Council of the SR on the Supreme Control Office of the Slovak Republic, as amended. The provisions of this amendment to the Act on the Supreme Control Office of the SR arise from the fact that the authority to appoint (approve) independent external auditors for verifying the financial statements of the National Bank of Slovakia will pass, with effect from the euro day, from the Supreme Control Office of the SR to the Council of the European Union in accordance with the Treaty establishing the European Communities.

Ref.: Section IV

Section IV of the Bill on the introduction of the euro in Slovakia contains a draft amendment to the Commercial Code (Act No. 513/1991 Coll., as amended). This amendment to the Commercial Code contains provisions concerning preparations for the euro introduction in Slovakia and the changeover from the Slovak currency to the euro, including provisions for the smooth and problem-free conversion and recalculation of the nominal values of, and contributions to, the share capital of business companies and cooperatives (including joint stock company shares) from Slovak koruna into euro according to the present Bill on the euro introduction in Slovakia. This amendment to the Commercial Code modifies, fine-tunes, and supplements certain provisions concerning business companies and cooperatives (including temporary provisions in the new Article 768(e)) and modifies the provision of Article 369(1) concerning the amount of interest for delay. The amendment to the Commercial Code guarantees the equality of limited partnerships with other commercial companies (joint stock companies; limited liability companies) and cooperatives, which may create share capital and contributions to share capital in both Slovak koruna and euro. The provisions of the Commercial Code concerning the minimum prescribed value of, and contributions to, the share capital of partnerships and cooperatives (Article 108(1), Art. 109(1), Art.162(3), Art. 93(3) first sentence, Art. 223(3) second sentence) are also amended with effect from the euro introduction date, so that the amounts given in Slovak koruna are deleted from the provisions and only the amounts expressed in euro will remain in these provisions after the euro introduction. Also amended and fine-tuned in the Commercial Code will be the provisions of Articles 223(2) and 235(2) so that the provisions concerning the amount of contributions by members to a cooperative and the use of the cooperative's indivisible fund (with the possibility of its partial use for converting the cooperative's deposits and share capital from Slovak koruna into euro) are analogous to the provisions concerning the reserve funds of partnerships and contributions to the share capital of business companies. In addition, the amendment to the Commercial Code modifies the provisions of Article 109(2) second sentence, Article 111(1) second sentence, and Article 127(2) concerning limited liability companies so that monetary amounts are excluded (similarly as in the provisions concerning joint stock companies). In Article 109(2) second sentence, the requirement that the amounts of contributions by partners must be a multiple of 1,000 will be cancelled (for the prescribed minimum amount expressed in euro is EUR 750, which is not exactly divisible by 1,000); in Article 111(1) second sentence, the amount of paid-up contribution by partners will be given in percentage terms (50% of the minimum contribution prescribed by law), instead of a prescribed monetary amount; and in Article 127(2), the number of votes of partners will be determined according to the ratios of their contributions to the company's share capital, instead of being derived from monetary amounts. These provisions take into account, without a need for further amendments, the fact that the existing provisions of Articles 108(1) and 109(1) of the Commercial Code lay down that the nominal values of contributions by partners and the share capital of a limited liability company may be expressed in both Slovak koruna and euro, but after the euro changeover they will only be expressed in euro.

Ref.: Section V

Section V of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 747/2004 Coll. on financial market supervision and on amendments to certain laws as amended, which is a key law pertaining to the financial market. This amendment to the law on financial market supervision contains provisions [Article 40(10) and Art. 42(6) and (7)] concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro. The amendment also modifies and augments the provisions of Article 2(2), (3), and (6), and Art. 14(8) of the law on financial market supervision so that they are fully harmonised with the other provisions of the law on financial market supervision and, in the case of Article 2(6), with the terminology used in the regulations governing protection against the legalisation of crime-related

proceeds and the financing of terrorist activities. The provision of Article 2(3) is amended and augmented so that the individual parts of this provision are in harmony (the parts before and after the comma) and the potential interpretation and application problems during financial market supervision are eliminated so that it is clear and unambiguous that, during financial market supervision, disputes between the supervised entities and their clients cannot be settled (since there are courts for that purpose), but the NBS as the supervisory authority may request information from the entities under supervision, as well as documents and data on specific deals and disputes between the supervised entities and their clients, e.g. for the purpose of determining whether the entities under supervision meet the requirement to keep a separate register for customer deposits and investments (the property of customers) protected by law.

Ref.: Section VI

Section VI of the Bill on the introduction of the euro in Slovakia contains a draft amendment to Act No. 566/2001 Coll. on securities and investment services and on amendments to certain laws (the law on securities) as amended, which is a key law pertaining to the capital market (as part of the financial market). This amendment to the law on securities mainly contains provisions pertaining to preparations for the adoption of the euro in Slovakia and the changeover from the Slovak currency to the euro, including provisions for the smooth and problem-free conversion and recalculation of the nominal values of securities from Slovak koruna into euro in accordance with the Bill on the introduction of the euro in Slovakia [including temporary provisions in the new Article 173(i)]. The amendment to the law on securities [Article 3(2)(c)] introduces, with effect from 1 January 2008, thresholds for the issuance of SR Treasury bills in both Slovak koruna and euro (*though euro-denominated issues were possible in the past*), but after the euro changeover, Treasury bills will no longer be issued in Slovak koruna. The amendment to the law on securities modify and augment the provisions of Article 28(3d), Art. 45(6), Art. 50(1) third sentence, and Art. 53a(3) and (4) in such a manner that, in conducting operations with central banks of the Eurosystem (within the European System of Central Banks), it would be possible to establish collaterals for securities on an ad-hoc basis (including liens on securities) in compliance with the rules applying to the European System of Central Banks. The amendment to the law on securities also modifies the provisions of Article 54(11), (12), and (13) concerning the minimum amount of share capital for securities dealers so that the amounts given in words in Slovak koruna are replaced by amounts expressed in euro (as of 1 January 2008), while the amounts in euro correspond to the minimum amounts of share capital for the relevant categories of securities dealers according to the EU rules. In the case of Article 54 paragraphs (11), (12), and (13) of the law on securities, a similar solution is used as in the case of Article 54(15) of the same law (the amount of insurance payment replacing the share capital requirement for dealers in securities is given in euro) or Article 4(12) of the Act No. 95/2002 Coll. on insurance (the minimum amount of share capital for insurance companies is given in euro). The amendment to the law on securities adjusts and fine-tunes certain provisions of the law on securities in accordance with the related legislation and experience in solving problems in application practice. Article 86(5) is adjusted in accordance with Article 248(d) of the Code of Civil Procedure, Article 91(5) is modified on the basis of changes proposed in the amendment to Article 80(2) by Act No. 644/2006 Coll., Article 91(3) is augmented in legal terms, and Article 110(1c) is adjusted with respect to the tasks of the National Bank of Slovakia according to the rules applying to the European System of Central Banks. The provision of Article 136(1) is adjusted in legal terms so that the individual parts of this provision are in harmony (the parts before and after the comma) and the potential interpretation or application problems during financial market supervision are eliminated. The proposed extension of Article 2(2) to include a new letter (r), the insertion of a new article (Art. 4a), and the adjustment of Article 10(3) will extend the current system of securities to include investment certificates as a new type of securities. Investment certificates are a highly successful type of securities on advanced capital markets; they may become a major stimulant to the underdeveloped securities

market in Slovakia. The proposed extension of Article 99(4) to include a new letter (f) allows the central securities depository to register not only securities, but also other types of financial instruments; other types of financial instruments (except for securities) could not be previously registered by the central securities depository, which caused an unjustified substantial limitation in the handling of financial instruments (except for securities). The proposed extension of Article 103(2) to include a new letter (r) requires the central securities depository to modify the method and procedure of handling foreign book-entry securities in the operating manual, if the central depository provides services related to foreign book-entry securities. The provisions of Article 110(1)(i) and (j) concerning the breach of confidentiality in respect of information on financial instruments (including securities) and their owners (so-called financial secrecy) are also adjusted according to the results of interministerial amendment proceedings so that the central securities depository, the members of the central depository, and dealers in securities shall be obligated to provide confidential information on financial instruments and their owners for purposes defined by law to the National Security Office, the Police Corps, the Slovak Intelligence Service, and to the Military Intelligence. Based on the results of interministerial amendment proceedings, the following provisions of the law on securities will also be modified, specified, and augmented: Article 5(d) (e) (j), Article 61(1)(a), Article 61(8), Article 71(6)(c), Article 71d(3), Article 71o(5), Article 73(4) (5) (7), Article 73f(6), Article 73h(1), Article 73i(2), Article 73j(4), Article 73m, Article 73o(6), Article 73r(4), Article 75(1) and (2), Article 79a(2), Article 105a(3), Article 143f(1)(c), and Article 173f(2); a new provision will be formed in Article 75(5), and excluded will be Article 133 (1) and (5). The aim of the above amendments, laid down in Act No. 644/2006 Coll., is to eliminate, adjust, and remedy the legal and factual inaccuracies, gaps, and discrepancies arising from the legislative process in its final stages during the discussion of the new wording of the law on securities.

Ref.: Section VII

Section VII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 530/1990 Coll. on bonds, as amended. This amendment to the law on bonds contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro. The amendment to the law on bonds [Article 3(1)(c)] introduces, with effect from 1 January 2008, a threshold for the issuance of bonds in the SR in both euro and Slovak koruna (*though euro-denominated bonds were issued in the past*), but after the euro changeover, bonds will no longer be issued in Slovak koruna. Also adjusted in legal terms are the provisions of Article 22(3) second sentence, and Article 25 of the Act on Bonds with respect to the unified financial market supervision (including secondary legislation on the financial market) and its inclusion in the competence of the National Bank of Slovakia.

Ref.: Section VIII

Article VIII of the Bill on the euro introduction in Slovakia is formed by a draft amendment to Act No. 191/1950 Coll. on bills of exchange and cheques, which contains provisions concerning preparations for the introduction of the euro in the SR and the changeover from the Slovak currency to the euro. In this connection, a new article is added to Section III, Article 9a modifying the temporary provisions concerning bills of exchange and cheques in Slovak koruna, including bills of exchange and cheques on which the currency unit is not stated, though they were issued and are payable in the Slovak Republic.

Ref.: Section IX

Section IX of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 594/2003 Coll. on collective investment and on amendments to certain laws,

as amended. This amendment to the law on collective investment contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including temporary provisions in the new Article 125c). The temporary provisions in the new Article 125c lay down the obligations (including the obligation to provide information) of asset management companies, foreign assets management companies, and collective investment companies, which are related to collective investment in the Slovak Republic. These obligations arise from the valid National Euro Changeover Plan for the SR, which imposes an obligation (in chapter 2.1.6) on financial institutions to provide information to clients (to inform them of the estimated and final values of their investments); information on the estimated value of investment is to be provided in the half-year preceding the euro introduction (no later than one month before the euro day) and information on the final value of investment in the first quarter following the euro introduction (within three months of the euro introduction date). Article 41 includes a new paragraph (8) stipulating that the initial value of a mutual fund share/unit and the current price of a mutual fund share/unit will be calculated to a precision of four decimal places in Slovak koruna and to a precision of six decimal places in euro. The provision of Article 99(3) is also made more specific in legal terms so that the individual parts of this provision are in harmony (the parts before and after the comma) and the potential interpretation and application problems during financial market supervision are eliminated. Also modified and specified in legal terms will be the provisions of Article 12(1), Article 19(1)(c), and Article 21(4) of the law on collective investment with respect to the terminology used in regulations pertaining to protection against the legalisation of crime-related proceeds and the financing of terrorist activities.

Ref.: Section X

Section X of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 483/2001 Coll. on banks and on amendments to certain laws as amended, which is a key law in the area of banking and financial markets. This amendment to the banking law contains provisions concerning preparations for the introduction of the euro in the SR and the changeover from the Slovak currency to the euro (including temporary provisions in the new Article 122g). The amendment to the banking law also specifies and fine-tunes certain provisions of the banking law with respect to the current legislation and experience from the application practice. The modified and augmented Article 2(2)(n) takes into account the theory and application practice in lending operations (in general, and across the EU as well, mortgage operations include loans secured by a lien on real property, while the Slovak banking law actually applies to only mortgage transactions as defined in this law). Article 89(2), including footnotes to reference 73, is compatible with the current legislation on documents of identity; Article 91(4)(b) reflects the changes in definition of the authorities responsible for criminal proceedings pursuant to Article 10(1) of the new Criminal Code (Act No. 301/2005 Coll.); the provisions of Article 2(5), Art. 5(i), Art. 11(7), Art. 37(8)(d), and Art. 91(4)(k), including footnotes to 86a and 46, are also modified and augmented. Article 91(3) is adjusted with respect to the tasks of the National Bank of Slovakia according to the rules of the European System of Central Banks. The provision of Article 6 (3) is also made more specific in legal terms so that the individual parts of this provision are in harmony (the parts before and after the comma) and the potential interpretation and application problems during financial market supervision are eliminated. Adjusted and specified in legal terms will also be the provisions of Article 41(4), Article 91(4)(g), and Article 93a(7) of the law on collective investment with respect to the terminology used in regulations concerning protection against the legalisation of crime-related proceeds and the financing of terrorist activities.

Ref: Section XI

Section XI of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 310/1992 Coll. on home savings, as amended. This amendment to the law on

home savings contains provisions concerning preparations for the introduction of the euro in the SR and the changeover from the Slovak currency to the euro.

Ref.: Section XII

Section XII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 118/1996 Coll. on deposit protection and on amendments to certain laws, as amended. This amendment to the law on deposit protection contains provisions concerning preparations for the introduction of the euro in the SR and the changeover from the Slovak currency to the euro. The amendment to the law on deposit protection also modifies and augments certain provisions of the deposit protection law in compliance with the related legislation and experience in solving problems in application practice, while Article 8(4) is adjusted in compliance with Art. 248(d) of the Code of Civil Procedure, Article 13(4) in compliance with the changes resulting from Article 26a(2) of Act No. 340/2000 Coll., and Article 13(2) is made more specific in legal terms.

Ref.: Section XIII

Section XII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 510/2002 Coll. on the payment system and on amendments to certain laws, as amended. This amendment to the law on the payment system contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including the abrogation of the provision of Article 77(2) defining the base interest rate of the National Bank of Slovakia). The amendment to the law on the payment system abrogates, with effect from the euro introduction date, the provisions of Article 4(4)(d), Article 75(1), and Article 78a concerning the obligatory use of constant symbols in payments (with regard to the prepared admission of Slovakia to SEPA – Single Euro Payment Area), while, after the euro changeover, it will be possible to use constant symbols in payments on a voluntary basis. The provision of Article 44(4) of the law on the payment system is also adjusted and specified in legal terms in compliance with the provision of Article 34(4) of the law on the payment system. The amendment to the law on the payment system also modifies and augments the provisions of Article 4(4)(f) and Article 12(6)(h) of the law on the payment system in compliance with the related EU legislation (Directive (EC) No. 1781/2006 of 15 November 2006 on data on payers used in money transfers).

Ref.: Section XIV

Section XIV of the Bill on the euro introduction in Slovakia contains a draft amendment to the Foreign Exchange Act (Act No. 202/1995 Coll. of the National Council of the SR) as amended. This amendment to the Foreign Exchange Act contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including the abrogation of the previous provision of Article 43(3) defining the term ‘funds in foreign currency at the exchange rate announced by the National Bank of Slovakia’).

Ref.: Section XV

Section XV of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 43/2004 Coll. on retirement pension savings and on amendments to certain laws, as amended. This amendment to the law on retirement pension savings contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including temporary provisions in the new Article 123e). The temporary provisions of the new Article 123e regulate the obligations of pension management companies (including the obligation to provide information),

which are connected with saving for retirement (including obligations related to the value of pension units and the actual balances on personal pension savings accounts). These obligations arise from the valid National Euro Changeover Plan for the SR, which obligates (in chapter 2.1.6) financial institutions to provide information to clients (to inform clients of the estimated and final values of their investment); information on the estimated value of investment is to be provided in the half-year preceding the euro introduction (no later than one month before the euro day) and information on the final value of investment in the first quarter following the euro changeover (within three months of the euro introduction date). The adjusted Article 75(2) stipulates that the value of a pension unit expressed in euro shall be calculated to a precision of six decimal places. The provision of Article 114(3) is made more specific in legal terms so that the individual parts of this provision are in harmony (the parts before and after the comma) and the potential interpretation and application problems during financial market supervision are eliminated.

Ref: Section XVI

Section XVI of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 650/2004 Coll. on supplementary pension savings and on amendments to certain laws, as amended. This amendment to the law on supplementary pension savings contains provisions concerning preparations for the introduction of the euro in the SR and the changeover from the Slovak currency to the euro (including temporary provisions in the new Article 87c). The temporary provisions of the new Article 87c lay down the obligations of supplementary pension companies (including the obligation to provide information), which are connected with supplementary saving for retirement (including obligations related to the values of personal supplementary pension saving accounts). These obligations arise from the valid National Euro Changeover Plan for the SR, which obligates (in chapter 2.1.6) financial institutions to provide information to clients (to inform clients of the estimated and final values of their investments); information on the estimated value of investment is to be provided in the half-year preceding the euro introduction (no later than one month before the euro day) and information on the final value of investment in the first quarter following the euro changeover (within three months of the euro introduction date). The provision of Article 70(3) is also specified in legal terms so that the individual parts of this provision are in harmony (the parts before and after the comma) and the potential interpretation and application problems during financial market supervision are eliminated. Adjusted and specified in legal terms will also be the provisions of Article 28(1) of the law on collective investment in accordance with the terminology used in regulations pertaining to protection against the legalisation of crime-related proceeds and the financing of terrorist activities.

Ref: Section XVII

Section XVII of the Bill on the euro introduction in the SR contains a draft amendment to Act No. 461/2003 Coll. on social insurance, as amended. This amendment to the law on social insurance contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including temporary provisions in the new Article 293t).

Ref: Section XVIII

Section XVIII of the Bill on the euro introduction in the SR contains a draft amendment to Act No. 462/2003 Coll. on income compensation to employees during temporary incapability of work and on amendments to certain laws, as amended. The subject of this amendment is a provision [Article 10(2)], which is connected with preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro.

Ref: Section XIX

Section XIX of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 171/2005 Coll. on gambling and on amendments to certain laws, as amended. This amendment to the law on gambling mainly contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro, while numerous provisions of the law on gambling are adjusted, specified, and augmented (including the temporary provisions of the new Article 58a) in compliance with the related legislation (e.g. the law on protection against the legalisation of crime-related proceeds and the financing of terrorist activities) and experience in solving problems in application practice. In the interest of legal certainty, transparency and clarity, the proposed amendment to the law on gambling adjusts the amounts of thresholds in the area of gambling (mainly the amounts of thresholds for deposits, winnings, and security in gambling and for the method of verifying the correct course of drawing lots in gambling) so that the amounts of these thresholds are expressed in euro as early as possible (as of 1 January 2008), which will enable smooth and transparent preparations in the area of gambling for the introduction of the euro and for the changeover process, will restrict the occurrence of interpretation and application problems in the area of gambling, and will create conditions for the supervision of gambling facilities (including technical inspection), which is inevitable in the interest of protection against the legalisation of crime-related proceeds and the financing of terrorist activities. The subject of those provisions of the proposed amendment to the law on gambling in which the amounts in Slovak koruna are replaced by amounts in euro, are in principle only amounts which are used as thresholds and not as payable amounts according to the definition of redenomination under Article 1 letter j) of the Council Directive (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ EC L 139, 11/5/1998; Special Edition OJ EU, 10/Volume 01). The amendment to the law on gambling contains specifying provisions introduced on the basis of practical experience gained during the application of this law. These provisions unify the conditions of licensing and operating selected gambling facilities (during the licensing proceedings, approval is required from municipalities instead of an opinion, in lottery games a financial security is required for instant lotteries, the conditions of operating video games are specified at the level of comparable games). In order to increase the effectiveness of debt management and collection (unpaid taxes and penalties), tax execution proceedings are also incorporated in the system. To restrict the possibility of performing illegal activities, the circle of persons subject to supervision is re-specified. On the basis of know-how and experience of regulating and supervising the operation of gambling facilities (including technical inspection), the proposed new Article 57a contains authorising provisions (which have been absent up to now), which are necessary for eliminating the complications in interpretation and application in the area of gambling. The proposed changes include adjustments to the procedures to be used in the temporary period, while the specific terms in that period (2008 to 2010) were proposed on the basis of know-how and experience of regulating and supervising the operation of gambling facilities (not according to the euro changeover deadlines planned for Slovakia).

Ref: Section XX

Section XX of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 530/2003 Coll. on the Companies Register and on amendments to certain laws, as amended. This amendment to the law on the Companies Register contains provisions concerning preparations for the adoption of the euro in Slovakia and the changeover from the Slovak currency to the euro. The amendment specifies the procedure to be followed in entering data in the Companies Register, specifically data on the conversion and recalculation of the nominal values of share capital and the nominal values of contributions to share capital (including the nominal values of shares) from Slovak koruna into euro according to the proposed Bill on the introduction of the euro in Slovakia.

Ref: Section XXI

Section XXI of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 18/1996 Coll. on prices, as amended. This amendment to the law on prices contains provisions which provide a legal framework for the exercise of price controls and the imposition of penalties for the breach of price discipline during preparations for the introduction of the euro and the changeover from the Slovak currency to the euro. In the interest of legal certainty, transparency and clarity, the amendment modifies the provisions concerning price information and thresholds for penalties for the breach of price discipline (the breach of price rules), while the provisions of the law on prices [Article 18(1b) and (2)] are harmonised with the provisions of Section I of the Bill on the euro introduction in Slovakia.

Ref: Section XXII

Section XXII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 258/2001 Coll. on consumer loans, as amended. The subject of this amendment to the Consumer Credit Act is a modified provision [Article 1(2)(e)] concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro.

Ref: Section XXIII

Section XXIII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 63/1993 Coll. on the state symbols of the Slovak Republic and their use, as amended. The subject of this amendment to the law on the state symbols of Slovakia is a provision [Article 3(6)(i)] concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro, which is necessary with regard to the EU/EC rules governing the design of euro banknotes and coins.

Ref: Section XXIV

Section XXIV of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 231/1999 Coll. on state assistance, as amended. The subject of this amendment to the law on state assistance is a provision [Article 18(4)(e)] concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro.

Ref: Section XXV

Section XXV of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 82/1994 Coll. on state material reserves, as amended. The subject of this amendment to the law on state material reserves is a provision [Article 5d(4) and Art. 56(4)], which is connected with preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro.

Ref: Section XXVI

Section XXVI of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 80/1997 Coll. on the Export-Import Bank of the Slovak Republic, as amended. This amendment to the law on the Eximbank SR contains provisions [Article 18(1) and (3), and Article 24(5)(d) and (e)] concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including provi-

sions reflecting the modified tasks and powers of the NBS after the euro changeover in Slovakia).

Ref: Section XXVII

Section XXVII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 507/2001 Coll. on postal services, as amended. This amendment to the law on postal services contains provisions concerning preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro (including temporary provisions in the new Article 42a). These provisions pertain to Article 26(1) concerning the tariff of charges for universal postal services (the tariff usually contains final prices, but unit prices calculated to two decimal places may also be included), as well as temporary provisions in the new Article 42a concerning the use, expiration, withdrawal, and destruction of postal stamps and stamped stationery issued before the euro introduction in the Slovak Republic, on which the nominal value is given in Slovak koruna. It will be possible to use such postal stamps and stamped stationery for one year after the date of euro changeover in the Slovak Republic. The proposed temporary provisions are similar in contents to the temporary provisions in force in other EU Member States (e.g. Finland and Austria).

Ref: Section XXVIII

Section XXVIII of the Bill on the euro introduction in Slovakia contains a draft amendment to Act No. 291/2002 Coll. on the State Treasury and on amendments to certain laws, as amended. This amendment to the State Treasury Act contains provisions governing the preparations for the introduction of the euro in Slovakia and the changeover from the Slovak currency to the euro. The provisions of the draft amendment to the State Treasury Act respect the need to incorporate the State Treasury into TARGET2 payment system supported by SWIFT, while the legal possibilities for the State Treasury are to be extended to the opening of accounts and the possibility of making payments through accounts at the National Bank of Slovakia, banks and branches of foreign banks operating in the Slovak Republic, as well as at the European Central Bank, other central banks of the European System of Central Banks, and at foreign commercial banks which have banking licences in accordance with the law of the European Union and registered offices in a Member State of the European Union, or in another country of the European Economic Area. The State Treasury shall also manage and use the funds held on Treasury accounts at central banks and other banking institutions. In the interest of legal certainty, transparency and clarity, the amendment to the State Treasury Act also modifies the provision of Article 13(1) concerning the threshold for sanctions (penalties) which the State Treasury may impose on clients for a breach of duties within the system of the State Treasury.

Ref: Section XXIX

Article XXIX contains an authorising provision for the promulgation of the National Bank of Slovakia (NBS) Act in full wording, in the interest of transparency, with regard to the number of amendments to the NBS Act to date and the overall range of the previous amendments to the NBS Act, including the range of the draft amendment specified in Section II of the present Bill on the introduction of the euro in Slovakia.

Ref: Section XXX

With regard to the expected length of the legislative process, the present Bill on the euro introduction in Slovakia is proposed to become effective from 1 January 2008, but the key provisions of this law will be actually applied only after the conversion rate is

fixed and the euro is adopted in the SR, or will become effective from the date of euro introduction in the Slovak Republic (the date planned in the National Plan is 1 January 2009). According to the rules applying to the euro area, however, the term (date) of euro introduction in the Slovak Republic will not be determined by the Slovak institutions, but by the Council of the European Union after the Slovak Republic has met all the requirements and conditions (i.e. the Maastricht criteria of economic convergence) for the adoption of the euro in a Member State of the European Union.

In Bratislava, 26 September 2007

Robert F i c o
Chairman of the Government
of the Slovak Republic

Ján P o č i a t e k
Minister of Finance
of the Slovak Republic

Ivan Š r a m k o
Governor
of the National bank of Slovakia

Informative Commentary on the Act on the Introduction of the Euro in the Slovak Republic

(Act No. 659/2007 Coll. as amended)

INTRODUCTION

On Tuesday, 8 July 2008, the Council of the European Union [*the Economic and Financial Affairs Council – ECOFIN*] officially adopted a decision and two regulations¹, according to which the Slovak Republic will adopt and introduce the euro currency as at 1 January 2009. The binding conversion rate for the introduction of the euro in Slovakia is 1 euro = 30.1260 Slovak korunas. Since the official fixing of the date for the introduction of the euro and of the conversion rate, fixed and irrevocable key parameters for the replacement of Slovak korunas by euros and for Slovakia's accession to the euro area have been definitively set. Because the regulation on the conversion rate of the euro against the Slovak koruna¹ was officially published (*promulgated*) in the Official Journal of the European Union only on Thursday, 24 July 2008, the period of compulsory dual display of prices, payments and other amounts both in Slovak korunas and in euros begins on Sunday, 24 October 2008 (*i.e. one month after the official publication of the regulation on the conversion rate¹ in the Official Journal of the European Union*). As a result, the preparations for the changeover from the Slovak currency to the euro have reached their most important final stages.

The general legal framework in Slovakia for an organized and continuous changeover from the Slovak currency to the euro – including preparations for the introduction of the euro in all key areas and time stages – is bindingly laid down primarily by Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic and on amendments to certain acts as amended and by separate legal provisions (decrees) issued to implement the Act². The abbreviated informal designations “generálny zákon o eure” [umbrella law on the euro/general

¹ These are Council Decision No. 2008/608 EC of 8 July 2008 in accordance with Article 122(2) of the Treaty on the adoption by Slovakia of the single currency on 1 January 2009 (OJ L 195, 24.7.2008); Council Regulation (EC) No. 693/2008 of 8 July 2008 amending Regulation (EC) No. 974/98 as regards the introduction of the euro in Slovakia (OJ L 195, 24.7.2008) and Council Regulation (EC) No. 694/2008 of 8 July 2008 amending Regulation (EC) No. 2866/98 as regards the conversion rate to the euro for Slovakia (OJ L 195, 24.7.2008).

² The following separate implementing regulations to implement the umbrella law on the euro have been issued until the closing date of this publication: Decree of the Ministry of the Economy of the Slovak Republic No. 97/2008 concerning the details of dual display with regard to consumer protection, Decree of the Ministry of Finance of the Slovak Republic No. 75/2008 Coll. laying down the rules for the reporting, conversion and rounding of monetary amounts in connection with the changeover to the euro currency for the purposes of accounting, taxes and customs purposes, Decree of the Ministry of Finance of the Slovak Republic No. 220/2008 Coll. laying down the extent of prices, payments and other amounts subject to dual display for games of chance and the way of their dual display, Decree of the National Bank of Slovakia No. 221/2008 Coll. laying down certain rules for the dual display of some prices, payments and other amounts with regard to financial market and the services of financial institutions in the area of banking, the capital market, insurance and pension saving, Decree of the National Bank of Slovakia No. 240/2008 Coll. to determine the number of decimal places for rounding concerning the redenomination of the nominal value of some types of securities from the Slovak currency to euros, Decree of

act on the euro or just “generálny zákon” [umbrella law] (sometimes also “slovenský generálny zákon o eure” or in English the “Slovak umbrella law”), which are also used in this publication, have taken root both in professional practice and among the general public.

The Slovak umbrella law on the euro has enabled to achieve full compatibility of the Slovak legal system with the European legal framework for the euro³ as the common and single European currency in the euro area. The umbrella law also fully complies with and takes into account the related judicial decisions of the Court of Justice of the European Communities⁴ (also called the European Court of Justice). By achieving such compatibility, the Slovak Republic has fully fulfilled the legal conditions of the EU for the adoption and introduction of the euro, which has to be fulfilled in addition to economic convergence criteria (*the Maastricht criteria*). At the same time, however, the umbrella law on the euro complies with and takes into account the Treaty concerning the Accession of the Slovak Republic to the European Union (*OJ L 236, 23.9.2003; announcement No. 185/2004 Coll.*), the Constitution of the Slovak Republic (*published as No. 460/1992 Coll. as amended by constitutional laws*), the judicial decisions of the Constitutional Court of the Slovak Republic

the Ministry of Justice of the Slovak Republic No. 246/2008 Coll. on the rules and procedures in the redenomination of the nominal value of contributions to the capital and the nominal value of share capitals from the Slovak currency to euros, Decree of the Ministry of Health of the Slovak Republic No. 247/2008 Coll. to regulate the procedures, ways and other detailed rules for the dual display and for conversions, rounding and reporting of monetary data within the changeover to the euro currency with regard to health care, Decree of the Ministry of Work, Social Affairs and Family of the Slovak Republic No. 251/2008 Coll. laying down further detailed rules for dual display and for conversions and rounding of prices, unit prices, payments and other amounts within the changeover from the Slovak currency to the euro currency with regard to wages, salaries and other remuneration for work, travel expense reimbursement, services to employment, social insurance and retirement pension savings, social benefits, social assistance benefits, social support and other social assistance and with regard to social services, as well as the Decree of the Ministry of the Interior of the Slovak Republic No. 365/2008 Coll. laying down further detailed rules for the dual display, conversions and rounding of payments and other amounts within the changeover from the Slovak currency to the euro with regard to social security of policemen and professional soldiers.

³ *The basic European framework for the euro (EC/EU law on the euro) is particularly made up of provisions on the euro and on the third stage of the economic and monetary union (EMU) in the Treaty establishing the European Community as amended (OJ C321E, 29.12.2006), Protocol No. 18 on the Statute of the European System of Central Banks and of the European Central Bank as amended (OJ C321E of 29 December 2006), Protocol No. 21 on the convergence criteria referred to in Article 121 of the Treaty establishing the European Community as amended (OJ C321E of 29 December 2006), Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro (OJ Special Edition, Chapter 10/Volume 01) as amended, Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro (OJ Special Edition Chapter 10/Volume 01) as amended and Council Regulation (EC) No. 2866/98 of 31 December 1998 on exchange rates of the euro and currencies of the member states introducing the euro (OJ L 359 of 31 December 1998) as amended. Part of the EC/EU legislation (law) on the EU are also other binding legal acts of the EC/EU related to the euro [for example Council Regulation (EC) No. 1338/2001 of 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting (OJ Special Edition Chapter 19/Volume 04), Council Regulation (EC) No. 2182/2004 of 6 December 2004 concerning medals and tokens similar to euro coins (OJ L 373 of 21 December 2004), Council Regulation (EC) No. 975/98 of 3 May 1998 on denominations and technical specifications of euro coins intended for circulation (OJ Special Edition Chapter 10/Volume 01) as amended, Decision of the European Central Bank ECB/2003/4 (2003/205/EC) of 20 March 2003 on the denominations, specifications, reproduction, exchange and withdrawal of euro banknotes (OJ Special Edition Chapter 10/Volume 03)], but also legally non-binding recommendations and opinions of the bodies and institutions of the EC/EU [for example the Commission Recommendation No. 98/287/EC of 23 April 1998 concerning dual display of prices and other monetary amounts (OJ L 130 of 1 May 1998), Commission Recommendation No. 98/286/EC of 23 April 1998 concerning banking charges for conversion to the euro (OJ L 130 of 1 May 1998), Commission Recommendation No. 98/288/EC of 23 April 1998 on dialogue, monitoring and information to facilitate the transition to the euro (OJ L 130, 1 May 1998) and the Commission Recommendation No. 2008/78/EC of 10 January 2008 on measures to facilitate future changeovers to the euro (OJ L 23, 26 January 2008)]. Legal acts of the EU/EC (however, not all of them in Slovak) are available on the web site <http://eur-lex.europa.eu>; legal acts of the ECB are available on the web site <http://www.ecb.int>.*

⁴ *Out of the case law of the Court of Justice of the EC related to the euro, these are, in terms of the subject matter, particularly its judgment in the case *Verbraucher-Zentrale Hamburg eV v O2 (Germany) GmbH & Co. OHG* [judgment in case C-19/03 of 14 September 2004; OJ C 284, 20 November 2004; ECR 2004, I-8183], its judgment in the case *Estager SA v Receveur principal de la recette des douanes de**

(for example the principles applied in its resolution file s. PL. ÚS 6/98 of 24 June 1998 and analogously in the resolution file s. PL. ÚS 16/05 of 2 July 2008), as well as the Fifth Report of the European Commission of 16 July 2007 on practical preparations for the future enlargement of the euro area (COM/2007/0434). Materially, the umbrella law on the euro also takes into account particularly the current National Euro Changeover Plan for the Slovak Republic, which (including its updates) has been approved by the government of the Slovak Republic by its resolutions (the National Plan was approved by resolution No. 525/2007 of 6 July 2005 and the remaining updates by resolution No. 236/2008 of 16 April 2008).

The umbrella law on the euro contains three main groups of legislative regulations.

The first (*primary*) group is constituted by Section I, which contains general rules on preparations for the introduction of the euro and on the changeover to the euro in the Slovak Republic. The second group of regulations is included in an amendment to the Act on the National Bank of Slovakia (*Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended*), which constitutes Section II of the umbrella law, and which plays a key role in ensuring a full compatibility of the Slovak legal system with the European legal framework for the euro³. The third group of regulations is contained in attendant amendments to further 27 acts, which constitute Sections III to XXIX of the umbrella law, and which needed to be adjusted because of the preparations for the introduction of the euro and because of the euro changeover in the Slovak Republic.

The umbrella law on the euro (in Section I) contains a variety of provisions, for example it regulates issues related to the circulation of cash money and to non-cash money circulation (including rules for the exchange of banknotes and coins), regulates the rules and procedures for the redenomination and conversion of financial and asset values from the Slovak currency (*i.e. from Slovak korunas*) to euros, regulates the basic rules for dual display of prices, payments and other financial and asset values, regulates issues related to the change of the base interest rate of the central bank and to other reference interest rates, exchange rates and financial indices, but it also contains the basic regulation of the supervision and oversight of compliance with the rules and obligations during the introduction of the euro and during the changeover from the Slovak currency to the euro.

Basic terminology for the euro preparations and changeover

The basic terminology for the purpose of preparations for and changeover from the Slovak currency to the euro (*or the introduction of the euro*), including the whole dual display

Brive [judgement in case C-359/05 of 18 January 2007; OJ C56, 10 March 2007; ECR 2007, 1-581] and paragraph 2 of the operative part of the its judgment and paragraphs 57, 58 and 61 of the reasoning of its judgment in the case presstext Nachrichtenagentur GmbH v Republik Österreich (Bund), APA-OTS Originaltext – Service GmbH, APA Austria Presse Agentur registrierte Genossenschaft mit beschränkter Haftung [judgment in case C-454/06 of 19 June 2008; OJ C 209; 15 August 2008; ECR 2008, this judgment has not been published in the European Court reports (ECR) by the closing date of this publication]. Particularly the judgments of the Court of Justice of the EC in the case Verbraucher-Zentrale Hamburg and in the case Estager play a key role in the interpretation and application of EC/EU regulations related to the euro, above all for the interpretation and application of the basic principles governing the preparations for and changeover from the original national currency (which ceases to exist) to the common European euro currency. In terms of the system of the umbrella law on the euro, which has transposed to and integrated in the Slovak legal system in a precise way the content and elements of several provisions of binding legal acts of the EC/EU related to the euro, this also includes the judgment of the Court of Justice of the EC in the legally known case Variola [the judgment in case Fratelli Variola, S.p.A. v Amministrazione italiana delle finanze dello Stato C-34/73 of 10 October 1973, ECR 1973, 981], but also its judgment in the case Commission v Italian Republic [judgment in case C-272/83 of 28 March 1985; ECR 1985; 1057]. Judgments and some other documents of the Court of Justice of the EC are available also on the web sites <http://eur-lex.europa.eu> and <http://curia.europa.eu>.

period, are explicitly laid down by the provisions of Art. 1 (2) of the umbrella law on the euro. In addition to terms defined by EC/EU law, the umbrella law on the euro contains also relevant provisions of the legal acts of the EC/EU. These are the following terms:

Euro is the key term. It is the official name of the single European currency and of the currency unit in the whole euro area, as well as in participating third countries (Monaco, San Marino, and Vatican). The currency unit is one euro, which is subdivided into one hundred cents (eurocents) [Art. 2 of the regulation of the Council (EC) No. 974/98 of 3 May 1998 on the introduction of the euro and Art. 1 (2) a) of the umbrella law]. (Note: The term “euro” cannot be in all cases replaced by “euro currency”, since the euro is both the single European currency and the currency unit in the euro area and participating third countries.)

The name “euro” must remain unchanged without any adjustment in nominative singular in all languages of the European Union (EU), i.e. actually in all official or state languages of the EU Member States (taking into account the existence of various alphabets); instead of the name “cent”, however, other variants of the name can be also used in the EU Member States, including the term “euro cent” used also by Slovak legal regulations including the umbrella law on the euro [for example item 2 of the preamble to the regulation of the Council (EC) No. 874/98]. (Note: the two-line designation “EUROCENT” is also on all euro coins with a denomination of less than 1 euro.) Otherwise the use of the name “euro” is fully subject to the rules of the languages (whether official or state languages) of the EU Member States. According to the rules of standard Slovak, the word “euro” is written using lower case letters (except at the beginning of a sentence); the word is inflected and declined according to the paradigm “mesto” in the Slovak language. The expression “euro-“ can form the first part of standard-language compound words with a meaning related to the euro (for example “eurobankovky” – euro banknotes, “euromince” – euro coins, “europeniaze” – euro money, “euroúčet” – euro account), but there is also the standard-language adjective “eurový” derived from the noun (for example “eurové bankovky” – euro banknotes, “eurové mince” – euro coins, “eurové peniaze” – euro money, “eurový účet” – euro account).

At the same time it can be stated that the name “euro” is an analogy to the name “Slovak koruna” and also to the term “Slovak currency”, when it refers to monetary amounts or to cash or non-cash funds, since the Slovak koruna is also the Slovak currency until the changeover to the euro in Slovakia. [In particular Art. 15 of the Act on the National Bank of Slovakia in the wording effective until 31 December 2008]. (Note: By way of exception, the designation “euro currency” can be used as an analogy to the term “Slovak currency”, if the Slovak context requires it, for example in the collocation “the single European currency euro”.) The Slovak koruna has the official name abbreviation “Sk” laid down by law (until 31 December 2008), whereas the euro has no abbreviation laid down by law (because euro is a short name); the cent or eurocent also has no abbreviation laid down by law (similarly to the halier, which has no abbreviation laid down by law as opposed to the Slovak koruna). However, for the euro there is the graphical euro symbol “€”, which is an expression of the first letter of the word Europe and is inspired by the Greek letter epsilon as a reference to the Greek cradle of the European civilization (it is an analogy to the symbol “£” for the British pound and the symbol “\$” for the US dollar). In addition, there is the international alphabetic (letter) code “EUR” for the euro (the code is an analogy to the international alphabetic code “SKK” for the Slovak koruna), but there is also the international numerical code “978” (which is an analogy to the international numerical code “703” for the Slovak koruna).

It follows from the above that when stating monetary amounts in euros in texts of Slovak legal pieces of legislation (and in other official written material of public authorities) the declined name “euro” (with lower case letters) should be used by default. When stating monetary amounts in euros in Slovak legal regulations, the use of the euro symbol “€” (as well as the code “EUR” and the code “978”) should be reduced to minimum, basically only to more complicated formulas and to table-form statements and reports constituting

annexes with the legend. This would be a method analogous to the Slovak wording of the legal acts of the EC/EU published in the Official Journal of the EU, where the name “euro” is used when stating monetary amounts in euros by default.

In the private sphere, on the other hand, for example in advertising and other marketing during selling or other provision of products, goods, services, work and performance for a consideration, it is possible to use the name “euro” and the euro symbol “€” or the euro code “EUR” to designate monetary amounts in euros, so that the result be transparent, clear and unambiguous (even without significant typing errors) and thereby comprehensible for parties to mutual legal relations, in particular for the citizens and consumers. It is not very appropriate to use the numerical euro code “978” in relations with citizens and consumers due to its insufficient transparency and comprehensibility for laymen (which, however, has no impact on the use of the euro code “978” among professionally qualified entities, for example among financial institutions in their mutual relationships). It can be noted in this connection that standard Slovak as the state language has to be used also in financial documents, in information for the consumers (clients, customers) and in information for the public in Slovakia [*due to Article 8 of Act of National Council of the Slovak Republic No. 270/1995 Coll. on the state language of the Slovak Republic*].

The **euro area** is the regional area within the European Union comprising the participating member states of the European Union that have introduced the euro [*Article 1 (2)b of the umbrella law*]. The euro area is made up by the following member states of the European Union: Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovenia, and Spain, and from 1 January 2009 also Slovakia. The common monetary policy for the whole euro area is set by the European Central Bank. For the sake of completeness, it can be stated as an explanation that the euro area does not comprise participating third countries (Monaco, San Marino and Vatican), which have introduced the euro based on separate monetary agreements entered into with the European Community.

The **conversion rate** is the irrevocably fixed conversion rate of 1 euro = 30,1260 Slovak korunas, which is compulsory for the introduction of the euro in the Slovak Republic including the exchange of Slovak korunas against the euros from 1 January 2009, but based on the umbrella law on the euro it is already legally binding for the purposes of voluntary or compulsory performance of dual display before the introduction of the euro [*Article 1(2) c) and Article 18 (3) of the umbrella law and the regulation of the Council (EC) No. 694/2008*]. (Note: For the purposes of voluntary dual display, the conversion rate is legally binding from 24 July 2008, when the regulation on the conversion rate¹ was officially published in the Official Journal of the EU; for the purposes of compulsory dual display the conversion rate is legally binding from 24 August 2008, i.e. from the beginning of the period of compulsory dual display of prices, payments and other amounts.)

The European rules for the introduction of the euro [*Art. 4 (1) of Council Regulation (EC) No. 1103/97*] prescribe that the conversion rate for each original national currency is determined as one euro expressed in terms of the original national currency (i.e. in the case of Slovakia as one euro in terms of Slovak korunas, which are the Slovak currency). The conversion rate set for each original national currency must have a total of six valid digits (whether before or after the decimal point).

At the same time, the European rules for the introduction of the euro [*Art. 4 (2) of Council Regulation (EC) No. 1103/97*] prescribe that when performing mutual conversions between the euro and the original national currency (i.e. in the case of Slovakia when performing mutual conversions between the euro and Slovak korunas) the conversion rate cannot be rounded or truncated, i.e. the applied conversion rate must have all six valid digits. Unfortunately, the European rules prohibiting the truncation of the conversion rate are not perfect, because they do not allow for the possibility of conversion rate truncation even if the conversion rate contains just a mathematically (*in terms of the result*) insignificant zero as the last decimal after the decimal point, although leaving out

a zero constituting the last decimal after the decimal point would pose no risk during conversions and would have no impact neither on the accuracy of the conversion of the amounts from the original national currency to euros, nor on the accuracy of the check reconversions of amounts from euros to the original national currency. The conversion rate between the euro and Slovak korunas is just such a case (1 euro = 30.1260 Slovak korunas), where the last decimal place after the decimal point contains a mathematically (in terms of results) insignificant zero, so that a possible failure to display and to use the zero cannot influence the accuracy of the conversions and should not be considered and penalized as a substantial deficiency in the execution of the supervision.

The European rules for the introduction of the euro [Art. 4 (3) of Council Regulation (EC) No. 1103/97] also prescribe that no inversion rates (coefficients), the calculation of which is derived from the official conversion rate, can be used instead of the set conversion rate. The European rules prohibit the use of inversion rates (coefficients) calculated and derived from the official conversion rate, because the use of – even just partly – adjusted inversion rates in mutual conversions between the euro and the original national currency could ultimately lead to inadequate rounding and substantial inaccuracies in the conversions of amounts to euros, primarily for high amounts, but also for final amounts calculated by means of partial calculations from quantities or a basis with a low amount. Substantial inaccuracies could arise for example when using the adjusted inversion rate to calculate the end price from a higher number of units of measurement with a low unit price. Not even an accurately derived whole inversion rate (coefficient) of the original national currency against the euro can be used in conversions instead of the conversion rate of the euro against the original national currency. In the case of Slovakia, for example, this means that not even the following exactly derived entire inversion rates can be used in the conversions:

1 Slovak koruna = 0.033193918874062271791807740821881 euros;

10 haliers = 0.0033193918874062271791807740821881 euros,

1 halier = 0.00033193918874062271791807740821881 euros.

The **conversion rate adoption date** is Thursday, 24 July 2008, which is the date of the official publication (*promulgation*) of the regulation on the conversion rate of the euro against the Slovak koruna¹ in the Official Journal of the European Union, i.e. the date of official (legally binding) publication of the conversion rate in the Official Journal of the EU. The conversion rate adoption date is particularly decisive for the beginning of the period of compulsory simultaneous dual display of prices, payments and other amounts in Slovak korunas and in euros from Saturday 24 August 2008, i.e. exactly one month after the day of official publication of the regulation on the conversion rate in the Official Journal of the EU [Note: This solution has been laid down by Art. 1 (2)d) and Art. 18 (1) of the umbrella law based on rules for the calculation of set time periods under Art. 122 (2) of the Civil Code and on the irrefutable presumption about the knowledge of the regulation on the conversion rate of the euro against the Slovak koruna under Art. 2 (1) of Act No. 416/2004 Coll. on the Official Journal of the European Union.] It was appropriate, also due to recommendations of the European Commission and recommendations of Slovak institutions, to start voluntary dual display as early as possible after the approval of the conversion rate on 8 July 2008 and it was optimal to start the dual display at least from Friday 8 August 2008 (i.e. not later than one month after the approval of the conversion rate).

The **euro introduction date** is 1 January 2009. That day is the day of the adoption and introduction of the single euro currency in the Slovak Republic under EC/EU law and at the same time the day of changeover to the euro in cash circulation, as well as in non-cash circulation in the Slovak Republic [Art. 1 (2) e) of the umbrella law and Council Regulation¹ (EC) No. 963/2008]. This means that from the midnight between Wednesday 31 December 2008 and Thursday 1 January 2009 the single European currency will become

the official currency in the Slovak Republic instead of the hitherto Slovak currency (*i.e. Slovak korunas*). Euro banknotes and euro coins will become legal tenders for all cash money payments in Slovakia from the midnight between Wednesday 31 December 2008 and Thursday 1 January 2009 (*including all commemorative euro coins with the value of 2 euros, including collector's coins issued by the National Bank of Slovakia*), although Slovak banknotes and Slovak coins issued until then (*including commemorative Slovak coins*) will keep their position of a legal tender for cash money payments in Slovakia for a short time (*during the period of dual cash money circulation from 1 January 2009 to – and inclusive of – 16 January 2009*).

The **dual cash circulation period** is a short *period from (and inclusive of) Thursday 1 January 2009 to (and inclusive of) Friday 16 January 2009*, during which two types of cash will serve as legal tender for all cash payments in the Slovak Republic in their denominations, namely [Art. 1 (2) f) of the umbrella law] simultaneously:

- a) euro banknotes and euro coins
- b) Slovak banknotes and Slovak coins.

From the beginning of the dual cash circulation, euro banknotes and euro coins, including commemorative euro coins, which bear the denomination in euros or euro cents, and which were issued by the European Central Bank, the National Bank of Slovakia, at other places in the euro area or in participating third countries, as well as collector's euro coins, issued by the National Bank of Slovakia, will be legal tender in Slovakia. There are seven nominals of euro banknotes (5 euros, 10 euros, 20 euros, 50 euros, 100 euros, 200 euros and 500 euros); all of them serve as legal tender in the whole euro area and the individual nominals of euro banknotes depict elements of various architectonic styles and have a common design for all participating countries (*i.e. there are no national sides on the banknotes*). There are eight nominals of usual euro coins (1 euro cents, 2 euro cents, 5 euro cents, 10 euro cents, 20 euro cents, 50 euro cents, 1 euro and 2 euros), all of which are legal tender in the whole euro area, have a common design on their common (European) side and special graphic motifs on their national side. (*Note: The Slovak side of the usual euro coins will contain three graphic motifs, a double cross on three hills will be depicted on 1 euro and 2 euro coins, Bratislava Castle on 10, 20 and 50 euro cent coins and Kriváň on 1, 2 and 5 euro cent coins*). The commemorative euro coins have only the denomination of 2 euros, they all are legal tender in the whole euro area, have a standard single design on the common, European side, and a special, occasional graphic design on the other (*national*) side (*commemorative euro coins, however, cannot be confused or identified with collector's euro coins*). In addition, there are collector's euro coins issued by the National Bank of Slovakia, which, however, are legal tender only in Slovakia, are not primarily destined for circulation, have to have a denomination differing from the commemorative and circulation euro coins (since they cannot be exchanged) and have to differ from the commemorative and usual euro coins also by their form (*the collector's euro coins are made of precious metals by default*); collector's coins issued in other countries of the euro area shall be no legal tender in Slovakia. Basic information on the euro banknotes and euro coins is contained in Notification of the National Bank of Slovakia No. 308/2008 Coll. on the denominations, appearance, technical parameters, basic security features and other required elements of euro banknotes and euro coins issued and destined for the circulation of money in the euro area and in participating third countries. (*Note: The National Bank of Slovakia plans to issue the first collector's silver 10 euro coin in April 2009, the first 2 euro commemorative coin is issued by the National Bank of Slovakia in January 2009 for the 10th anniversary of the Economic and Monetary Union and the usual circulation euro coins issued by the National Bank of Slovakia are actually coined from 19 August 2007 and will be actually put into circulation only from 1 January 2009.*)

During the dual cash circulation, however, Slovak banknotes and Slovak coins, including commemorative Slovak coins, on which the denomination is given in Slovak korunas or haliers, which have been issued by the National Bank of Slovakia, and which were valid at the time of the introduction of the euro in Slovakia (*i.e. at midnight from 31*

December 2008 to 1 January 2009), will be legal tender in addition to euro money. Slovak banknotes have the denominations of 20 korunas, 50 korunas, 100 korunas, 200 korunas, 500 korunas, 1000 korunas and 5000 korunas and the valid denomination of the Slovak circulation coins is 50 haliers, 1 koruna, 2 korunas, 5 korunas and 10 korunas from 1 January 2004. The commemorative Slovak coins are made of precious metals and have denominations from 20 korunas to 10,000 korunas. (*Note: Commemorative Slovak coins made of precious metals are an analogy to the collector's euro coins, not an analogy to commemorative coins, which are primarily destined for the circulation of money, and which have no analogy among Slovak coins.*)

Asset values are all values (*including monetary amounts and prices*) that are expressed in money. The preparation for the introduction of the euro and changeover to the euro affects primarily values that are expressed in Slovak korunas, including haliers, prior to the introduction of the euro on 1 January 2009; but dual display after the introduction of the euro affects also values that are expressed in euros including euro cents. Asset values include contributions in kind and other funds, pecuniary claims, obligations and payments, real estates, apartments, non-residential premises, movable assets, equity securities, debt securities and other financial instruments, lots, duty stamps, postage stamps and other stamped stationery, tax labels and other official tokens of value, capital contributions, capital participations, insured sums and other proprietary rights and payment instruments expressed in monetary terms, as well as financially assessed prices of property, and other tangible or intangible financial or asset values expressed in monetary terms, including assets and liabilities expressed in monetary terms [*Art. 1 (2) g of the umbrella law*].

Unit prices are final prices for a kilogram, liter, meter, square meter, cubic meter of a product or a different unit of amount that is generally used at sale of particular products or provision of services, including price schedules, price tariffs and all other price components or other asset values, which are expressed in monetary terms, and which serve as quantities or basis for partial calculations or resulting conversions of final monetary amounts to be actually paid or accounted for [*Art. 1 (2)h of the umbrella law*]. Unit prices include for example unit prices of energy (electricity, gas, heat and domestic hot water), water-rates and sewage charges (drinking water and waste water), electronic communication services (above all charge pulses for telephone calls), fuels and propellants, as well as unit prices for other products, goods or services, which are normally sold, delivered and provided in higher quantities of units. Because the unit prices include elements serving as quantities or basis for partial calculations or resulting conversions of final monetary amounts to be actually paid or charged, the definition of unit prices in the umbrella law on the euro consistently takes into account the already mentioned judicial decisions of the Court of Justice of the EC related to the euro⁴ [*i.e. in particular his judgment in the case of the consumer association Verbraucher-Zentrale Hamburg and its judgment in the Estager case*].

The **dual display of prices, payments and other amounts** (hereinafter referred to as the “dual display”) is the display and stating of prices, payments and other amounts simultaneously in Slovak korunas (the Slovak currency) and in euros, solely in accordance with the whole conversion rate, rounding rules and other rules for the changeover to the euro [*Art. 1 (2) i and Art. 18 (3) of the umbrella law*]. The period of dual display of prices, payments and other amounts begins on Sunday 24 August 2008 (*i.e. exactly one month after the date of publication of the regulation on the conversion rate¹ in the Official Journal*) and it ends on Friday 1 January 2010 (*i.e. exactly one year after the day of the introduction of the euro*). For the dual display before the introduction of the euro on (*and inclusive of*) 1 January 2009, monetary amounts of prices, payments and other amounts stated in Slovak korunas (*including haliers*) are decisive and at the same time monetary amounts in euros (*including eurocents*) are stated for information purposes. For the dual display from the introduction of the euro on (*and inclusive of*) 1 January 2009, monetary amounts of prices, payments and other amounts stated in euros are decisive and at the same time monetary amounts in Slovak korunas are stated for information purposes. The dually displayed prices, payments and other amounts include the prices

of products, goods, drugs, energy, water, rent, services, performances, works and real estates, including insurance premiums, tariffs in the field of transport, posts, electronic communications and network industries, paid wages, salaries and other remunerations, allowances and compensations, insurance benefits, social insurance benefits, social security benefits, retirement pension benefits, and supplementary pension benefits, social assistance benefits, social support benefits, and other social benefits, taxes and fees, customs duties, fines and other monetary sanctions, including contractual sanctions and monetary damages, compensations for expropriation, and other monetary amounts, financial performances and asset values, including unit prices. The dual display of prices, payments and other values is obligatorily performed according to the basic rules laid down in the umbrella law on the euro and according to related detailed rules contained in separate legal provisions, above all decrees issued to implement the umbrella law on the euro². The purpose of the dual display of prices, payments and other amounts is to enable natural persons and legal persons a gradual preparation and adaptation to the assessment of the real value of income, expenditure, prices, payments and costs of living in euros based on dual display [Art. 1 (1) of the umbrella law]. The stating of commercial exchange rates for the purchase, sale or exchange of Slovak korunas for euros before the introduction of the euro, however, remains unaffected [Art. 18 (9) of the umbrella law].

Note: The Civil Code in its Art. 122 (2) regulates the calculation of prescribed periods of time in such a way that the ends of monthly prescribed periods of time and annual prescribed periods of time fall on the day whose number or name is identical with the day, on which the event decisive for the calculation of such prescribed periods of time falls. The period of compulsory dual display of prices, payments and other amounts starts on Sunday 24 August 2008, which is the one month, set by law, after Thursday 24 July 2008, on which the official publication of the regulation on the conversion rate of the euro against the Slovak koruna¹ in the Official Journal of the EU (i.e. the decisive event for the beginning of the period of compulsory dual display) falls. Analogously, the period of compulsory dual display of prices, payments and other amounts ends on Friday 1 January 2010, which is the one year, set by law, after Thursday 1 January 2009, on which the introduction of the euro in Slovakia (i.e. the decisive event for the calculation of the end of the period of compulsory dual display) falls.

Basic principles for the preparations for the changeover and the changeover to the euro

The Slovak umbrella law on the euro – based on the European legal framework for the euro³ and judicial decisions of the Court of Justice of the EC related to the euro⁴ – has explicitly laid down [in Art. 2 (1)] that, in principle, three mutually related and interconnected basic principles for the preparations for the changeover and the changeover from the Slovak currency to the euro (i.e. from the original national currency to the euro), which use to be designated in short only as the principles for the preparation for and changeover to the euro or principles of changeover to the euro, have to be applied in all relations in the process of changeover to the euro, including dual display. Their aim and purpose is to ensure and preserve continuity of relations, neutrality, transparency, balance and legal certainty for the citizens, consumers and other economic entities in connection with the changeover from the Slovak currency to the euro, to prevent misuse of the changeover to the euro for hiding the actual reasons for unpleasant changes as the pretended consequence of the changeover to the euro (above all to prevent the hiding of the actual reasons for increases in prices as the pretended result of the introduction of the euro), thereby ultimately protecting the confidence of citizens, consumers and other economic entities in the euro as the new currency in Slovakia (i.e. in the new participating member state of the euro area). These are the following three basic principles:

- A. **The principle of neutrality** in the exchange and conversion of money, prices, payments and other amounts from the Slovak currency (Slovak korunas) to the euros;

this principle uses to be called in short the principle of neutrality in the changeover to the euro or just the principle of neutrality (*or in the context of prices also the principle of price neutrality in the changeover to the euro*).

- B. The principle of continuity of legal relations** while respecting the principle of freedom of contract, without changing the real financial value of the subject of the existing legal relations, as well as without changing the entities, validity or other content of the existing legal relations, if the concerned parties to the respective legal relation do not agree otherwise, or if the umbrella law on the euro or a separate piece of legislation (*in line with the principle of neutrality*) does not stipulate otherwise; this principle uses to be called in short the principle of continuity of legal relations in the changeover to the euro, or just the principle of continuity of legal relations.
- C. The principle of protection of the economic interests of citizens and consumers** in the changeover to the euro; this principle uses to be called in short the principle of protection of citizens and consumers in the changeover to the euro, or the principle of protection of citizens and consumers, and sometimes just as the principle of consumer protection or as the principle of citizen protection.

The **principle of neutrality** in the changeover to the euro is a key and indispensable element for a continuous, smooth and balanced changeover from the original national currencies to the euro (for example the rounding rules). The principle of neutrality in the changeover to the euro means that the changeover from the original national currency (i.e. from the Slovak currency) to the euro is supposed to be financially and economically neutral in principle for all persons and other entities, in particular for citizens and consumers. At the same time, the principle of neutrality in the changeover to the euro means that for purposes related to the preparations for the changeover and the changeover to the euro (including dual display) conversions of all amounts (monetary data) from Slovak korunas to euros have to be performed as accurately as possible and without any influence on an increase in their real financial value and price level as a result of the changeover to the euro, so that the operation is basically only a technical operation without any substantial financial and economic impact on the existing legal relations, especially on the citizens and consumers, because the introduction of the euro as such does not represent a relevant economic reason for an increase in the price level and the real financial (*economic*) value of assets (*asset values*). Therefore conversions – in particular partial calculations and rounding – have to be performed with such a high degree of accuracy of the resulting conversions of the final amounts that the reasons related to the changeover to the euro both have no real influence on increases in prices (the price level) in the individual relations and have no real influence on a negative increase or negative decrease in the real financial (*economic*) value of payments or other property (*other asset values*) to the detriment of his holder or to the detriment of the recipient or payer of payments, above all if he is a citizen or another consumer.

For example for reasons related to the changeover to the euro, the seller of goods or provider of services can perform the conversion and rounding of his individual prices in such a way that he preserves the global price level of his prices in terms of the overall impact on all his consumers as a whole, but he would decrease some prices of individual goods or services in favour of consumers and at the same time increase some prices to the detriment of consumers. Furthermore, for reasons related to the changeover to the euro, the conversion and rounding of the total amounts and amounts of instalments of individual consumer credits cannot be performed in such a way that their real financial value increases to the detriment of consumers. Similarly, for reasons related to the changeover to the euro, neither the conversion and rounding of the nominal value of the individual contributions to the share capital (for example membership contributions to cooperatives), nor the conversion of the nominal value of the individual capital shares (e.g. the nominal value of joint stock company shares) must not be performed in such a way that their real nominal value is decreased to the detriment of the depositors of those deposits or to the detriment of the holders of such shares (e.g. to the detriment of the shareholders).

In mutual relations between two or more concerned parties to legal relation (persons), the principle of neutrality in the changeover to the euro does not hinder a party that is responsible for performing the conversion and rounding of an amount converted to euros from a voluntary unilateral rounding (adjustment) of the converted amount for the benefit of other affected parties to the legal relations in comparison with the general level of rounding of amounts converted to euros. As a rule, the favoured parties to the legal relation learn about their favouring (bonus) by means of an account statement, invoice, other accounting document or payment document, or by means of relevant notifications or publications of information, for example when performing conversions of the nominal values of share capital, nominal values of capital contributions and nominal values of securities. In connection with the preparations for and changeover to the euro, however, none of the concerned parties to the legal relation can perform a unilateral considerable rounding (adjustment) of the converted amount for his own benefit, but he can perform unilateral considerable rounding (adjustment) of the converted amount only for the benefit of another affected person (*or for the benefit of other affected persons*), primarily for the benefit of the citizens and consumers. For example, the seller of goods or provider of services can voluntarily and unilaterally round (adjust) a price or unit price converted to euros downwards for the benefit of consumers and other customers (clients), for example to full euro cents or to whole fives (*groups of five; five folds*), tens or fifties of euro cents (*similarly to the situation until now where many prices of individual items are set only to whole fifties of haliers, or – if applicable - to whole korunas or multiples of korunas, when selling goods and providing services*).

For the sake of completeness, however, it should be noted at the same time that an absolute prohibition to increase prices (i.e. a price freeze) does not apply during the preparation and changeover to the euro, but an absolute prohibition to increase taxes, fees or other payments (for example local taxes and local fees) does not apply either. However, a possible increase in prices, local taxes, fees or other payments cannot be performed under the pretext of changeover to the euro, i.e. they cannot be increased for reasons related to the changeover to the euro (and for reasons of a conversion and rounding of amounts in the changeover to the euro), but their increase is allowed only for reasons not related to the changeover to the euro. The true reasons of increases in prices, local taxes, fees or other payments must be transparent and must enable a clear differentiation of the reasons of increase from circumstances related to the changeover to the euro, including a clear differentiability of the reasons of the increase from the conversion and rounding of amounts from Slovak korunas to euros according to the conversion rate.

In this connection, the umbrella law on the euro [*in Art. 23 (1)*] explicitly lays down that prices, including unit prices, and fees or other financial performances, must not be increased on the grounds of costs and expenses related to the introduction of the euro, and, if applicable, no special fees, bonuses or other performances for the reimbursement of costs related to the introduction of the euro, including costs related to the conversion of asset values from Slovak korunas to euros, must not be required. Costs and expenses related to the introduction of the euro include also costs and expenses for the preparation for the introduction of the euro, i.e. prices must not be increased on the grounds of costs and expenses for the preparations for the introduction of the euro. The preparations for the introduction of the euro and the introduction of the euro, however, by no means affect a possible increase in prices for reasons unrelated to the introduction of the euro (including the preparation for the introduction of the euro). If an entrepreneur increases the prices of goods and services (*for example even at the euro introduction date*) for reasons unrelated to the introduction of the euro (including the preparations for the introduction of the euro), the possible increase in prices has to comply with obligations of the entrepreneur towards his trade partners including consumers. The actual reasons for the increase in prices, however, must be transparent and must enable a clear differentiation of the reasons of increases in prices from circumstances related to the changeover to the euro, above all they have to enable a clear differentiability of the increase in prices from the conversion and rounding of prices from Slovak korunas to euros according to the conversion rate and rounded according to the rules for rounding.

At the same time, the umbrella law on the euro [*in Art. 2 (4) in the second sentence*] explicitly lays down that rounding some final amounts in euros to more than the nearest euro cent can be provided for by a separate piece of legislation also during the changeover to the euro for reasons of ensuring legal certainty and transparency of the final amounts. However, in the legal regulations on higher rounding of some final amounts in euros the basic principles for the preparations for and changeover to the euro have to be complied with in a particularly careful way, because legal regulations are issued by the state, represented by the appropriate public authorities, in a directive way. Consequently, if for reasons related to the changeover to the euro rounding of some final amounts in euros to more than the nearest cent is performed by a separate piece of legislation, this rounding has primarily to comply with the principle of neutrality and the higher (more considerable) rounding can be performed only for the benefit of the persons concerned (not for the benefit of the state budget or another type of general government budget); at the same time, a balanced approach to all groups of persons concerned has to be applied, above all, however, the citizens and consumers have to be protected. That means that in the case of rounding of the final amounts that represent or can represent income of the persons concerned more considerable rounding could be performed only upward for the benefit of the persons concerned, but by contrast in the case of rounding of final amounts that represent or can represent expenses of persons concerned more considerable rounding could be performed only downwards for the benefit of the persons concerned (for example conversion and setting of local taxes in euros by a generally binding regulation of a municipality issued in connection with the changeover to the euro). If, however, for reasons unrelated to the changeover to the euro, higher rounding of some final amounts in euros than to the nearest euro cent is performed, more considerable rounding of the final amounts, which represent or can represent expenses of persons concerned even to the detriment of such persons (whether upward or downward), is possible within such rounding, but legal certainty and transparency of the more considerable rounding of final amounts for reasons unrelated to the changeover to the euro has to be ensured clearly in the process. Thus provisions of the respective pieces of legislation (*at least, however, the explanatory reports forming part of legislative materials*) must transparently contain the reasons unrelated to the changeover to the euro, for which the more considerable rounding (i.e. increase or decrease) of the final amounts to the detriment of the persons concerned is performed, and the scope, in which that more considerable rounding is performed; at the same time, the reasons unrelated to the changeover to the euro must be clearly differentiated, so that these reasons do not meld or are identified with the conversion of the appropriate amount to the euros as a result of the changeover to the euro.

The **principle of continuity of legal relations** in the changeover to the euro is a key and indispensable element for the preservation of legal certainty, transparency, comprehensibility and stability in contractual relations and other legal relations during the changeover to the euro and at the same time for the elimination of uncertainty and prevention of failure to comply with legal relations under the veil of changeover to the euro. The principle of continuity of legal relations in the changeover to the euro means that the changeover to the euro is supposed to be performed without a substantial impact on all the existing contractual relationships and other legal relations, above all without impact on the existing legal relations of citizens and consumers. In general, the changeover to the euro as such has no impact on the validity and continuity of contracts and other legal means, and on the validity and continuity of contractual relationships or other legal relations, but at the same time the changeover to the euro as such, in general, does not deprive the parties to legal relations of their claims, rights, duties and obligations (debts) from legal relations, and it does not provide any party to a legal relation with the right to unilaterally violate, change, give notice to terminate or otherwise terminate the existing legal relations for reasons related to the changeover to the euro; the changeover to the euro, however, does not affect the right of the parties to legal relations to agree on changes in their mutual legal relations. Therefore the principle of continuity in legal relations in the changeover to the euro means that as a result of the changeover to the euro the existing legal relations will be preserved and remain without any changes in their conditions and other content with the exception of indispensable adaptation of legal relations to objectively

changed external circumstances, which are the consequence of cessation of the existence and of replacement of the Slovak koruna (i.e. the original national currency) in the changeover to the euro including the consequences of the cessation of the existence of the financial reference parameters (reference interest rates, exchange rates and financial indices) derived from the original Slovak currency (ceasing to exist) or from transactions in the original Slovak currency (ceasing to exist). The changeover to the euro will have (has) the following consequences on the existing legal relations:

As from the beginning of the year 2009 (1 January 2009) a changeover from the Slovak currency to the euro takes place in cash and non-cash circulation in Slovakia; the hitherto Slovak currency ceases to exist and Slovak korunas will be replaced by euros according to the conversion rate.

Existing legal relations and legal resources, in which amounts in Slovak korunas are used, and which will also exist after 1 January 2009, also have to cope with and adapt to the changeover from the Slovak currency to the euro according to the conversion rate from the beginning of 2009. Therefore, from 1 January 2009 onwards, amounts in Slovak korunas are considered amounts in euros in the existing legal relations and legal means from 1 January 2009 after the amount have been converted according to the conversion rate (1 euro = 30.1260 Slovak korunas) and rounded according to the rules for rounding.

As a result of the changeover to the euro, the object of transactions in Slovak korunas and euros will cease to exist as from the beginning of 2009 and it will not be possible and valid to enter into new mutual trades (*purchases, sales, exchanges and other financial operations*) between Slovak korunas and euros. However, it will be possible to continue transactions in other foreign exchange values (foreign currencies), the position of domestic currency being occupied by the euro instead of the Slovak koruna now. Put into concrete terms, from the beginning of 2009, foreign currency exchange operations consisting in purchases and sales of Slovak korunas for euros and vice versa will be discontinued. At the same time, foreign exchange operations will be not be made up of purchases and sales of foreign currency funds for Slovak korunas and vice versa anymore from the beginning of 2009, but the foreign exchange operations will be made up of purchases and sales of foreign currency funds for euros and vice versa.

Moreover, as from the beginning of 2009, the base interest rate of the National Bank of Slovakia (*the former discount rate of the National Bank of Slovakia*), exchange rates of the Slovak currency against foreign currencies, as well as financial reference parameters (reference interest rates or financial indices) derived from interest rates or other financial parameters in transactions in Slovak currency funds in the money market of banks in the Slovak Republic, for example the reference interest rates SKONIA, BRIBOR or BRIBID, will cease to exist. Because those financial parameters will cease to exist at the beginning of 2009, all legal relations and remedies that use those financial parameters and will also exist following 1 January 2009 will have to cope with and to adapt to that.

Where the term base interest rate of the National Bank of Slovakia has been used, the term will be considered to be the base interest rate of the European Central Bank, which is set by the European Central Bank and published for operations performed by the Eurosystem within the European System of Central Banks, from 1 January 2009. The base interest rate of the European Central Bank is to be considered to be the interest rate on the main refinancing operations, because the main refinancing operations are the key trades performed by the Eurosystem [*part 3.1.2 of Annex 1 to the Guideline of the European Central Bank No. ECB/2000/7 (2000/776/EC) of 31 August 2000 on monetary policy instruments and procedures of the Eurosystem as amended*]. Where reference exchange rates of the Slovak koruna against foreign currencies, set and announced by the National Bank of Slovakia, or other exchange rates of the Slovak koruna against foreign currencies are used (for example exchange rates of commercial bank entities), in general from 1 January 2009 those exchange rates are considered to be the reference exchange rates of the euro against foreign currencies, set and announced by the European Central Bank,

or reference exchange rates of the euro against foreign currencies, set and announced by the National Bank of Slovakia (*in the case of foreign currencies, for which the European Central Bank does not set and announce reference exchange rates*), or, if applicable, other relevant exchange rates of the euro against foreign currencies (for example the exchange rates of commercial bank entities). Where reference interest rates or financial indices derived from interest rates or other parameters in transactions in Slovak currency funds in the Slovak interbank money market (*for example the reference interest rates SKONIA, BRIBOR or BRIBID*) are used, from 1 January 2009, these interest rates are deemed to be the corresponding reference interest rates EONIA, EURIBOR or EURIBID with the corresponding maturity period, or other relevant reference rates and financial indices derived from the interest rates or other parameters in transactions in euro funds in the euro area interbank money market.

The above mentioned changes in financial parameters (*reference interest rates, exchange rates and financial indices*) from the changeover to the euro on 1 January 2009, however, have no influence on elements of legal relations, for which financial parameters (reference interest rates, exchange rates and financial indices) from the time before the changeover to the euro on 1 January 2009 are decisive even after the changeover to the euro. The above mentioned changes in financial parameters from the changeover to the euro on 1 January 2009 also have no impact on the completion of legal relations that began prior to the changeover to the euro on 1 January 2009 and that will end only after the introduction of the euro on 1 January 2009; financial parameters from the time before 1 January 2009 (i.e. from the time before the introduction of the euro) are decisive for these legal relations even after the changeover to the euro. These are primarily various forward transactions with fixed (*firmly agreed*) financial parameters for the period that started to run prior to the changeover to the euro on 1 January 2009 and that will expire only after the changeover to the euro on 1 January 2009. For example, due to a change in the base interest rate from the changeover to the euro on 1 January 2009, the previously agreed fixed interest rates on loans or deposits will not change during the whole fixation period, which started prior to 1 January 2009, and will end only after the introduction of the euro on 1 January 2009.

However, in connection with the principle of continuity of legal relations, it has to be emphasized that the principle of continuity of legal relations in the changeover to the euro laid down by law, explicitly complies with the freedom of contract principle (*liberty of contract*) of the parties to the individual legal relations affected by the changeover to the euro. This freedom of contract principle means that the parties to the individual legal relations affected by the changeover to the euro can freely agree in advance upon any changes (*different stipulations*) of their legal relation other than just adapting (*modifying*) the legal relation in the changeover to the euro according to the principle of continuity of legal relations. In the process, however, the freedom of contract cannot be misused to mislead other parties to the individual legal relations and to unilaterally put across unfavourable changes in the legal relation to the detriment of the other parties to the individual legal relations, and in violation of the principle of neutrality, the principle of continuity of legal relations and the principle of protection of citizens and consumers in the changeover to the euro (for example manipulative putting through of a unilaterally unfavourable change in the price or unit price to the detriment of citizens or consumers). In the same vein, this may not introduce changes to the legal relation that would contradict the law, circumvent the law, or violate other legal obligations or good morals. For example, the contracting parties can agree in advance upon a mutually balanced settlement and termination of their legal relations as at 1 January 2009, and they can, if applicable, agree in advance upon a mutually balanced change in their legal relation in such a way that the monetary amount is converted from Slovak korunas to a currency other than the euro from 31 December 2008 onwards according to an adequate exchange rate.

The changeover to the euro has no impact on financial parameters and conditions in the existing legal relations, for which it is not necessary to adapt them to the objectively changed external circumstances as a result of the cessation of the existence and replace-

ment of the hitherto Slovak currency in the changeover to the euro. For example the changeover to the euro has no impact on the agreed maturity periods or due dates of loans and loan instalments or on the agreed length of the time of deposition of term deposits. Of course, not even in such cases the liberty of contract of the contracting parties is affected; they can agree upon any mutually balance and legal change in the conditions and content of their legal obligations.

The **principle of protection of citizens and consumers** means that the economic interests of the citizens and consumes have to be taken into consideration in the whole process of preparations for the changeover to the euro. Therefore, the principle of protection of citizens and consumers is also an important supplementary criterion in the application of other principles for the preparations for and changeover to the euro (above all the principle of neutrality, principle of continuity of legal relations and principles for the rounding of amounts in the changeover to the euro), which have to applied preferentially in favour of citizens and consumers even in exceptional situations where their application either for the benefits of the citizens and consumers, or for the benefit of other persons and entities comes into consideration. Heed to the protection of citizens and consumers has to be paid particularly in the conversion and rounding of the final amounts (including prices) and other amounts (including unit prices) from Slovak korunas to euros, because the amounts in euros converted and rounded from the original amounts in Slovak korunas according to the conversion rate (1 euro = 30.1260 Slovak korunas) will be completely different in terms of numerical representation from the original amounts in Slovak korunas. For some groups of citizens and consumers, this will temporarily substantially complicate the assessment whether the amounts converted and rounded from Slovak korunas to euros or vice versa are advantageous or disadvantageous, above all the assessment of whether the prices and unit prices of the individual prices of goods and services in euros are advantageous or disadvantageous. The supervision and oversight of compliance with duties related to dual display and the conversion and rounding of amounts from Slovak korunas to euros and introduced in order to prevent a misuse of the temporarily deteriorated comprehension of the citizens and consumers in assessing whether the amounts in Slovak korunas and euros are advantageous to a change in the final amounts and other amounts to the detriment of the citizens and consumers, hidden by reasons related to the preparations for and changeover to the euro, for example for an unjustified increase in some prices and unit prices of goods and services. Within citizen and consumer protection, it is also very important that the citizens and consumers be informed to a sufficient extent, in time and in a correct way of any matters related to them within the preparations for and changeover to the euro.

In this connection, the fact has to be pointed out that the protection of citizens and consumers not only belongs to the objectives pursued by the European legal framework on the euro³, but overall it is one of the objectives pursued by the law of the European Communities (EC) and the law of the European Union. One of the central objectives applied in the European Union is the principle of protection of weaker parties to legal relations or of weaker contracting parties. Typical weaker parties to legal relations are usually the consumers (clients, customers) with respect to producers, sellers or providers of goods and services, but also citizens as minority shareholders within a business entity (*for example minority shareholders in joint stock companies, partners or members*) with respect to the business entity (*for example with respect to a commercial partnership or cooperative*) or with respect to the management of the business entity and with respect to the person having majority control of the business entity (*for example with respect to a majority shareholder in a joint stock company, a partner or member*), because, as a rule, the citizens and consumers, as the typically weaker parties, do not have such a strong and influential negotiating position as a producer, seller and provider of goods and services or as a business entity (for example as a commercial partnership or cooperative) or as the person controlling the business entity, or they do not even have sufficient (comparable) information, knowledge and experience for an equal duel and equal negotiations with professional entrepreneurs.

Principles for the conversion and rounding of amounts in the preparations for and changeover to the euro

The Slovak umbrella law on the euro – *based on the European legal framework for the euro*³ and *judicial decisions of the Court of Justice of the EC related to the euro*⁴ – separately regulates [especially in Art. 2 (2) to (7), Art. 18 (3), (9) and (10) and Art. 24 (5)] the general principles for conversions and for the rounding of the final amounts and other amounts from Slovak korunas to euros, which are performed for the purposes of preparations for and the actual changeover from the Slovak currency to the euro (*or introduction to the euro*) including the whole period of dual display.

In connection with the principles for the conversions and rounding of amounts from Slovak korunas to euros, it should be noted that the umbrella law on the euro – *based on judicial decisions of the Court of Justice of the EC related to the euro*⁴ – differentiates, to a certain extent, between the final amounts and other amounts. In general, the same principles for the conversion and rounding from Slovak korunas to euros are laid down for the final amounts and most other amounts [Art. 2 (2) and (7) of the umbrella law] in such a way that for a part of other amounts (for unit prices) there are separate provisions mainly on the number of decimal places and on the rounding during the conversion from Slovak korunas to euros.

The **final amounts** are amounts expressed in terms of money that are to be actually paid or accounted for, in particular final amounts accounted for in statements of account or final amounts of a price, payment or other value stated in invoices, other accounting documents or payment documents [Art. 2 (3) and Art. 18 (6) of the umbrella law]. For example, the final amounts include final amounts stated in statements of account kept by financial institution (particularly the final amounts in statements of bank accounts or statements of asset accounts for securities), final amounts stated in passbooks or other securities, as well as final amounts of the wage or salary paid directly to an employee or transferred to a bank account set by him. The final amounts also include the final prices of products, goods, services or works stated in invoices, contracts, payment or wage vouchers, cash vouchers from electronic cash registers, receipts for cash payments (sale slips) or other payment documents or other accounting documents.

Amounts other than final amounts are all amounts expressed in terms of money that are no final amounts. Amounts other than final amounts include above all unit prices, as well as all amounts set by valid regulations only as the upper or lower thresholds or limits of certain rates, acts or activities (“*thresholds*”). For example the minimum possible nominal value of some types of securities (e.g. bonds) is a lower threshold. Similarly, these can be the upper or lower limits of the rates of penalties (sanctions) for some misdemeanours or administrative faults (*including the limit rates of some penalties for the violation of the rules on the conversion, rounding and dual display of amounts during the preparations for and changeover to the euro*).

The **unit prices** are a particularly important group of amounts other than final amounts, because the unit prices – *as already mentioned above* – are units of measurement of quantity and all further elements of prices or other asset values that are expressed in money and serve as quantities or basis for partial calculations or resulting conversions of final amounts [particularly Art. 1 (2) h) and Art. 2 (5) of the umbrella law, as well as parts of this publication regarding the term unit prices]. Because the unit prices serve as quantities or basis for partial calculations or resulting conversions of final amounts, they represent the decisive element of the final amounts, which are, in general, calculated as the unit price (*final price for a unit of measurement of quantity*) times the measuring quantity of the respective product, service or other measurable value. Correct conversions of unit prices from Slovak korunas to euros are thus a virtually indispensable condition and prerequisite for correct conversions of final amounts from Slovak korunas to euros. Incorrect conversions of final amounts, on the other hand, would naturally lead to incorrect conversions of final amounts.

The **general principle for conversions of amounts** from Slovak korunas to euros for purposes related to the preparation for the changeover and the changeover from the Slovak currency to the euro, including dual display, is the performing of conversions only according to the conversion rate, a possible failure to use the conversion rate for such conversions being sanctionable [Art. 2 (2) and (7), Art. 18 (3) and Art. 20 of the umbrella law].

The umbrella law on the euro lays down this general rule in such a way that for the purposes connected with preparation for the changeover and the changeover to the euro, including dual display, conversions and exchanges of all amounts from the Slovak korunas to the euros will be obligatorily performed only according to the conversion rate, rounding rules and other rules adopted for the changeover to the euro [*first sentence of Art. 2 (2) of the umbrella law*]. The conversions and rounding of all amounts from Slovak korunas (*including haliers*) to euros (*including euro cents*) have to be performed in such a way that partial calculations and resulting conversions of final financial amounts (including prices) as well as other amounts (including unit prices) from the Slovak korunas to euros are as accurate as possible and have no impact on an increase in their real financial value and price level in consequence of the preparation for the changeover and the changeover from the Slovak currency to the euro [*second sentence of Art. 2 (2) of the umbrella law*].

A correct performing of conversions and rounding of final amounts (including prices) and of other amounts (including unit prices) from Slovak korunas to euros is extraordinarily important and relevant due to the differing real value of the Slovak koruna and euro, which is also reflected by the conversion rate of 1 euro = 30.126 Slovak korunas. Amounts in euros converted and rounded from original amounts in Slovak korunas according to the conversion rate (*1 euro = 30.126 Slovak korunas*) are completely different numerically than the original (*converted*) amounts in Slovak korunas. In purely numerical terms, the amounts in Slovak korunas represent almost one thirtieth (i.e. a fraction) of the equivalent amount in euros and at the same time the amounts in euros are thirty times the equivalent amount in Slovak korunas. Thus, during each conversion according to the conversion rate from Slovak korunas to euros and vice versa, there will be a numerical shift by one to two mathematical digits, i.e. tens of korunas will be changed to tens of euros or even just to single-digit euros, thousands of korunas will be changed to hundreds of euros or even just to tens of euros, ten thousands of korunas will be changed to thousands of euros or even just hundreds of euros, hundred thousands of korunas will be changed to ten thousands of euros or even just thousands of euros, millions of korunas will be changed to hundred thousand euros or even just ten thousand euros... For example according to the conversion rate, each amount until 30 haliers is less than 1 euro cent (*i.e. any amount of up to 30 haliers is less than one hundredth of an euro and during conversions it becomes visible only on the third or even fourth decimal euro place*), each amount of up to 3 korunas is less than 10 euro cents, each amount of up to 30 Slovak korunas is less than 1 euro, each amount of up to 300 Slovak korunas is less than 10 euros, each amount of up to 3000 Slovak korunas is less than 100 euros and each amount of up to 30,000 Slovak korunas is less than 1000 euros. According to the conversion rate, by contrast, each amount above 1 euro cent is more than 30 haliers, each amount above 10 euro cents is more than 3 korunas, each amount above 1 euro is more than 30 korunas, each amount above 10 euros is more than 300 korunas, each amount above 100 euros is more than 3000 korunas and each amount above 1000 euros is more than 30,000 korunas. These facts have to be remembered during each assessment of whether the amounts converted and rounded from Slovak korunas to euros or vice versa are advantageous or disadvantageous, particularly when assessing the level of prices and unit prices, but also, for example, when assessing the level of a possible service charge or tip (*every 10 euro cents are approximately 3 korunas*).

The principles for the rounding of converted amounts from Slovak korunas to euros for purposes related to the preparation for the changeover and the changeover to the euro, including dual display, are contained primarily in the provisions Art. 2 (3) to (7) and Art.18 (3) of the umbrella law on the euro.

In connection with the rounding rules it should be stated in general that rounding means the adjustment of the calculated amount (*in the case of changeover to the euro the adjustment consists in adjusting the amount converted to euros according to the conversion rate*) in such a way that the result of the rounding is a shortening (“simplification”) of the rounded amount and removal (elimination; “turning to naught”) of all significant digits that were situated only after the place, on which the rounding becomes visible. When rounding up, the resulting rounded amount is partly higher (however, never lower) than the amount before the rounding and at the same time when rounding down the resulting amount is partly lower (however, never higher) than the amount before the rounding.

In general, the **rounding of final amounts as well as other amounts (except unit prices)** is performed to two decimal places to the nearest euro cent [*Art. 2 (3) of the umbrella law*] when converting them from Slovak korunas to euros according to the conversion rate. The total calculated remainder of the final amount, which is lower than one half of one euro cent (i.e. lower than 0.005 euros) is rounded down to the nearest euro cent and the total calculated remainder of the final amount, which equals to or is higher than one half of one euro cent (i.e. equal to or greater than 0.005 euros) is rounded up to the nearest euro cent.

Final amounts representing revenues of the state budget or another type of general government budget shall be preferentially rounded down in favour of the persons obligated to make the respective payments (i.e. particularly in favour of citizens or other private entities), unless a separate legal provision stipulates otherwise in accordance with the basic principles for the preparations for and changeover to the euro [*last sentence of Art. 2 (3) in connection with Art. 2 (1) of the umbrella law*]. Final amounts representing expenditures of the state budget or another type of general government budget shall be preferentially rounded up in favour of the authorized beneficiaries of those payments, unless a separate legal provision stipulates otherwise in accordance with the basic principles for the preparations for and changeover to the euro [*last sentence of Art. 2 (3) in connection with Art. 2 (1) of the umbrella law*].

However, in accordance with the basic principles for the preparations for and changeover to the euro (*in particular the principle of neutrality*), the party to the legal regulation can voluntarily unilaterally perform for the benefit of the other parties to the legal relation even a more considerable rounding (adjustment) of the converted final amount in euros, particularly it is allowed to voluntarily unilaterally perform a more considerable rounding of the converted final amount in euros for the benefit of citizens and consumers (*due to the principle of protection of citizens and consumers*). For example, a seller of goods or provider of services can voluntarily unilaterally round down (adjust) the final price in euros to fives or tens of euro cents for the benefit of citizens and consumers.

However, in accordance with the basic principles for the preparations for and changeover to the euro (*in particular the principle of neutrality*) and in the interests of ensuring legal certainty and transparency of the final amounts in the changeover to the euro from the Slovak currency, separate legal provisions can regulate or do regulate the performing of rounding of some final amounts in euros that is higher than to the nearest euro cent [*Art. 2 (1) and (4) of the umbrella law and the part of this publication concerning the principle of neutrality during the changeover to the euro*]. For example Art. 116 (8) and Art. 293ar (1) of the Social Insurance Act (*Act. No. 461/2003 Coll. as amended by items 3 and 8 of Article XVII of the umbrella law*) lays down that benefits provided and paid according to the Social Insurance Act (*i.e. old-age benefits, work incapacity benefits, injury insurance benefits, guarantee insurance benefits and unemployment benefits*) will be converted from Slovak korunas to euros according to the conversion rate and will be rounded up to the nearest 10 euro cents (*i.e. they will not be rounded mathematically*). Thus, if the result of a conversion of a benefit from Slovak korunas to euros according to the conversion rate is an amount of 369.600128 euros, the result of the prescribed rounding up to the nearest 10 euro cents cannot be an adjustment of 369.600128 euros to 369.60 euros, but the prescribed rounding up to the nearest 10 euro cents can only result in an amount of 369.70 euros.

In accordance with the basic principles for the preparations for and changeover to the euro (*in particular, the principle of neutrality*) and in the interests of achieving a sufficient degree of accuracy of the conversions during the conversion from the Slovak currency to the euro, the umbrella law on the euro and separate legal provisions can regulate or do regulate the performance of conversions of some non-cash final amounts to equivalent final amounts with a higher number of decimal places and a higher degree of accuracy than to then nearest euro cent [Art. 2 (1) and (4) of the umbrella law as well as the part of this publication concerning the principle of neutrality during the changeover to the euro].

For example Art. 41 (8) of the Collective Investment Act (*Act No. 594/2003 Coll. as amended by item 4 of Section IX of the umbrella law*) prescribes that the initial value of a share in a mutual fund and the current price of a fund unit is calculated and expressed with an accuracy of four decimal places in Slovak korunas and with an accuracy of six decimal places in euros. Article 75 (2) of the Act on Retirement Pension Saving (*Act No. 43/2004 Coll. as amended by item 2 of Section XV of the umbrella law*) prescribes that the value of a pension unit in euros is determined and expressed with an accuracy of six decimal places.

Similarly, the umbrella law on the euro (*first sentence of Art. 11 (2), first sentence of Art. 11 (3), Art. 12 (7), Art. 13 (4) and Art. 15 (8) and (9)*) and two decrees to implement the law² (*Decree of the NBS No. 240/2008 Coll. and Decree of the Ministry of Justice of the Slovak Republic No. 246/2008 Coll.*) lay down that the nominal value of share capital of legal persons (*particularly that of the share capital of commercial partnerships and cooperatives including the equity capital of state-owned enterprises and endowment capital of foundations*), the nominal value of contributions constituting interests in the share capital of legal persons and the nominal value of equity securities (above all shares, temporary share certificates and cooperative shares with the exception of fund units) is converted and rounded from Slovak korunas to euros to a maximum of six decimal places and in the case of rounding down at least to two decimal places; when rounding up, however, the nominal value of share capital and the nominal value of contributions constituting interests in the share capital (*including shares and temporary share certificates*) can be rounded up to the nearest whole euro.

As can be seen from the above, the general principle for the rounding of final amounts (to the nearest euro cent) not only enables the existence of deviations from the general principle, but there are also some deviations for the rounding of final amounts in some specific situations. At the same time, one has to realize that during a concrete rounding of final amounts in individual cases, the basic principles for the preparations for and changeover to the euro have to be adhered to, the ultimate aim and purpose of which is to support the confidence of the citizens, consumers and other economic entities in the euro as the new currency in Slovakia.

The way of rounding of the final amounts converted from Slovak korunas to euros (*i.e. in principle to the nearest euro cent*) **is the same as the way of rounding of all other amounts converted from Slovak korunas to euros, with the exception of unit prices** converted from Slovak korunas to euros, the rounding of which is regulated separately, because the unit prices serve for partial calculations and resulting conversions of final amounts, which should be as accurate as possible [Art. 2 (7) in connection with Art. 2 (2) to (6) and Art. 24 (5) of the umbrella law].

Amounts other than final amounts include for example various money sums, money bases and various other monetary amounts, which are stipulated in legal regulations, and the level of which has been set, limited or has to be rounded to whole haliers, to multiples of whole haliers, to whole Slovak korunas or to multiples of whole Slovak korunas. Conversions and rounding of those sums or other amounts from Slovak korunas (including haliers) to euros are generally regulated in such a way that from 1 January 2009 (*i.e. from the introduction of the euro*) these sums are considered to be corresponding sums, money bases or other corresponding monetary amounts converted according to the conversion

rate and rounded to two decimal places to the nearest euro cent. However, in accordance with the basic principles for the preparations for and changeover to the euro, the deviations for the rounding of some rates or other money sums can be regulated by separate regulations including separate implementing regulations (decrees) issued by virtue of the empowering provisions of the umbrella law on the euro [Art. 16 (2) to (4) and Art. 18 (10) of the umbrella law]. For example, the implementing decree of the Ministry of Labour (Decree No. 251/2008 Coll.) stipulates in Art. 8 that the amount of an average hourly wage ascertained from the wage in Slovak korunas, which has been posted for payment in the last quarter of 2008, shall be rounded to four decimal places after conversion to euros at the conversion rate.

Overall, the said facts on conversions and rounding of final amounts and other amounts from Slovak korunas to euros mean that in general the final amounts (including prices) and other amounts converted according to the conversion rate are mathematically rounded to euro cents (*except for separately regulated specific cases*). However, payments from the private sector (including payments from citizens) to the public sector should be preferentially rounded down, but payments from the public sector to the private sector (including payments for citizens) should be preferentially rounded up.

For the sake of completeness, it can be noted that during the changeover to the euro provisions of the Act on Prices and provisions of the Act on the Payment System, which stipulate that the total final amounts are rounded to the nominal value of the lowest valid coin during cash payments of prices and during cash monetary payments in payments transactions, are not applicable to the rounding of the total final amounts in euros, which are to be actually paid or accounted for [Art. 23 (2) of the umbrella law, Art. 3 (4) of Act of the National Council of the Slovak Republic No. 18/1996 Coll. on prices as amended and Art. 74 of Act No. 510/2002 Coll. on the payment system]. This rule has been laid down only for reasons of caution, but ultimately it would not lead to results differing from the rounding of cash final amounts according to the rules of rounding during the changeover to the euro, because the lowest valid coin in Slovakia will be one euro cent even during the period of dual cash circulation.

The **unit prices are not subject to compulsory rounding** after their conversion from Slovak korunas to euros, except several selected unit prices, which are subject to compulsory rounding according to separate legal provisions [Art. 2 (5) of the umbrella law and Art. 5 of Decree of the Ministry of the Economy² No. 97/2008 Coll.]. The umbrella law on the euro in general does not impose compulsory rounding (*predominantly mathematical rounding*) on the last prescribed decimal of unit prices, but the umbrella law also does not prohibit voluntary rounding of unit prices that are not subject to compulsory rounding according to separate legal provisions [Art. 5 of Decree² No. 97/2008 Coll.]. Consequently, the provision, according to which the unit prices are not subject to compulsory rounding on their last prescribed decimal after their conversion to the euros, means that the unit prices (*except selected unit prices as defined by separate legal provisions*) are not subject to compulsory rounding on their last decimal after conversion to euros, which, however, does not prevent voluntary rounding of the unit prices in accordance with basic principles for the preparations for and changeover to the euro as laid down by the law (*i.e. the principle of neutrality, principle of continuity of legal relations, as well as the principle of protection of citizens and consumers*).

In the interests of achieving price neutrality during the changeover to the euro and due to the different real value of the Slovak koruna and the euro (*which is also reflected by the conversion rate of 1 euro = 30.1260 Slovak korunas*) the unit prices have to be converted from Slovak korunas to euro according to the conversion rate with such a number of decimal places and such a degree of accuracy that the unit prices in euros (*not even during their voluntary rounding*) do not influence the high accuracy of partial calculations and of the resulting conversions of the final amounts of prices, payments and other values in euros, required by law, which are subject to rounding to the nearest euro cent according to separate legal provisions [Art. 2 (5) in conjunction with Art. 2 (2) of the umbrella law]. After the conversion from the Slovak currency to euros according to the conversion rate,

the unit prices have to be stated in such a way that, as a rule, the unit prices in euros have at least one decimal more than the same unit prices in Slovak korunas. The unit prices stated in euros, however, must have at least three decimal places, if the umbrella law on the euro or a separate legal provision does not require the stating of some unit prices with a number of decimal places other (*i.e. higher or lower*) than three [see Art 2 of the umbrella law as amended by Act N 397/2008 Coll.].

At the same time, the umbrella law on the euro enables voluntary rounding and stating of unit prices in euros only with two decimal places with the basic condition that their conversion and rounding to two decimal places must be carried out in line with the basic principles for the preparations for the changeover and the changeover to the euro (*i.e. the principle of neutrality, the principle of continuity of legal relations, as well as the principle of citizen and consumer protection*). The umbrella law on the euro also enables voluntary stating of unit prices in euros only with two decimal places, if, after their conversion according to the conversion rate, no other figure than a mathematically insignificant zero or several zeros follows the second decimal place after the decimal point, because leaving out a mathematically insignificant zero poses no risk whatsoever and has no effect on the accuracy of the stated sums [see Art. 2 (5) of the umbrella law as amended by Act No. 397/2008 Coll.].

In substantiated, specific cases, a separate legal provision may regulate the introduction, conversion and rounding of some unit prices in euros with a number of decimal places higher or lower than three decimal places. However, in all such cases, the basic principles for the preparations for and changeover to the euro (*i.e. the principle of neutrality, principle of continuity of legal relations, as well as the principle of protection of citizens and consumers*) have to be complied with in the process [see Art. 2 (5) in connection with Art. 2 (1) and Art 18 (10) of the umbrella law]. A separate legal provision may also regulate the introduction, conversion and rounding of some unit prices in euros with a number of decimal places higher than three, primarily in the case of unit prices in euros for products, goods or services, which are usually sold, delivered or provided in higher unit quantities, e.g. in network industries, in petrol chemistry and electronic communications, particularly in the case of unit prices of energy (electricity, gas, heat and domestic hot water), unit prices of water-rates and sewage charges (drinking water and waste water), unit prices of electronic communication services (above all charge pulses for telephone calls) and unit prices of fuels and propellants [*third sentence of Art. 2 (5), last sentence of Art. 18 (5) and Art. 18 (10) of the umbrella law*].

Of course, the separate legal regulation on the possibility to state, convert or round some unit prices in euros with a number of decimal places higher or lower than three decimal places must be laid down either in an act or, if applicable, in separate implementing legal provisions (decrees) issued on the basis of the empowering provisions in the umbrella law [Art. 18 (10) of the umbrella law], which may be issued only by central ministries having subject-matter responsibility, particularly the Ministry of the Economy of the Slovak Republic for the field of consumer protection in marketing, offering, selling or other paid providing of products, goods and works.

For the sake of completeness, it has to be also said that the Postal Services Act (*Act No. 507/2001 Coll. as amended by item 1 of Section XXVII of the umbrella law*) lays down in Art. 26 (1) that the tariff of a provider of the universal postal service issued on the basis of the Postal Service Act can also contain unit prices in euros converted only to two decimal places. Similarly, based on the empowering provision of the umbrella law on the euro [Art. 18 (10)], several separate implementing provisions have been issued, including Decree of the Ministry of the Economy² No. 97/2008 Coll. on the details of dual display with regard to consumer protection. The implementing decree of the Ministry of the Economy², No. 97/2008 Coll., lays down in Art. 5 (1) and (2) that the unit prices of water-rates and sewage charges, unit prices of heat and unit prices of electricity and gas in euros, as well as unit prices of electronic communication services based on per-second tariffs in euros are to be rounded mathematically to at least four decimal places. At the same time, the implementing decree of the Ministry of

Labour (*decree No. 251/2008 Coll.*) regulates in Art. 20 and Art. 38 for certain areas within this department some conversions from Slovak korunas to euros in such a way that for the purposes of setting the amount of a pension or another social insurance benefit in euros, the individual intermediary results (results of partial mathematical operations) are calculated to not more than eight decimal places without rounding, and that the individual intermediary results (results of partial mathematical operations) are calculated to four decimal places for the purposes of setting the amount of payments of money in the area of social relief in euros. Moreover, the implementing decree of the Ministry of Health² (*Decree No. 247/2008 Coll.*) stipulates in Art. 11 that the unit prices of health-care services are to be rounded mathematically to six decimal places in the changeover to the euro.

The interpretation of the legal regulation stipulating that although the unit prices are subject to compulsory rounding after their conversion to euros, but can be voluntarily rounded in accordance with the basic principles for the preparations for and changeover to the euro (i.e. the interpretation of Art. 2 (5) of the umbrella law) fully complies with the basic principles for the preparations for and changeover to the euro and the judicial decisions of the Court of Justice of the EC related to the euro⁴. This stipulation is similar to that regulating the dual display of prices [see *Art. 18 (6) and (7) of the umbrella law*], which lays down that information on monetary amounts mutually stated exclusively and demonstrably solely between legal entities or between entrepreneurial entities within their business activities are not subject to dual display obligation. Nevertheless, this does not hinder legal entities or businesses from mutually displaying such amounts in a dual way on a voluntary basis [however, applicable rules for dual display of prices, payments and other values have to be adhered to]. In this connection it might be mentioned that legal stipulation on the rounding of unit prices are also terminologically consistent with the use of the terms “are subject to” are “not subject to” (*besides the terms “prohibition” and “prohibited”*) in the umbrella law on the euro.

Overall, the above mentioned facts on conversions and rounding of unit prices from Slovak korunas to euros mean that if an entity (for example a seller of goods or provider of services) decides to voluntarily round its unit prices in euros, it has to fully comply with all principles for the preparations for and changeover from the Slovak currency to the euro, i.e. the principle of neutrality, principle of continuity of legal relations as well as the principle of protection of citizens and consumers, during the conversion and rounding of unit prices [*second and third sentence of Art. 2 (5) in connection with Art. 2 (1) and (2) of the umbrella law*]. Therefore, also partial calculations and resulting conversions of final amounts from the Slovak currency to euros, which are performed on the basis of rounded unit prices in euros, have to be as accurate as possible and without impact on an increase in the real financial value and price level of final amounts as a result of the preparations for and changeover to the euro. Consequently, rounded unit prices in euros can have no negative impact to the detriment of any of the basic principles for the changeover to the euro (i.e. the principle of neutrality, principle of continuity of legal relations or the principle of protection of citizens and consumers); voluntarily rounded unit prices in euros can have for example even just zeros after the decimal point (i.e. they can be voluntarily rounded down for example to whole euros).

Voluntarily rounded unit prices in euros, however, may not serve only as a cover-up for attracting consumers (customers), but they must be mathematically functional and really used as quantities or a basis for partial calculations or resulting conversions of final amounts and the real performing of a loop check of the correct calculations of final amounts exactly according to the rounded unit price.

Basic information on judicial decisions of the Court of Justice of the EC related to the euro

The case⁴ **Verbraucher-Zentrale Hamburg consumer association versus O2 (Germany)** basically began when prior to the changeover to the euro in Germany the appropriate

telecommunication operator stated the prices (tariffs) for telecommunication services in German marks (DEM) with an accuracy of two decimal places, the price of a ten-second unit was 0.00833 marks, the per-minute price was 0.05 marks and the price per ten minutes was 0.5 marks. The conversion rate between the euro and the German mark was set as 1 euro = 1.95583 German marks. Based on that conversion rate, the telecommunication operator converted his prices (tariffs) from German marks to euros and then rounded them down to the nearest euro cent. He converted the per-minute price from 0.05 marks to 0.02556 euros and rounded it up to 0.03 euros (which corresponds to 0.0586749 marks = 0.059 marks). The telecommunication operator also used the said rounded minute price of 0.03 euros when calculating the price per ten minutes, which was 0.30 euros (which corresponds to 0.59 marks) instead of the previous amount of 0.50 marks (to which 0.26 euros would correspond in a separate conversion as well as in a rounding to euro cents). By his conversion, rounding up and further steps, the telecommunication operator ultimately increased the converted and rounded euro per-minute price by 17.37% and increased the euro price for ten minutes by 15.38% in real terms for one type of service (and when comparing the data in German marks, the price increase is even more considerable). As a result of these facts, the consumer association Verbraucher-Zentrale Hamburg eV brought an action against O2 (Germany) GmbH&Co. OHG at the German court Landgericht München I. The German court had recourse to the Court of Justice of the EC with a reference for preliminary ruling and an interpretation of the rules for the rounding of amounts converted from the original national currency to euros according to Section 5 of Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro.

In the operative part of its judgment C-19/03 of 14 September 2004, the Court of Justice of the EC (Grand Chamber) ruled as follows:

1. A tariff, such as the per-minute price at issue in the main proceedings, does not constitute a monetary amount to be paid or accounted for within the meaning of the first sentence of Article 5 of Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro and thus is not to be rounded in every case to the nearest cent. The fact that the tariff relates to a particular multiple of the unit on the basis of which the final amount of the invoice is calculated or that for the consumer the tariff represents the decisive factor as regards the price of the goods or services does not affect that finding.

2. Regulation No. 1103/97 must be interpreted as not precluding the rounding to the nearest cent of amounts other than those which are to be paid or accounted for, provided that that rounding practice is consistent with the principle of continuity of contracts safeguarded by Article 3 of the regulation and with the objective pursued by the regulation that the transition to the euro should be neutral; in other words, provided that the rounding practice does not affect contractual obligations entered into by economic agents, including consumers, and that it does not have a real impact on the price actually to be paid.

At the same time, the Court of Justice of the EC (Grand Chamber) explained in paragraphs 34, 35 and 36 of the grounds of the judgment that: **(34)** It is clear from this examination of the aims of Regulation No. 1103/97 and, in particular, from the reference made by the 11th recital to national rounding rules for monetary amounts that the regulation sets only minimum rules in relation to the rounding of certain amounts and leaves it to national authorities to maintain or adopt rules which are more conducive to achieving a neutral changeover to the single currency. The actual wording of the 11th recital shows that the detailed rules on the rounding of monetary amounts found in Regulation No. 1103/97 are not intended to provide an exhaustive set of rules for intermediate computations in relation to such amounts.**(35)** If the first sentence of Article 5 of Regulation No. 1103/97 were construed so as to encompass all monetary amounts, including those which entail neither a payment nor an accounting entry, it would require there to be compliance with a rounding rule which would not reflect in every case the degree of accuracy called for by the objective of neutrality on introduction of the euro and which, accordingly, could

adversely affect more accurate rules at national level. **(36)** The first sentence of Article 5 of Regulation No. 1103/97 must therefore not be broadly interpreted. As the Commission rightly states, it can cover only the monetary amounts referred to in paragraph 29 of this judgment [*note: i.e. amounts that the consumer is supposed to pay, i.e. all monetary debts, and on the other hand, amounts on accounting documents or statements of account*], in respect of which practical reasons, whether they are commercial, accounting or financial, not only justify, but also require there to be, rounding to the nearest cent.

The Court of Justice also explained in paragraphs 40 and 41 of the grounds of the judgment of 14 September 2004: **(40)** No practical reason requires the amount to be rounded in every case to two decimal places. It is actually possible to display a per-unit tariff for goods or services with a higher degree of accuracy, as is shown by the practices of a good many economic operators. Above all, such an amount is not actually invoiced to, or paid by, the consumer and it is not entered as such in any accounting document or statement of account. In those circumstances, it does not constitute a monetary amount to be paid or accounted for within the meaning of the first sentence of Article 5 of Regulation No. 1103/97. Therefore it is not to be rounded, in every case, to the nearest cent. **(41)** The fact that that tariff represents the decisive factor as regards the price of the goods or services offered to the consumer does not affect that conclusion. Quoting a tariff with a degree of accuracy restricted to 2 decimal places is not necessarily the best way of ensuring that the consumer is fully informed.

The **case⁴ Estager SA** versus Receveur principal de la recette des douanes de Brive (*i.e. the institution of the French tax and customs administration*) basically began by the fact that prior to the introduction of the euro there was a special fee of 100 French francs in France for the production of each tonne of flour, meal and groats of common wheat supplied or used for human consumption. The conversion rate between the euro and the French franc has been set at 1 euro = 6.55957 French francs. Based on this conversion rate and French legal authorizations, the French government issued a regulation, under which it adjusted certain amounts from French francs to euros including an adjustment of the level of the fee for the production of each tonne of flour, meal and grains of common wheat from 100 French francs to 16 euros. In the case of exact conversion according to the conversion rate and rounding to two decimal places, the level of that fee should change from 100 French francs to 15.24 euros. Thus, in reality, the original fee of 100 French francs (corresponding to 15.24 euros) was rounded up to whole euros during the conversion, which increased the fee to whole 16 euros (corresponding to 104.95 francs). As an illustration, it can be stated that the fee was increased by 76 euro cents in the conversion (0.76 euros) to one tonne or by 0.076 euro cents to one kilogram of flour, meal and grains of common wheat. Therefore Estager unsuccessfully requested the return of the aliquot part of the fee paid by that company. As a result of these facts, Estager SA brought an action against the Receveur principal de la recette des douanes de Brive at the French court Tribunal de grande instance de Brive-La-Gaillarde. The French court subsequently had recourse to the Court of Justice of the EC with a reference for preliminary ruling and an interpretation as to whether the Regulation No. 1103/97 and Regulation No. 974/98 (*i.e. regulations of the Council of the EC related to the introduction of the euro*) enable or make impossible national legal provisions that have increased that amount by conversion of the amount of the fee to euros to a higher amount than the amount that would result from the application of the conversion rules set in the above mentioned regulations.

In the operative part of its judgment C-359/05 of 18 January 2007, the Court of Justice of the EC (Second Chamber) ruled as follows: Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro and Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro must be interpreted as precluding national legislation which, on effecting the conversion into euros of an amount of a tax on flour, meal and grains of common wheat supplied or used for human consumption, such as that at issue in the main proceedings, raised it to an amount higher than that which would have resulted from application of the rules of conversion

provided for in those regulations, unless such an increase meets the requirements of legal certainty and transparency guaranteed by those regulations, which presupposes that the legislative texts at issue make it possible to distinguish clearly the decision of the authorities of a Member State to increase that amount from the operation of conversion of that amount into euros. It is for the referring court to determine whether that is so in the proceedings before it.

At the same time the Court of Justice of the EC (Grand Chamber) explained in paragraphs 34 and 35 of the grounds of the judgment of 18 January 2007: **(34)** When it proceeds to a simultaneous conversion into euros and an increase in the amount of a tax, as is the case in the main proceedings, a Member State must ensure that legal certainty and transparency for economic agents are guaranteed. **(35)** Respect for those requirements requires, in particular, that those agents are able to distinguish clearly in the legislative texts at issue the decision of the authorities of the Member State to increase the amount of the tax from the process of conversion of that amount into euros.

The case⁴ **Presstext Nachrichtenagentur GmbH versus Republik Österreich (Bund), APA-OTS Originaltext-Service GmbH and APA AUSTRIA PRESSE AGENTUR** registrierte Genossenschaft mit beschränkter Haftung (limited liability registered cooperative) particularly concerns the issue of public procurement. In this case, the Court of Justice (Third Chamber) issued the judgment C-454/06 of 19 June 2008, out of which the particularly important paragraphs are paragraph 2 of the operative part of the judgment and paragraphs 57, 58 and 61 of the grounds of the judgment.

The Court of Justice of the EC (Third Chamber) ruled as follows in paragraph 2 of the operative part of its judgment C-454/06 of 19 June 2008: **2.** The terms ‘awarding’ and ‘awarded’, used in Articles 3(1) and 8 and 9 of Directive 92/50, must be interpreted as not covering an adjustment of the initial agreement to accommodate changed external circumstances, such as the conversion to euros of prices initially expressed in national currency, the minimal reduction in the prices in order to round them off, and the reference to a new price index where provision was made in the initial agreement to replace the price index fixed previously.

At the same time, the Court of Justice of the EC (Third Chamber) explained in paragraphs 57, 58 and 61 of the grounds of the judgment of 19 June 2008: **(57)** Where, following the changeover to the euro, an existing contract is changed in the sense that the prices initially expressed in national currency are converted into euros, it is not a material contractual amendment but only an adjustment of the contract to accommodate changed external circumstances, provided that the amounts in euros are rounded off in accordance with the provisions in force, including those of Council Regulation (EC) No. 1103/97 of 17 June 1997 on certain provisions relating to the introduction of the euro. **(58)** Where the rounding off of the prices converted into euros exceeds the amount authorized by the relevant provisions, that is an amendment to the intrinsic amount of the prices provided for in the initial contract. The question then arises as to whether such a change in prices constitutes a new award of a contract. **(61)** Nevertheless, the conversion of contract prices into euros during the course of the contract may be accompanied by an adjustment of their intrinsic amount without giving rise to a new award of a contract, provided the adjustment is minimal and objectively justified; this is so where it tends to facilitate the performance of the contract, for example, by simplifying billing procedures.

Cash circulation in Slovakia

The cash circulation in Slovakia is, to a decisive extent, regulated by the umbrella law on the euro as early as from the beginning of 2008, when most of its provisions become effective. [Art. 3 to Art. 7 and Art. 24 (6) in connection with section XXXI of the umbrella law]. From the introduction of the euro on 1 January 2009 and particularly from the end

of the dual cash circulation period, the European legal framework for the euro³ will be dominant also for the cash circulation in Slovakia; several issues in the Slovak Republic continue to be specifically regulated by Slovak legal provisions [*particularly the Act on the National Bank of Slovakia, in part the umbrella law on the euro, as well as separate provisions to regulate those laws*].

Three basic time periods have to be distinguished in terms of a gradual change of the rules for cash circulation in Slovakia in connection with preparations for the changeover and the changeover from the Slovak currency to the euro:

- a) the period of exclusive cash circulation of Slovak money, which lasts over the whole year 2008 until the introduction of the euro (*i.e. the period lasting from and inclusive of Tuesday 1 January 2008 to and inclusive of Wednesday 31 December 2008*),
- b) the dual cash circulation period, which lasts only over the first sixteen calendar days after the introduction of the euro, including the day of the introduction of the euro (*i.e. the period lasting from and inclusive of Thursday 1 January 2009 to and inclusive of Friday 16 January 2009*),
- c) the period of exclusive cash circulation of the euro money, which lasts from the end of the dual cash circulation (*i.e. the period lasting from and inclusive of Saturday 17 January 2009*).

The **period of exclusive cash circulation of Slovak money**, which lasts over the whole year 2008 until the introduction of the euro (*i.e. the period lasting from and inclusive of the effective date of the umbrella law on the euro on Tuesday 1 January 2008 to and inclusive of Wednesday 31 December 2008*), is characterized by the fact that the exclusive legal tender in its denomination for all cash payments in Slovakia continue to be only Slovak banknotes and Slovak coins and the Slovak koruna as the Slovak currency still exists [*Art. 15 of the Act on the National Bank of Slovakia in the version effective until 31 December 2008*]. Over the whole year 2008, rules whose content is the same as that of rules that had been laid down and were valid from mid-2001 to the end of 2007 apply to the cash circulation of Slovak money in Slovakia. For example, until the end of 2008, rules and procedures materially identical to those having been related to the compulsory acceptance and the possibility to refuse to accept valid Slovak banknotes and coins until the end of 2007 apply to all cash payments in Slovakia [*Art. 17a (1) of the Act on the National Bank of Slovakia in the version effective until 31 December 2007, as well as Art. 4 (1) to (3) and Art. 24 (6) of the umbrella law*].

In connection with the preparations for the changeover from the Slovak currency to the euro, the rules for cash circulation of Slovak money in Slovakia were only stated more precisely in terms of their formulation without changes in their content and were “transferred” from the Act on the National Bank of Slovakia (*Act of the National Council of the Slovak Republic No. 566/1992 Coll. as amended*) into the umbrella law on the euro, for most of those rules will be in force even after the introduction of the euro on 1 January 2009 at least temporarily over a 16-days period of dual cash circulation of Slovak money and euro money immediately after the introduction of the euro [*in particular Art. 4 (1) to (9) of the umbrella law*].

For example, anybody except commercial banking entities and the National Bank of Slovakia, can refuse to accept valid Slovak coins until the end of the dual cash circulation period, if the cash payment involves commemorative Slovak coins (*which are made of precious metals*), as well as when more than 20 pieces of Slovak coins of the same denomination (*for example more than 20 pieces of 50 halier coins*) or more than 30 pieces of Slovak coins of various nominal values are involved in one cash payment. Those limits for the total number of coins used in one cash payment applied already in the past and continue to apply until the end of the dual cash circulation period (*i.e. until Wednesday 31 December 2008*), because according to practical experience such a number of coins is not usual in individual cash payments and their compulsory acceptance in each cash payment would require substantially higher

demands on and costs of handling coins on the part of dealers or other recipients of cash payments.

Moreover, for example the rules on reproductions of Slovak banknotes and Slovak coins [Art. 5 of the umbrella law] are even without a time limit (*due to the possibility of misuse of non-regulated reproductions of banknotes and coins*). In addition, the rules on exchanges and withdrawal of damaged, altered or counterfeited Slovak banknotes and Slovak coins including rules for determining the identity of the persons presenting such banknotes and coins, as well as requirements regarding the processing of Slovak banknotes and Slovak coins [Art. 4 (5) to (10), Art. 6 and Art. 7 of the umbrella law] apply not only prior to the introduction of the euro and during the dual cash display period, but they will also apply during the whole performance of exchanges of Slovak coins and Slovak banknotes for euros after the introduction of the euro on 1 January 2009. A natural change from the introduction of the euro on 1 January 2009 is only the exchange of damaged Slovak banknotes and Slovak coins for euros, i.e. not for Slovak korunas and haliers anymore.

However, the original basic rule for cash circulation saying that the exclusive legal tender in its denomination for all cash payments in Slovakia are only valid Slovak banknotes and valid Slovak coins (including valid commemorative Slovak coins), which contain the denomination in Slovak korunas or haliers and which have been issued by the National Bank of Slovakia applies only to the end of 2008 (*until midnight of Wednesday 31 December 2008 and Thursday 1 January 2009*). Also, the euro belongs to foreign currencies only to the end of 2008.

The **dual cash circulation period**, which lasts only during the first sixteen calendar days after the introduction of the euro, including the euro introduction date (*i.e. from and inclusive of Thursday 1 January 2009 to and inclusive of Friday 16 January 2009*), represents a turning point in that a changeover from the Slovak currency to the euro takes place in the circulation of money in Slovakia and cash euro money, i.e. euro banknotes and euro coins, becomes legal tender in the cash circulation from the introduction of the euro on 1 January 2009. The dual cash circulation period can be figuratively compared to a short (sixteen days) passing of the baton in cash circulation on Slovakia between Slovak cash money and euro cash money, when the performance of cash payments in Slovak banknotes and Slovak coins is running out, but the performance of cash payments in euro banknotes and euro coins gets going already [*particularly Art. 1 (2) f) and Art. 3 (1) of the umbrella law, Art. 15 and Art. 17a of the Act on the National Bank of Slovakia, as well as the part of this publication on the term dual cash circulation period*].

Not only euro banknotes and euro coins, but also all Slovak banknotes and Slovak coins (including commemorative Slovak coins), which were valid at the time of the introduction of the euro in Slovakia at midnight from 31 December 2008 to 1 January 2009 will be legal tender in its denomination in all cash payments during the sixteen days dual cash circulation period. In this connection, it should be noted that the validity of 10 halier and 20 halier coins expired on 31 December 2003 and the last day for their exchange – only in the National Bank of Slovakia now – is the 31 December 2008 [*Decree of the NBS No. 459/2003 Coll.*], and therefore, by coincidence of time, it will not be possible to exchange 10 halier and 20 halier coins anywhere from the introduction of the euro on 1 January 2009.

Almost the same rules as until the end of 2008, with several mutually related deviations, apply to the cash circulation of Slovak banknotes and coins in Slovakia during the period of dual cash circulation.

When cash payments are made following the start of the dual cash circulation period (*i.e. from and inclusive of 1 January 2009*) neither natural persons who are no entrepreneurs nor other natural persons, while not performing their business activities, are obligated to accept valid Slovak banknotes and Slovak coins [*first sentence of Art. 4 (4) of the umbrella law*].

At the same time, during the dual cash circulation period, natural person who are entrepreneurs, legal persons, state authorities, local self-government bodies, and other public authorities may, from payments in Slovak banknotes and Slovak coins in excess of the amount payable, give change only in euro banknotes and euro coins, except for exceptional cases where the recipient of the change explicitly agrees to give the change in a way other than as euro cash [*Art. 3 (2) of the umbrella law*]. The final monetary amount of the change given in accordance with the first sentence must be calculated as the difference between the payment made and the amount paid; the amount paid (if expressed in Slovak korunas), and the payment made in Slovak banknotes and Slovak coins will be converted to euros and rounded to the nearest euro cent. By way of exception, the customer can (*but does not have to at all*) agree to give the change in Slovak money (banknotes and coins) for example in cases where the a customer wants to buy some goods in a small shop immediately (*for example a newspaper on his way to work*), but the seller could not sell the required goods to the customer immediately without giving a change in Slovak money, because in the meantime the seller run out of euro coins and “small” euro banknotes by giving changes to earlier customers.

In addition, any legal person and natural person (except for commercial banking entities and the National Bank of Slovakia) may also refuse to accept valid Slovak banknotes and Slovak coins for cash payments made during the dual cash circulation period, even in cases where the total of their nominal values is more than four times as large as the value of the payment being made; the value of the payment being made in euros and Slovak korunas shall be determined on the basis of dual display and, if the payment being made is not subject to dual display, its value in euros and Slovak korunas shall be determined by conversion and rounding according to the conversion rate, the rounding rules and other rules for the changeover to the euro [*second sentence of Art. 4 (4) of the umbrella law*]. The aim of this measure and rule is to simplify the whole process of withdrawal of Slovak banknotes and Slovak coins from circulation [*also Art. 15 (2) of Council Regulation (EC) No. 974/98 as amended*] in that the risk that small traders and small providers of services become informal “exchange-offices” during the period of dual cash circulation and that their stock of euro coins and “small” euro banknotes for giving change is consistently exhausted is eliminated to a maximum degree. This could ultimately complicate the changeover from the Slovak currency to the euro in that permanent interruptions and slowing down of the activities of small entrepreneurs as a result of permanent temporary shutting down of their establishments because of the extremely increased need of small entrepreneurs to go to banking entities to exchange and change money, but there could be also a considerable increase in the costs of changeover to the euro of small entrepreneurs.

Furthermore, during the dual cash circulation period neither slot machines designed for self-service retail of goods or providing non-monetary services, nor technical devices designed for the operation of gambling games have to be adjusted for simultaneous receiving of euro banknotes and euro coins, as well as of Slovak banknotes and Slovak coins, provided that it is established that due to technical reasons or unreasonably high financial costs such modifications are impossible [*third sentence of Art. 4 (4) of the umbrella law*]. This exception, however, does not relate to ATM or other ATMs destined for automated provision of monetary services.

Last but not least, exchanges of Slovak banknotes and Slovak coins for euros [*Art. 3 (4) to (9) of the umbrella law, as well as the separate part of this publication on exchanges of Slovak banknotes and Slovak coins for euros*] start to be performed in banking entities from the introduction of the euro on 1 January 2009 (*i.e. from the beginning of dual cash circulation*).

The **period of exclusive cash circulation of euro money**, which lasts from the end of the dual cash circulation (*i.e. the period lasting from and inclusive of Saturday 17 January 2009*), is characterised by the fact that only euro banknotes and euro coins in their denominations become the exclusive legal cash tender for all cash payments in Slovakia.

(Note: Basic information on the issued euro banknotes and euro coins are contained in the already mentioned Notification of the National Bank of Slovakia No. 308/2008 Coll.)

At the same time, all banknotes and coins that were issued in the territory of the Slovak Republic before the euro introduction date and that were valid until the introduction of the euro cease to be legal tender in the Slovak Republic from (and inclusive of) Saturday 17 January 2009 and cease to be valid at midnight from 16 January 2009 to 17 January 2009 [Art. 3 (3) of the umbrella law]. Thus, as of the last day of the dual cash circulation period, Slovak banknotes and Slovak coins must not be used in circulation of money at all, except for the exchange of Slovak banknotes and Slovak coins at commercial banking entities and at the National Bank of Slovakia during the exchange periods laid down by law [Art. 4 (1) of the umbrella law]. Should, however, a vending machine accept cash koruna payments in Slovak coins or Slovak banknotes in addition to cash euro payments in euro coins and euro banknotes shortly after 16 January 2009 by some kind of technological mistake, this should not be considered and penalized as a substantial deficiency in the field of withdrawal of Slovak banknotes and Slovak coins from the cash circulation, but the operator of the vending machine would, at least, have to bear possible costs of exchanging the Slovak banknotes and Slovak coins accepted by the vending machine for euros.

Overall, it has to be stated that rules according to the European legal framework for the euro³ and according to related provisions of Slovak regulations [particularly Art. 15 to 17h of the Act on the National Bank of Slovakia as amended on 1 January 2009, Art. 3 (1) and (3) and Art. 4 (1) of the umbrella law, Decree No. 459/2003 Coll. and the part of this publication concerning the term “dual cash circulation period”] apply to the cash circulation of euro money in Slovakia not only from Saturday 17 January 2009, but as early as from (and inclusive of) the introduction of the euro on 1 January 2009.

As early as from (and inclusive of) the introduction of the euro on 1 January 2009, all legal persons and natural persons are obligated to accept euro banknotes and euro coins as legal tender in euro cash payments in Slovakia, or, if applicable, they may refuse to accept euro banknotes and euro coins [Art. 17a (2) to (4) of the Act on the National Bank of Slovakia] only according to the following rules.

As of 1 January 2009, the National Bank of Slovakia, as well as commercial banking entities in Slovakia (i.e. banks, branches of foreign banks, electronic money institutions, branches of foreign electronic money institutions, foreign banks and other foreign financial institutions performing banking activities in the territory of Slovakia) are obligated to accept euro banknotes and euro coins in payments without restricting the nominal structure or total number of accepted euro banknotes and euro coins, including commemorative euro coins; the National Bank of Slovakia, as well as commercial banking entities in Slovakia are also obligated to accept collector's euro coins (which are made of precious metals by default) issued by the National Bank of Slovakia in monetary payments.

From 1 January 2009, the holders of foreign exchange licenses for the provision of foreign exchange monetary services and other non-banking executive institutions for transfers of funds and postal enterprises (post offices) are obligated to accept euro banknotes and euro coins in payments without restricting the nominal structure or total number of accepted euro banknotes and euro coins (including commemorative euro coins). However, the holders of foreign exchange licenses for the provision of foreign exchange monetary services and other executive institutions for transfers of funds that are no banking entities, as well as postal enterprises (post offices) can refuse to accept collector's euro coins in each cash payment.

All other legal persons and natural persons are obligated to accept euro banknotes without restricting the nominal structure or total number of accepted euro banknotes in one cash payment, but they are not obligated to accept more than 50 euro coins (including commemorative euro coins) in one cash payment; but they can also refuse to accept collector's euro coins in any cash payment.

Of course, even as from 1 January 2009, the said rules do not apply to cash payments in a foreign currency (i.e. in a currency other than the euro currency) that has been agreed upon voluntarily by the contracting parties [Art. 2 (3) of the Constitution of the Slovak Republic, Art. 2 (3) of the Civil Code (Act No. 40/1964 Coll. as amended by later regulations), Art. 273 of the Criminal Code (Act No. 300/2005 Coll. as amended) and provisions of the Foreign Exchange Act (Act of the National Council of the Slovak Republic No. 202/1995 Coll. as amended)].

Exchange of Slovak banknotes and Slovak coins for euros

The rules for the exchange of Slovak banknotes and Slovak coins for euros, which shall be performed from 1 January 2009 (i.e. from the introduction of the euro) is regulated in detail by the umbrella law on the euro [Art. 3 (4) to (9) of the umbrella law].

The exchange of Slovak banknotes and Slovak coins for euros must be carried out by the following institutions in all their establishments serving for the performance of cash operations in the territory of Slovakia:

- a) the National Bank of Slovakia,
- b) commercial banking entities, which include banks and electronic money institutions (i.e. Slovak credit institutions), branches of foreign banks and branches of foreign electronic money institutions (i.e. branches of foreign credit institutions), foreign banks and other foreign financial institutions conducting banking activities in the territory of Slovakia.

The exchange of Slovak banknotes and Slovak coins for euros is conducted in two basic forms, which include:

- a) an exchange in cash of Slovak banknotes and Slovak coins for euro banknotes and euro coins,
- b) a deposit of Slovak banknotes and Slovak coins in a banking entity in the form of a money deposit, either by a deposit in a bank account (*a deposit in a bank account according to the act is considered to be a deposit in a current account or a deposit account*), or by a deposit in a passbook (*a deposit in a passbook according to the act is considered to be a deposit confirmed by a passbook, certificate of deposit, bank treasury note or other certificate*).

The commercial banking entities perform exchanges of Slovak banknotes and Slovak coins for euros either in the form of cash exchange and in the form of a deposit on a bank account or in a passbook. However, the National Bank of Slovakia, in general, performs exchanges of Slovak banknotes and Slovak coins for euros only in the form of cash exchange, because the National Bank of Slovakia does not issue and does not keep passbooks and keeps bank accounts (except a few legal exceptions), except for banks, branches of foreign banks and selected other financial institutions.

In the case of a deposit of Slovak banknotes and Slovak coins in a bank account or passbook, the whole deposit is credited to the respective bank account or to the respective passbook in euros according to the total cash amount being exchanged in Slovak banknotes and Slovak coins.

Where the exchange of Slovak banknotes and Slovak coins is made in cash, the person requesting the exchange will be issued a written confirmation of the cash exchange and he/she shall be paid the whole amount in Slovak banknotes and Slovak coins being exchanged in euro banknotes and euro coins.

In individual exchanges, the cash amount in Slovak banknotes and Slovak coins being exchanged will first be converted from Slovak korunas (including *haliers*) to euros (in-

cluding *euro cents*) at the conversion rate, and if the final amount so calculated cannot be divided into a denomination of euro banknotes and euro coins without a remainder, the total remainder of the exchanged cash that is less than one euro cent will be rounded to the nearest euro cent.

All exchanges of Slovak banknotes and Slovak coins for euros (whether in the form of cash exchange or in the form of a deposit on a bank account or a passbook) must be free of charge until (and inclusive of) Monday 19 January 2009 (*i.e. all exchanges must be free of charge even on the first business day after the end of the dual cash circulation period*). From and inclusive of Tuesday 20 January 2009 (*i.e. from the second business day after the end of the dual cash circulation period*), however, each commercial banking entity, as well as the National Bank of Slovakia, has the right to limit the free of charge exchange of Slovak banknotes and Slovak coins for euros depending on the number of exchanged Slovak banknotes and Slovak coins in one exchange; within individual exchanges, the limit for free of charge exchange must not be lower than a total of 100 pieces of banknotes and 100 pieces of coins. From (*and inclusive of*) Thursday 1 January 2009 to (*and inclusive of*) Monday 19 January 2009, the exchange of Slovak banknotes and Slovak coins for euros will be free of charge irrespective of the number of exchanged Slovak banknotes and Slovak coins in one exchange. Thus, from (*and inclusive of*) Tuesday 20 January 2009 it is possible to exchange, within each individual exchange, free of charge not more than 100 pieces of Slovak banknotes and at the same time not more than 100 pieces of Slovak coins; the act does not limit or enable to limit the total number of such individual free of charge exchanges, because this could not be checked in reality particularly when exchanges in several banking entities are gradually performed. Consequently, also in the case of exchanges performed from (and inclusive of) Tuesday 20 January 2009, persons requesting exchange can really achieve that all their exchanges be free of charge, if they do not exchange more than 100 pieces of Slovak banknotes and at the same time more than 100 pieces of Slovak coins in any exchange.

Free of charge exchange means an exchange, for which a person requesting exchange must not be charged any fee, costs or consideration for exchange, processing, calculation, account deposit, or other acts or activities directly related to the exchange of the Slovak banknotes and Slovak coins for euros. Thus, if a banking entity performed cash exchanges of Slovak banknotes and Slovak coins for euro banknotes and euro coins for example in such a way that it would divide the exchange in two transactions in his accounting, which he would report first as deposits of Slovak banknotes and Slovak coins on a bank account and at the same time as immediate subsequent withdrawals of euro banknotes and euro coins from the bank account, then the banking entity would not be allowed to charge a fee for such immediate subsequent withdrawals from the bank account, because otherwise such a division of the exchange in two transactions would represent speculative circumvention of the legal rules for cash exchanges of Slovak banknotes and Slovak coins for euros.

For all exchanges of Slovak banknotes and Slovak coins, any commercial banking entity, as well as the National Bank of Slovakia has the right to require from Thursday 1 January 2009 that the exchanging banking entity (*e.g. the National Bank of Slovakia*) be notified in writing of an exchange of Slovak banknotes and Slovak coins whose aggregate denomination exceeds EUR 15,000 at least one business day before performing the exchange. Any commercial banking entity and the National Bank of Slovakia may also request from Thursday 1 January 2009 that Slovak banknotes and Slovak coins submitted for exchange to euros be sorted by their denominations, *i.e.* that all the exchanged Slovak coins or all the exchanged Slovak banknotes are not mixed together in a non-transparent way. The aim of this measure and rule is to simplify the whole process of withdrawal of Slovak banknotes and Slovak coins from circulation [*also Art. 15 (2) of Council Regulation (EC) No. 974/98 as amended*].

If a commercial banking entity or the National Bank of Slovakia makes use of its right to limit the free of charge exchange of Slovak banknotes and Slovak coins in one exchange

for euros, or if it makes use of its right to require that the Slovak banknotes and Slovak coins being exchanged be sorted by their individual denominations, or if it makes use of its right to require that it be notified in writing in advance of the exchange of Slovak banknotes and Slovak coins with an aggregate amount exceeding 15,000 euros, the respective banking entity has to markedly publish information about it on its website, as well as in all its establishments used for the performance of cash operations in the territory of the Slovak Republic.

The periods for the exchange of Slovak banknotes and Slovak coins to euros start on Thursday 1 January 2009 (i.e. from the euro introduction date). The umbrella law on the euro [Art. 3 (8)] imposes on commercial banking entities and the National Bank of Slovakia the obligation to perform exchanges of Slovak banknotes and Slovak coins to euros during the following time periods:

Commercial banking entities are obligated to perform

- a) the exchange of Slovak coins for euros during six months from 1 January 2009 onwards,
- b) the exchange of Slovak banknotes for euros during one year from 1 January 2009 onwards.

The National Bank of Slovakia is obligated to perform

- a) the exchange of current Slovak coins (i.e. coins with the denomination of 50 haliers, 1 koruna, 2 korunas and 10 korunas) for euros during five years from 1 January 2009 onwards (i.e. until 1 January 2014),
- b) the exchange of commemorative Slovak coins (i.e. coins made of precious metals) for euros without a time limit,
- c) the exchange of Slovak banknotes for euros without a time limit.

For the sake of completeness, it has to be pointed out that obligations related to protection against the legalization of income from criminal activity are preserved (are not affected) in all exchanges of Slovak banknotes and Slovak coins for euros. Moreover, the obligation to establish and demonstrate identity under the same conditions as with banking transactions of clients under the Act on Banks is also preserved for exchanges [Art. 89 of the Act on Banks (Act No. 483/2001 as amended)]. The identity of the person requiring exchange does not have to be established, if Slovak banknotes and Slovak coins with an aggregate value not exceeding 2,000 euros (*i.e. with an aggregate value not exceeding 60,252 Slovak korunas according to the conversion rate*) are presented for exchange. If Slovak banknotes and Slovak coins with an aggregate value of more than 2,000 euros (*or as 60,252 Slovak korunas*) are presented for exchange, the identity of the person requiring exchange has to be established in accordance with the Act on Banks [Art. 89 (4) of the Act on Banks in the version effective from 1 September 2008] and with the Act on protection against legalization of income from criminal activity and on protection against terrorism financing [Act. No. 297/2008 Coll. effective from 1 September 2008]. To establish the identity of a person requiring exchange that is not known in person to the bank, the national identity card or a substitute document, a traveller's passport or another travelling document, document of abode of a foreigner or asylum seeker in the territory of the Slovak Republic, or a certificate of an applicant for the granting of asylum in the Slovak Republic can be used [Art. 89 (2) Act on Banks].

Non-cash circulation in Slovakia

In non-cash circulation in Slovakia, the Slovak currency shall be changed over to the euro as at the euro introduction date (i.e. from and inclusive of Thursday 1 January 2009) and there is no dual non-cash circulation period [Art. 8 (1) of the umbrella law]. Such a solution for non-cash circulation during the changeover from the Slovak currency to

the euro is necessary due to the extraordinary time intensity and professional complexity of the technical conversion of computer software and information databases of payment systems from Slovak korunas to euros, which can be performed only after producing accounting documents for the time periods of 2008 (several tens of continuous hours, or up to some three days at the beginning of 2009, are necessary for such a technical conversion).

At the same time, it has to be taken into account that within the bank payment system as well as postal payment system during the last days at the end of 2008 (particularly on Tuesday 30 December 2008 and Wednesday 31 December 2008) the office hours (*time of operation*) of banking entities and post offices can be shortened substantially, thereby shifting the deadlines and set periods of time for the entering and acceptance of transfer orders and postal orders for the performance of domestic or cross-border transfers and payments in Slovak korunas [*such a procedure is enabled by Art. 6 (1) and Art. 7 (4) of the Act on the Payment System (Act No. 510/2002 Coll. as amended) and Art. 24 and 27 of the Act on Postal Services (Act No. 507/2001 Coll. as amended)*].

In non-cash circulation within the payment system, the performance of fund transfers in Slovak korunas will end as early as on 1 January 2009 and since then no transfer orders or postal orders for the performance of domestic or cross-border funds transfers in Slovak korunas [*Art. 8 (3) of the umbrella law*] can be entered or accepted. During the dual cash circulation period (*i.e. from and inclusive of Thursday 1 January 2009 to and inclusive of Friday 16 January 2009*), however, the payer or remitter can deposit and reimburse the transfer amount or payment amount in cash in Slovak banknotes or Slovak coins within the bank payment system or postal payment system, but the transfer amounts must be stated only in euros on all transfer orders and postal orders and the transfers or payments themselves will be performed or completed only in euros, *i.e. not in Slovak korunas anymore, from (and inclusive of) 1 January 2009 [Art. 8 (3) and (4) of the umbrella law]*.

It has to be particularly emphasized that during the changeover from the Slovak currency to the euro the time destined for performing funds transfers or for meeting monetary obligations will be extended and postponed by one business day, so that the set time originally falling on Friday 2 January 2009 was extended and postponed to Monday 5 January 2009 (*i.e. the set time has been extended and postponed from the first business day immediately following the first business day after the euro introduction date to the first business day following the first business day after the euro introduction date, i.e. to the second business day after the euro introduction date*). The provisions on an extension and postponement of the time destined for the performance of funds transfers or for the meeting of monetary obligations in the umbrella law on the euro [*Art. 8 (5)*] are formulated in a quite complicated way, which, however, is due to the fact that during the preparations and adoption of the umbrella law on the euro, the date of the adoption and introduction of the euro in Slovakia was only a planned date, which was approved as a legally binding date and officially promulgated only in July 2008.

Ultimately, however, the funds transfers and monetary obligations, which were originally supposed to be performed and met on Friday 2 January 2009, must be performed or met not later than on Monday 5 January 2009 (*because there is a Saturday and Sunday, i.e. bank holidays and holidays, between a Friday and Monday*). If funds transfers or monetary obligations, which should be otherwise (without the time extension and postponement) performed and met on Friday 2 January 2009, are actually performed or met not later than by Monday 5 January 2009 (*i.e. by the end of the extension and postponement of the set time for the performance of transfers or meeting of obligations*), those funds transfers and monetary obligations are, by virtue of law (*ex lege*), considered performed and met properly and in time and no default or right and obligations associated with default arise with respect to them, for example no interest on defaulted payment for the period of extension and postponement of time for the performance of transfers or meeting of obligations from Friday 2 January 2009 to Monday 5 January 2009 arises.

As at 1 January 2009 (i.e. at the euro introduction date) **all banking entities are also obligated, automatically and at no charge, to convert, round and exchange from Slovak korunas to euros, according to the conversion rate, all bank deposits, bank loans and possible other non-cash money, which anybody has deposited with them in Slovak korunas, or which they have provided to anybody in Slovak korunas.** Thus, as at 1 January 2009, banking entities must convert, round and exchange at no charge from Slovak korunas to euros all loan accounts, bank accounts, passbook accounts and other banking products, which they keep and by means of which money in Slovak korunas is deposited or provided. After the conversion of money from Slovak korunas to euros, which are deposited in a bank account, the banking entity is obligated to state, at no charge, the account balance in euros in the first account statement issued after that conversion. Where an account statement is not issued, the banking entity is obligated to provide the client, upon his/her request and at no charge, with a confirmation of the account balance in euros after the conversion from Slovak korunas to euros. After the conversion of a monetary deposit in Slovak korunas confirmed in a passbook, the bank is obligated, at no charge, to enter in the relevant passbook the deposit balance in euros when the passbook is first presented to the bank following the conversion of the deposit from Slovak korunas to euros [Art. 8 (1) of the umbrella law].

As at 1 January 2009, just like commercial banking entities, the National Bank of Slovakia and the State Treasury are also automatically and at no charge obligated to convert, round and exchange from Slovak korunas to euros, according to the conversion rate, all non-cash money, which anybody has deposited with them in Slovak korunas, or which they have provided to anybody in Slovak korunas [Art. 8 (7) of the umbrella law].

Not late than on Monday 1 December 2008 (i.e. not later than one month before the introduction of the euro), each commercial banking entity and the National Bank of Slovakia must publish markedly, on its website and at all its business premises used in communicating with clients, information for the clients about the rules under which the funds it holds on deposit in Slovak korunas will be converted into euros as at 1 January 2009 (i.e. as at the euro introduction date). Likewise, not later than on Monday 1 December 2008 (i.e. not later than one month before the introduction of the euro) each commercial banking entity, each postal enterprise (post office) and the National Bank of Slovakia must publish markedly, on its website and at all its business premises used in communicating with clients, information for the clients about the cessation of the performance of non-cash transactions and fund transfers in Slovak korunas as of the euro introduction date. All this information for the clients must be also published by the State Treasury on its website [Art. 8 (2), (6) and (7) of the umbrella law].

General procedures for conversions and redenominations of financial and asset values to euros

The umbrella law on the euro [Art. 9 to Art. 16] also precisely regulates the general rules and procedures, as well as some specific rules, procedures and other issues related to the performance of conversions, rounding and redenomination of financial and asset values from the Slovak currency (*Slovak korunas including haliers*) to euros. As a matter of principle, all conversions, rounding and redenominations of financial and asset values from Slovak korunas to euros must always be performed in accordance with the basic principles for the preparation for and changeover of the Slovak koruna to the euro, i.e. with the principle of neutrality, principle of continuity of legal relations, as well as the principle of protection of citizens and consumers [Art. 2 (1) of the umbrella law and the part of this publication concerning the basic principles for the preparation for and changeover to the euro].

From 1 January 2009 (i.e. from the introduction of the euro), **asset values denominated in Slovak currency – except for Slovak banknotes and Slovak coins – are ex lege treated**

as asset values denominated in euros with their monetary expression converted and rounded in accordance with the conversion rate, the rounding rules and other rules for the changeover to the euro. The basic principles for the preparation and changeover to the euro, as well as the freedom of contract principle of parties to legal relations are to be observed in the process [Art. 9 (1) of the umbrella law, Art. 3 and Art. 5 of Council Regulation (EC) No. 1103/97 and Art. 7 and Art. 14 of Council Regulation (EC) No. 974/98].

It has to be pointed out in this connection that asset values (for example share capital of legal persons and securities), which are validly denominated in Slovak korunas at the time of the introduction of the euro, are not actually (*really; physically*) redenominated automatically by virtue of law to asset values denominated in euros, but they are “only” fictitiously (*seemingly*) treated by virtue of law as asset values denominated in euros. There is a substantial difference between an actual (*real*) redenomination of assets from Slovak korunas to euros (*i.e. a change of the actual legal state*) and between a legal presumption (*legal fiction*), according to which assets denominated in Slovak korunas “only” have to be treated as assets denominated in euros. This difference means, among other things, that despite a legal presumption laid down by law, the actual (*real*) redenomination of the validly denominated (*nominal*) value of assets from Slovak korunas to euros has to be performed in the case of assets (asset values) set by law. Indeed, the legal presumption (*legal fiction*) laid down by law, according to which assets denominated in Slovak korunas have to be treated as assets denominated in euros with standard conversion and rounding of its monetary expression from Slovak korunas to euros does not cause a change of the actual legal state of the assets from Slovak korunas to euros, *i.e.* the legal presumption (*legal fiction*) does not cause an actual (*real*) conversion of assets from Slovak korunas to euros and likewise does not cause an actual (*real*) change of the valid content of entries, registrations or other records in the Companies Register or other official registers or official files on the nominal values of assets validly denominated in Slovak korunas, but likewise the legal presumption (*legal fiction*) is not an imposition of an obligation and a legal cause for public authorities that public authorities, under official authority and at their own initiative (*ex offio*), start judicial or other proceedings in order to change the actual legal state in such a way that validly denominated (*nominal*) asset values (*for example nominal values of shares*), which are validly entered, registered, filed or otherwise validly recorded in the Companies Register, in the records of the central securities depository or in other official registers or official files, are changed from Slovak korunas to euros.

This is precisely why the umbrella law on the euro [Art. 10 to Art. 15] has imposed on relevant persons and institutions the obligation to perform an actual (*real*) redenomination from Slovak korunas to euros in the case of valid nominal values of share capital of legal persons, nominal values of contributions constituting interests in the share capital of legal persons, as well as nominal values of most equity securities and debt securities. In addition, one has to remember, for example, the above mentioned fact that the umbrella law on the euro [Art. 8 (1)] has imposed also on banking entities the obligation to really convert (*perform an actual exchange*) from Slovak korunas to euros all bank deposits, bank loans and possible other non-cash money, which anybody has deposited with them in Slovak korunas, or which they have provided to anybody in Slovak korunas. Such a legal solution takes into account the European legal framework for the euro³ [*for example the items 12 and 20 of the preamble, Art. 1 j), Art. 6 (2), Art. 7, Art. 8 (4) and Art. 14 of Council Regulation (EC) No. 974/98 on the introduction of the euro, as well as item 7 of the preamble, Art. 3 and Art. 5 of Council Regulation (EC) No. 1103/97 on certain provisions relating to the introduction of the euro*], because the European legal framework for the euro³ implies that in the interests of a simplification of everyday practical life and everyday practical activities in the changeover to the euro, values validly denominated in the original national currency have to be “only” automatically treated as values converted to euros according to the conversion rate and other rules for the changeover to the euro. In the interests of clarity and transparency, however, the respective EU member state can impose the performance or enable the performance of the actual (*real*) redenomination of a validly denominated (*nominal*) asset value from Slovak korunas to euros.

By the way, in the Slovak legal system, but also in the Slovak versions of the legal acts of the EC/EU, outwardly different terms are – unfortunately – redundantly heterogeneously laid down and used (for example “value denominated”, “level of the value”, or “nominal value, denominated value”), all of these terms having the same basis and essence – it is the value that is validly set (“validly denominated”) in a certain amount and currency unit (for example 1,000 SKK). The collocation “validly denominated” has been used deliberately, because the original basis of those expressions is the Latin word “nomen” (name, denomination) and over the years the fortune played with those expressions and gave them different forms and fate only outwardly according to the Latin word-play “nomen est omen” (the name is an omen; denomination is pre-destination).

Overall, it should be noted that from 1 January 2009 (*i.e. from the introduction of the euro*) the legal presumption (legal fiction) laid down by law, according to which assets denominated in Slovak korunas have to be treated as assets denominated in euros with standard conversion and rounding of its monetary expression from Slovak korunas to euros according to the conversion rate, the rounding rules and other rules for the changeover to the euro, are fully sufficient for most assets (asset values) for the purposes of everyday ordinary practical life (everyday ordinary practical activities), including usual legal acts. Based on this legal presumption, from 1 January 2009 it is for example possible to buy, sell or rent in euros assets, including assets (for example shares) that would be still formally (*de jure*) denominated in Slovak korunas under a valid entry, registration or other record in the Companies Register or another official register or official files following the introduction of the euro on 1 January 2009. One has to realize here, however, that when buying or otherwise transferring assets, the actual value of assets being transferred (*for example the real value of securities*) rather than the formally registered amount of assets (*officially registered nominal stock value of assets*) is decisive for a possible transfer price.

By way of exception, the redenomination of asset values (*i.e. redenomination, conversion and rounding of the monetary expression of asset values*) **from Slovak korunas to the equivalent in euros** in accordance with the conversion rate, the rounding rules and other rules for the changeover to the euro (*including rules in the umbrella law on the euro*), **shall not be subject to any prohibitions or restrictions laid down by separate legal provisions, which otherwise apply to a change in the amount of the monetary expression of certain asset values from one monetary currency to another monetary currency.** At the same time, **by way of exception, restrictions otherwise requiring the nominal values of certain capital participations, securities, contributions to capital, or other asset values to be rounded to integers or multiples of integers** do not apply to the redenomination of an asset value from Slovak korunas to euros during the changeover to the euro [Art. 9 (1) of the umbrella law].

For example, by way of exception, the otherwise general provisions, according to which the nominal value of shares of joint stock companies, the amount of contributions to the share capital in a private limited company, as well as the amount of membership contributions to the share capital of a cooperative, must be expressed as positive integer, the nominal value of cooperative shares must be rounded to whole thousands and the nominal value of bonds and treasury bills must be in whole multiples of the amount of 25 do not apply to the redenomination of the asset value from Slovak korunas to euros [Art. 109 (2), Art. 157 (1) and Art. 223 (2) of the Commercial Code (Act No. 513/1991 Coll. as amended), Art. 17b (1) of Act No. 42/1992 on regulation of property relationships and settlement of possessory interests in cooperatives as amended, Art. 3 (1) c) of Act No. 530/1990 Coll. on bonds as amended, Art. 3 (2) c) of the Act on securities and investment services (Act No. 566/2001 as amended)]. Thus, by way of exception, it is possible that even nominal values of debt securities and equity securities, nominal values of share capital of legal persons and nominal values of deposits constituting interests in the share capital of legal persons, which otherwise cannot have decimal places, have decimal places following the conversion, rounding and redenomination from Slovak korunas to euros during the changeover from the Slovak currency to euro [Art. 11 (2) and (3), Art. 12 (7) and Art. 15

(9) of the umbrella law, Art. 1 (1) and (2) of Decree of the Ministry of Justice of the Slovak Republic No. 246/2008 Coll., Art. 1 and Art. 2 of Decree of the National Bank of Slovakia No. 240/2008 Coll., Art. 48 (8) of the Act on collective investment (Act No. 594/2003 Coll. as amended), Art. 27 (2) of Act No. 530/1990 Coll. on bonds as amended and section III Art. 9a (2) of Act No. 191/1950 Coll. of bills of exchange and cheques as amended by the umbrella law on the euro].

In addition, it is, by way of exception, possible during the changeover from the Slovak currency to the euro that the change of the Slovak currency to euros or change of the bill of exchange amount or check amount from Slovak korunas to euros according to the conversion rate and with rounding to two decimal places to the nearest euro cent is marked on bills of exchange and checks that are denominated in Slovak currency and are governed by the Slovak legal system. Furthermore, a change marked this way is, by virtue of law, considered to be a part of the original text of the bill of exchange or check and – by virtue of law and by way of exception – this has no influence on the legal relations related to the respective bill of exchange or check, including the validity of the bill of exchange or check amount and the creation, alteration or extinguishment of responsibility for the payment of the bill of exchange amount or check amount during a conversion from the Slovak currency to euros [Section I Art. 69 and Art. 77 (1), Section II Art. 51 and Section III Art. 9a (2) of Act No. 191/1950 Coll. on bills of exchanges and checks as amended by Section VIII of the umbrella law].

From 1 January 2009 (i.e. as of the introduction of the euro), **monetary amounts in the Slovak currency which are mentioned in any legal documents and more generally in any legal means drawn up in any form or appearance are, by virtue of law** (ex lege), **treated as monetary amounts in euros** converted and rounded in accordance with the conversion rate, the rounding rules and other rules for the changeover to the euro (*including rules in the umbrella law on the euro*); with the basic principles for the preparation for and changeover to the euro as well as the principle of contractual freedom of the parties to legal relations having to be complied with [Art. 9 (2) of the umbrella law].

In principle, this rule applies to all monetary amounts in Slovak korunas (including haliers), which are stated in any valid generally binding legal regulations as at 1 January 2009 (i.e. as at the euro introduction date) in the decisions (including judgements), measures, certificates and other legal, administrative or organisational acts of courts or other public authorities (e.g. the National Bank of Slovakia), in contracts and agreements, as well as registers, files and other records, in accounts, in other legislative acts (*including internal legal regulations of legal persons and entrepreneurs*), proposals, announcements and other legal acts, in other legal documents or other legal means (*the so-called legal instruments*) drawn up in any form or appearance. This provision has ensured that within the changeover from the Slovak currency to the euro it will not be indispensable to change the issued decisions of public authorities, concluded contracts, other legal documents and other legal means, or to perform separate legal acts for the sole purpose of converting and redenominating monetary amounts from Slovak korunas (including haliers) to euros according to the conversion rate, the rounding rules and other rules for the changeover to the euro, except for performing redenominations of some asset values from Slovak korunas to euros (*for example redenominations of nominal values of shares*), which are imposed by the umbrella law on the euro or another separate legal regulation in the interests of clarity and transparency [*for example Art. 10 to 15 of the umbrella law*].

However, the legal presumption (legal fiction) laid down by the umbrella law, according to which monetary amounts in Slovak korunas have to be considered monetary amounts in euros in legal documents and legal means, does not apply [Art. 9 (2) of the umbrella law] to the provisions of legal regulations on the nominal value of Slovak banknotes or Slovak coins (*because Slovak banknotes and Slovak coins will be exchanged for euros*) in legal documents and in legal means; furthermore, it does not apply to the provisions of legal regulations or other legal means, which regulate the change of monetary amounts from the Slovak currency to euros (*otherwise, these provisions would seemingly regulate*

a change of monetary amounts from “euros” to euros), but the legal presumption also does not apply to the provisions of legal regulations or other legal means, which are not and will not be applicable anymore following the changeover to the euro (*these are, for example, various obsolete provisions, i.e. provisions not cancelled under formal law, but already obsolete and not really useable provisions*).

Courts and other state authorities, local self-government bodies, and other public authorities – including legal persons which keep official registers and official records containing entries of asset values denominated in the Slovak currency – **are in the course of their activities required under official authority and at their own initiative to take into account the changeover from the Slovak currency to the euro as of 1 January 2009, the conversion rate of the euro against the Slovak koruna ($1 \text{ euro} = 30.1260 \text{ Slovak korunas}$), the rounding rules and other rules for the changeover to the euro; these key facts and rules on the changeover from the Slovak currency to the euro** (for example the changeover to the euro itself as of 1 January 2009 or the conversion rate of the euro against the Slovak koruna) **need not be demonstrated in proceedings before courts, administrative bodies, the Social Insurance Company, the National Bank of Slovakia or other public authorities** [*first sentence of Art. 9 (4) of the umbrella law*]. This regulation is based on the fact that the key facts and rules on the changeover from the Slovak currency to the euro (*for example the changeover to the euro itself as of 1 January 2009 or the conversion rate of the euro against the Slovak koruna*) are generally known facts laid down by Slovak generally binding legal provisions [*particularly the umbrella law on the euro officially published on 31 December 2007*] or generally binding acts of the Council of the European Union [*particularly the regulation on the introduction of the euro in Slovakia¹ and the regulation on the conversion rate of the euro against the Slovak koruna¹ officially published on 24 July 2008*], to which the irrefutable presumption of their knowledge from their official publishing in the Official Journal of the European Union, or from their official publishing in the Collection of Law of the Slovak Republic, applies.

The irrefutable presumption of the knowledge of the key facts and rules on the changeover of the Slovak currency to the euro as from 1 January 2009, which are laid down by Slovak generally binding legal regulations or legally binding acts of the Council of the European Union, fully applies also to courts, administrative bodies and other public authorities. Therefore from 1 January 2009 onwards, courts, administrative bodies and other public authorities cannot issue judgments and other decisions, the holding of which would not comply with the changeover from the Slovak currency to the euro as of 1 January 2009 (*including the extinguishment and replacement of Slovak currency from 1 January 2009*), but which would impose upon the parties to the proceedings monetary obligations in Slovak korunas (*i.e. in the Slovak currency that does not exist anymore*) despite that fact. Of course, possible deviations following the beginning of 2009 cannot be fully precluded, a possible erroneous imposition of a monetary obligation in Slovak korunas in the holding of the decision would belong to apparent errors in writing and calculation or to other apparent incorrectness and the acting court or other acting public authority should correct such an error or other apparent incorrectness to a monetary obligation in euros with a conversion according to the conversion rate anytime even without a petition by means of a rectifying resolution. [*Note: The above mentioned facts result primarily from the provisions Art. 9 (4) of the umbrella law, Art. 121, Art. 164 and Art. 174 (5) of the Rules of Civil Procedure (Act No. 99/1963 Coll. as amended), Art. 3 (1), Art. 32 (2), Art. 34 (6) and Art. 47 (6) of the Rules of Administrative Procedure (Act No. 71/1967 Coll. as amended), Art. 2 (1), Art. 29 (3), Art. 54 (1) b), Art. 54 (2) and Art. 77a of the Act on the administration of taxes and fees (Act of the National Council of the Slovak Republic No. 511/1992 Coll. as amended), Art. 195 (2), Art. 196 (1) and Art. 209 (7) of the Act on social insurance (Act No. 461/2003 Coll. as amended), Art. 24 (4) and Art. 27 (6) of the Act on financial market supervision (Act No. 747/2004 Coll. as amended), Art. 2 (1) of Act No. 416/2004 Coll. on the Official Journal of the European Union and Art. 2 of the Act of the National Council of the Slovak Republic No. 1/1993 on the Collection of Laws of the Slovak Republic.*]

By virtue of their official authority and at their own initiative, courts, administrative bodies and other public authorities are also entitled within their activities to perform conversions and validate the correctness of conversions of monetary amounts from Slovak korunas to euros, including conversions of monetary amounts on which the courts, administrative bodies or other public authorities decide after 24 July 2008 [*i.e. after the day the conversion rate is set by official publication of the regulation on the conversion rate¹ in the Official Journal of the EU*] and which become payable, or the instalments of which becomes payable, not earlier than after the introduction of the euro on 1 January 2009 [*second sentence of Art. 9 (4) in connection with Art. 1 (2) d*]. Where operations that include a mention of monetary amounts in Slovak korunas are performed in the context of court proceedings or other proceedings before courts, administrative bodies or other public authorities which have not been validly concluded prior to the introduction of the euro on 1 January 2009, the legal consequences of such operations shall be upheld even after the introduction of the euro on 1 January 2009, with the monetary amounts in Slovak korunas – as from the introduction of the euro – being treated as monetary amounts in euros, converted and rounded in accordance with the conversion rate, the rounding rules and other generally known rules for the changeover from the Slovak koruna to the euro. This is without prejudice to the rights and procedure of the parties to the proceedings for the amendment, termination, withdrawal, supplementation or other modification of the respective operations. [*Art. 9 (3) of the umbrella law*]. For example, in a proceedings in progress, a party to the proceedings can submit a filing, based on which the monetary amount stated in the original petition will not be changed from Slovak korunas to euros, but to another currency, due to the specific content of the contract, which is in force between the parties to the proceedings and which is the decisive relevant basis for the decision in the respective proceedings.

An exception from the above mentioned competence of public authorities to act by virtue of their official authority and at their own initiative (*ex officio*) is only the obligation to suspend after 1 January 2009 proceedings commenced and not concluded prior to 1 January 2009 on petitions for the registration of data given in Slovak korunas in the Companies Register or in other official registers and records. This legal provision takes into account the fact that the Slovak currency ceases to exist as of the changeover to the euro on 1 January 2009 and, as a result, the original petition for an entry of data in Slovak korunas cannot be executed from 1 January 2009 onwards. It is the petitioner who should evaluate whether the original petition is still up-to-date and with how many decimal places the redenomination to euros will be carried out in the case of amounts stated in the current original petition, or, if applicable, the petitioner should evaluate whether he will withdraw the original petition or the original petition has become completely superfluous. At the same time, this legal regulation allows for the fact that the registering public authority cannot modify the original petition for an entry in Slovak korunas in such a way that the registering body itself changes Slovak korunas to euros, because, by doing this, in the case of the Companies Register (or another official register or official records) the registering public authority would – beyond its powers – change the actual legal state and would replace the decision of the petitioner on the actual redenomination of asset values from Slovak korunas to euros [*second sentence of Art. 9 (7) of the umbrella law*].

The mentioned provisions on the powers and obligations of courts, administrative bodies and other public authorities in connection with the changeover from the Slovak currency to the euro [*Art. 9 (4) and (7) of the umbrella law*] contribute to the smooth flow of judicial proceedings and other proceedings before public authorities so that courts, administrative bodies, nor other public authorities do not have (*except for an exception laid down by law*) to interrupt proceedings and call on parties to the proceedings to modify their filing for the purpose of performing unambiguous conversions and rounding of amounts from Slovak korunas to euros in the case of amounts, for which generally known rules for the changeover to the euro unambiguously set the number of decimal places during rounding (*i.e.* if the rules for the changeover to the euro do not enable the parties to the proceedings to influence the number of decimal places during rounding, which is

possible for example during a redenomination of the nominal values of shares). Within their official activities, the courts, administrative bodies and other public authorities are thus competent to perform, by virtue of their official authority and at their own initiative, unambiguous conversions and rounding of amounts from Slovak korunas to euros according to generally binding rules for the changeover to the euro. At the same time, the parties to judicial proceedings and other proceedings before courts, administrative bodies and other public authorities should realize that it is in the own interests of the parties to the proceedings to provide the best arguments and reasons for their filings (for example also by stating the conversions of amounts from Slovak korunas to euros), because if all parties to the proceedings left the performance and checking of all unambiguous conversions of amounts from Slovak korunas to euros only to courts, administrative bodies and other public authorities, they could inadequately increase the work load of courts, administrative bodies and other public authorities and other proceedings before courts, administrative bodies and other public authorities. The parties to proceedings should also realize that the euro will become the official currency in the Slovak Republic on 1 January 2009 instead of the original Slovak currency (*i.e. instead of Slovak korunas*) and therefore the parties to the proceedings should not file lawsuits or other petitions for the issue of court judgments or other decisions of public authorities with amounts in Slovak korunas, but from 1 January 2009 onwards they should file only lawsuits and other petitions for the issue of court judgments or other decisions of public authorities with amounts in euros; a reasoning explaining the origin of the original amounts in Slovak korunas, as well as the conversion and rounding from Slovak korunas to euro (*and in cases where an actual redenomination of nominal asset values from Slovak korunas to euros has been performed, also documents demonstrating the respective actual redenomination to euros*) should be part of the filed lawsuits and other petitions. However, an analogous approach should be considered by the parties to the proceedings in their own interests also at the end of 2008 when filing lawsuits and other petitions, for which it will probably not be possible to perform entire proceeding and to issue a court judgment or other decision of a public authority in the year 2008 anymore.

The subject of any lawsuit concerning the conversion of monetary amounts redenomination of asset values from Slovak korunas to euros in relation to the changeover to the euro as of 1 January 2009 shall be restricted to cases where the respective asset value or monetary amount is not subject to redenomination and conversion from Slovak korunas (the Slovak currency) to euros in relation to the changeover to the euro, or where the conversion rate has not been used for the redenomination of the asset value or conversion of the monetary amount from the Slovak currency to euros, or where the rounding rules or other rules governing the changeover to the euro have been breached.

If by the conversion of monetary amounts or redenomination of asset values from Slovak korunas (the Slovak currency) to euros in accordance with the conversion rate and with the rules for the changeover to the euro, a difference arises from the rounding performed within the limits of the rounding rules for the changeover to the euro (*i.e. as a rule a difference not exceeding one euro cent*), this rounding difference shall not give rise to unwarranted gains or damage and this rounding difference shall not establish a right to any other compensation. The limitation period for the assertion of claims resulting from liability for redenomination of asset values or conversion of monetary sums from Slovak korunas (the Slovak currency) to euros in connection with the changeover to the euro on 1 January 2009 is the same as the limitation period of claims resulting from liability for damages under general civil law regulations [Art. 9 (6) of the umbrella law and Art. 106 (1) to (3) of the Civil Code].

In this connection, a claim for damages is subject to the statute of limitation two years after the day when the injured learns of the damage and on the person liable for the damage. The claim for damages is subject to the statute of limitation after three years at the latest, and if the damage has been caused maliciously, ten years from the day when the event, from which the damage has arisen, occurred (*this time limit does not apply to damage to health, which, as a matter of principle, does not come into consideration*

in connection with the changeover to the euro). At the same time it holds that the claim for damages caused by a corruption crime will become subject to the statute of limitation three years from the day of the court judgment of conviction on the commission of a corruption crime, however not later than ten years from the day of commission of the crimes [Art. 106 (1) to (3) of the Civil Code (Act. No. 40/1964 Coll. as amended)].

The aim of this provision is to contribute to the elimination of litigations or at least to faster decisions in litigations related to the changeover from the Slovak currency to the euro in cases where the conversions of monetary amounts and redenominations of asset values from Slovak korunas (the Slovak currency) to euros during the changeover to the euro are performed in accordance with the conversion rate, the rounding rules and other rules for the changeover to the euro (including a possible rounding difference within the limits of the rounding rules).

As of the introduction of the euro on 1 January 2009, new data in Slovak korunas (Slovak currency) must not be entered in official registers or official records (for example the Register of Foundations), but only new data in euros can be entered, including the performance of entries on the redenomination of asset values from Slovak korunas (Slovak currency) to euros [first sentence of Art. 9 (7) of the umbrella law]. Thus, entries of new data in Slovak korunas (in Slovak currency) in the Companies Register or other official registers or official records cannot be made. This provision is necessary because from 1 January 2009, the Courts of Registry or other public authorities cannot – not even in the cases of the Companies Register and other official registers or official records – issue decisions which would not comply with the changeover from the Slovak currency to the euro as at 1 January 2009 (*including the cessation of the existence and replacement of Slovak currency as at 1 January 2009*), and, in violation thereof, would allow for entries of new data in Slovak korunas (*i.e. in the Slovak currency that does not exist anymore*) even after the beginning of 2009.

In this context, a petition for registration (or recording, entry or other mention) of the redenomination of asset values from Slovak korunas (Slovak currency) to euros, filed not later than one year after the euro introduction date (*i.e. not later than on Monday 4 January 2010, which is the first business day after Friday 1 January 2010, to which the end of the set one-year period after the introduction of the euro on 1 January 2009 falls*), is not subject in the Slovak Republic to a fee obligation or any court fees, administrative fees or other fees laid down by separate legal provisions. Likewise, proceedings on petitions – filed on time – for the registration of a redenomination of asset values from Slovak korunas to euros and other associated acts and proceedings, which are related to the redenomination of asset values from Slovak korunas to euros, are not subject to a fee obligation or any fees [Art. 9 (5), Art. 12 (5) and Art. 15 (6) of the umbrella law]. The legal provision, according to which petitions, acts and proceedings, which are related to the redenomination of asset values from Slovak korunas (Slovak currency) to euros and which were initiated on the basis of petitions handed in at least for transportation by mail not later than one year after the introduction of the euro, are exempt from the fee obligation and from all court fees, administrative fees and other fees, corresponds to the principle that each entity (including the state) has to bear its costs and expenses related to the introduction of the euro. Therefore, the state and registering public authorities are not supposed to collect fees and are supposed to bear the cost of their activities related to petitions, acts and proceedings related to the redenomination of asset values from Slovak korunas (Slovak currency) to euros.

The information that the legally set one-year period for filing a petition for the registration of a redenomination of asset values to euros formally (*de jure*) ends only on Monday 4 January 2010 may appear to be unusual at first glance, but it results from time coincidence at the beginning of 2010 and at the same time from the rules for the counting of the procedural period, prescribed by law, under valid legal rules. Legal rules regulate the counting of procedural periods in such a way that the ends of the annual periods and monthly periods fall on the day, the designation of which is identical with the day, on which the

crucial factor for the beginning of the counting of those periods falls. If, however, the end of the period falls on a Saturday, Sunday or a holiday, the last day of the period is the nearest following business day. The period remains unchanged, even if on the last day of the respective period (*including its weekend extension or holiday extension, if any*) an act is performed at the court (or at an appropriate other public authority), or if the petition or another relevant filing is handed over to the entity that is obligated to serve it (*i.e. if the petition or another relevant filing is handed in at the post office for transportation by mail*). The one-year period, set by law, for filing a petition for the registration of a redenomination of asset values from Slovak korunas to euros that is not subject to the fee obligation or any fees, should seemingly end on Friday 1 January 2010, i.e. upon expiration of the one year, set by law, after the introduction of the euro in Slovakia on Thursday 1 January 2009 (*which is the crucial factor for the counting of the end of the one-year period for filing a petition not subject to fees*). At the beginning of 2010, however, there is a holiday Friday (1 January 2010) followed by a Saturday and Sunday, and only then the first business day in 2010 follows – Monday 4 January 2010. That is why the set period for filing such a petition for a redenomination of asset values from Slovak korunas to euros, which is not subject to fees, ends only on Monday 4 January 2010, at least for handing it in for transportation by mail, or directly at the Court of Registry for the Companies Register (or at a competent other registering public authority). At the same time, one has to realize that it is ineffective and even risky to rely fully on the last theoretically possible day for filing such a petition for the registration of a redenomination of asset values from Slovak korunas to euros, which is not subject to the fee obligation or any fees, because if such a petition is not filed before the end of 2008 at the latest (*i.e. prior to the introduction of the euro*), then any registrations of other changes in the Companies Register or other official records will get complicated as early as from 1 January 2009 (*i.e. from the introduction of the euro*). Indeed, as early as from 1 January 2009 (*i.e. from the introduction of the euro*) a legal person, in which there are contributions to the capital or a share capital denominated in the Slovak currency, must not file a petition for the registration of another change in the Companies Register or other official records or register, where they are registered, if the legal person does not file also the appropriate petition for registration of a change with respect to a redenomination of the nominal value of the share capital or nominal value of contributions to the share capital from Slovak currency to euros. [Note: The above mentioned facts result particularly from Art. 9 (5), Art. 12 (5) and (6) and Art. 15 (6) and (7) of the umbrella law, Art. 57 (2) and (3) and Art. 114 (1) of the Rules of Civil Procedure (Act No. 99/1963 Coll. as amended), Art. 27 (2) and (3) and Art. 30 (1) d) of the Rules of Administrative Procedure (Act No. 71/1967 Coll. as amended), Art. 6 (1) f), Art. 8 (3) to (5) and Art. 11 (1) a) of the Act on the Companies Register (Act No. 530/2003 Coll. as amended), Act of the Slovak National Council No. 71/1992 Coll. on judicial fees and the fee for the statement of criminal records as amended, provisions of Act of the National Council of the Slovak Republic No. 145/1995 Coll. on administrative fees as amended, and from Art. 19 (2) and (3), Art. 22 (1) i), Art. 41 and Art. 42 of the Act on financial market supervision (Act No. 747/2004 Coll. as amended).]

The correct conversion of a settled monetary debt or other monetary payment from the Slovak currency to euros is ensured by and is the responsibility of the obligor or another person who is liable to meet the respective monetary payment; this applies to each payment or instalment of the payment after the introduction of the euro, unless otherwise agreed by the concerned parties to the respective legal relation or otherwise stipulated in the umbrella law on the euro or in a separate legal provision [Art. 9 (9) of the umbrella law]. In this connection it should be noted that although bank obligors are liable for a correct, proper and timely payment of their instalments in euros also in the case of bank loans granted to them in Slovak korunas, the banking entities keeping the individual bank accounts are obligated to ensure and perform at no charge – even without an inducement by the obligor – the conversion (redenomination) of the actual bank loan accounts from Slovak korunas to euros automatically as at 1 January 2009 [*second sentence of Art. 8 (1) of the umbrella law*].

In marketing, offers and sales or other paid provision of products, goods, services or works, **the implementation and correctness of the conversion of prices from the Slovak**

currency to euros is ensured by and is the responsibility of the seller, in relations between the seller and the consumer, and of the supplier, in relations between entrepreneurs, unless otherwise stipulated in the umbrella law on the euro or a separate legal provision [Art. 9 (10) of the umbrella law]. The umbrella law on the euro lays down the general rule, according to which the performance of conversions of prices from Slovak korunas to euros must be ensured by and their correctness is the responsibility of the seller and supplier, i.e. the entity that sets the price and takes (collects) the paid price during offers, provision, sales and deliveries of products, goods, services or works.

Within the keeping of books, preparation of financial statements, keeping of other business records, and drafting of documents for tax purposes or for other stipulated official purposes, there will be a changeover from the Slovak currency to the euro as of 1 January 2009 (i.e. as of the day of the introduction of the euro) [particularly Art. 9 (8) of the umbrella law, Act No. 431/2002 Coll. on accounting as amended, Art. 6 (10) and (11) and Art. 17 (1) c) of Act No. 595/2003 Coll. on the income tax as amended]. This rule naturally ties up with the fact that the Slovak currency (Slovak koruna) will cease to exist with the changeover from the Slovak currency to the euro as of 1 January 2009 and it will be replaced by the euro, so that it is indispensable to change over to the euro also within the keeping of books, as well as within the keeping of other records and drafting of documents serving for official purposes.

Registered or reported monetary data (data on monetary amounts), including monetary data concerning the historical development of the value of assets or the value of monetary amounts, **which are denominated in Slovak korunas, and which relate to the period preceding 1 January 2009** (i.e. the period preceding the changeover to the euro) **are, for the purpose of their using after 31 December 2008** (i.e. after the changeover to the euro) **or for the purpose of dual display, converted from the Slovak currency to euros at the conversion rate**, unless a separate legal provisions provides otherwise [Art. 16 (1) of the umbrella law]. The aim of this general rule is to ensure, on a common basis (i.e. on the basis of the conversion rate), a standard comparability of all monetary data, which are converted from Slovak korunas to euros, including the comparability of the monetary data on the historical development of the value of assets or the development of the value of monetary amounts in time. This general rule [Art. 16 (1) of the umbrella law] is important for example for reporting and comparing monetary data on the historical development of the value of assets and returns on investments in the financial market for periods before the changeover to the euro and for periods after the changeover to the euro.

However, the general rule on conversions of monetary data from Slovak korunas to euros at the conversion rate also in the case of monetary data that are registered or reported for the period before 1 January 2009 and that are used after 31 December 2008 [Art. 16 (1) of the umbrella law] is also important when using such data for the purposes of social insurance, social security, health insurance, for the purposes of accounting, taxes, administrative fees, court fees and local fees, for customs purposes or for statistical purposes, for example when creating statistical time series and when statistically comparing data for periods before the changeover to the euro and for periods after the changeover to the euro. Based on the empowering provisions in the umbrella law on the euro, the ministries and central institutions are authorized to issue implementing separate regulations (decrees) stipulating detailed rules, the extent and procedure for conversions of monetary data and for reporting monetary data in connection with the changeover from the Slovak currency to the euro [Art. 16 (2) to (4) of the umbrella law].

In this connection, one can mention, for example, the implementing decree of the ministry of finance² No. 75/2008 Coll., which in Article 4, among other things, provides detailed rules for the preparation of financial statements in connection with the changeover from the Slovak currency to the euro. Articles 4 (3) and (4) of that decree have laid down that when preparing regular financial statements or extraordinary financial statements prepared for the first time at the date following the introduction of the euro on 1 January 2009, the bookkeeping of an accounting entity, whose accounting period is a financial year

(or whose accounting period is an accounting period other than a calendar year), shall be based on financial statements data prepared as at 31 December 2008, and, at the same time, on financial statements prepared for the period from (and inclusive of) 1 January 2009 to the date, as at which the regular financial statements or extraordinary financial statements are prepared. The notes to the financial statements prepared for the first time after the introduction of the euro on 1 January 2009 have to state also information on the change of the currency, in which the accounting entity keeps its books and prepares the financial statements in connection with the changeover from the Slovak currency to the euro, but also on the conversion of comparable monetary data at the conversion rate to euros including the value of the conversion rate.

Conversions and redenominations of the values of share capital, contributions to capital and securities

The umbrella law on the euro regulates, in extraordinary detail, complex matters related to the performance of conversions, rounding and redenominations of nominal values of securities, as well as conversions, rounding and redenominations of nominal values of equity capital or other similar capital of legal persons, as well as matters related to conversions, rounding and redenominations of nominal values (the amounts) of capital investments constituting interests in the share capital or in another similar equity capital of legal persons. These matters are particularly complex, because their subject are composite asset values, where a securities issue is made up of individual securities or the share capital consists of capital investments in that share capital, which constitute interests in the respective capital at the same time.

The umbrella law on the euro has laid down that the bottom-up method has to be used in the case of such composite asset values for their conversion. Under the bottom-up method, the individual securities from the respective issue are the first to be converted from Slovak korunas to euros, and their simple sum in euros constitutes (*without further rounding*) the whole relevant values of the issue of securities in euros, or, if applicable, contributions to the respective share capital are converted first and their simple sum in euros will constitute (*without further rounding*) the whole relevant share capital in euros. The application of the bottom-up method is in the interests of complying with the property right of the holders of securities or, if applicable, of the rights of the holders of interests composed of contributions to the share capital.

The umbrella law on the euro imposes upon all legal persons, in which there is share capital or another similar equity capital, denominated in Slovak korunas, or, if applicable, in which also capital investments exist that are denominated in Slovak korunas and constitute interests in the share capital or another similar equity capital (including share of joint stock companies), the obligation to perform their conversion, rounding and the actual redenomination of their nominal values (of the level of the nominal values) from Slovak korunas to euros at the conversion rate according to separately specified rules for rounding and according to other rules for the changeover from the Slovak currency to the euro, including rules and procedures prescribed for those redenominations by the umbrella law on the euro and related separate legal provisions [*Art. 10 (2) of the umbrella law*]. For the sake of simplicity, the following text uses for conversion, rounding and redenomination only the common term “redenomination”.

The statutory obligation to perform a redenomination from Slovak korunas to euros applies particularly to the redenomination of the nominal value of the share capital of capital companies (*i.e. joint stock companies [akciová spoločnosť], private limited companies [spoločnosť s ručením obmedzeným], as well as limited commercial partnerships [komanditná spoločnosť], if they have a share capital*), the share capital of cooperatives, the equity capital of state-owned enterprises, the endowment capital of foundations, the

share capital of European companies and of European cooperatives, as well the redenomination of the nominal values (levels) of members' contributions to the share capital of commercial partnerships or European companies (including nominal values of shares and temporary share certificates), but also to the redenomination of nominal values (levels) of members' contributions to the share capital of cooperatives or European cooperatives based in the territory of the Slovak Republic (*i.e. registered in the respective register in Slovakia and subject to Slovak law*). For the sake of simplicity, the following text of this publication uses, as a rule, for the above mentioned capital only the common term "share capital", and for all the above mentioned capital investments constituting interests in share capital or another similar equity capital (including shares) only the common term "contributions to the capital" or the term "contributions to the share capital".

It has to be pointed out in this connection that nominal values of share capital, nominal values (the amount) of contributions to the share capital, nominal values of equity securities (for example shares) and nominal values of debt securities (for example bonds), which are validly denominated in Slovak korunas at the time of the introduction of the euro, are not actually (*really; physically*) redenominated automatically by virtue of law (*ex lege*) to nominal values denominated in euros, but they are "only" fictitiously (*seemingly*) treated by virtue of law as nominal values denominated in euros. There is a substantial difference between an actual (*real*) redenomination of nominal values from Slovak korunas to euros and between a legal presumption (*legal fiction*), according to which nominal values denominated in Slovak korunas "only" have to be treated as assets denominated in euros. Based on this legal presumption, from 1 January 2009 it is possible to perform usual acts in daily life, for example to buy, sell or otherwise transfer shares and other securities formally denominated in Slovak korunas or to transfer business shares or member's rights and obligations in cooperatives corresponding to contributions to capital formally denominated in Slovak korunas. One has to realize, however, that when buying or otherwise transferring assets, the real value of assets being transferred (*for example the real value of shares*) rather than the formal nominal value of assets (*officially registered nominal stock value of assets*) is decisive for a possible transfer price. However, the legal presumption (legal fiction) set by law, according to which nominal values denominated in Slovak korunas have to be treated as nominal values denominated in euros with standard conversion and rounding of its monetary value from Slovak korunas to euros, does not cause an actual (real) redenomination of the nominal values from Slovak korunas to euros. This is precisely why the obligation to perform an actual (real) redenomination of nominal values from Slovak korunas to euros was also laid down when stipulating the above mentioned legal presumption [*Art. 10 (1) and (2) and Art. 13 (1) and (2) of the umbrella law*].

The umbrella law on the euro imposes upon the legal persons concerned the obligation to ensure and perform at no charge the redenomination of the nominal value of their share capital and contributions to their share capital not later than one year after the introduction of the euro. In this connection, the umbrella law on the euro entrusts the decision on the redenomination and on its performance above all to the statutory body of the legal person concerned (*i.e. for example the board of directors of a joint stock company, the board of directors of a cooperative, the authorized agents of a private limited company, the general partners in a limited commercial partnership, the director of a state-owned enterprise, the administrator of a foundation, the board of directors or administrative board of a European company, or the board of directors, managing director or administrative board of a European cooperative*). However, the statutory body of the legal person concerned is authorized not only to adopt the decision on the actual redenomination of the nominal value of the contributions to the share capital and of the share capital from Slovak korunas (*Slovak currency*) to euros, but the statutory body of the legal person concerned is, by way of absolute exception, also authorized to decide on the corresponding amendment of the by-laws, articles of association, memorandum of association, deed of incorporation, Charter of a Foundation or the deed of foundation of the respective legal person (or other relevant legal document concerning the establishment, nominal value of the capital and corporate matters of the respective legal person), however, only to the

extent necessary for the redenomination of the nominal value of the share capital and the nominal value of contributions to the capital from Slovak korunas to euros.

However, at the initiative of a statutory body, another appropriate body of the legal person concerned (usually the main body), which is generally competent and authorized to decide on a change in the nominal value of contributions to the share capital and the nominal value of share capital (*i.e. for example the general meeting of a joint stock company, the establishing membership meeting of a cooperative, the general meeting of the members of a private limited company, the partners of a limited commercial partnership, the founder of a state-owned enterprise, the board of trustees of a foundation, the general meeting of a European company, or the membership meeting of a European cooperative*). In addition, the umbrella law on the euro does not hinder changes in the nominal value of contributions to the capital (*including shares*) from Slovak korunas to euros performed in such a way that after the change to euros there is a greater change in (higher rounding of) their nominal values than the simplified and advantageous procedure under the umbrella law enables within the changeover to the euro. In general, it is thus possible to perform also a change in the nominal value of contributions to capital (*including shares*) from Slovak korunas to euros with a higher rounding of their nominal value than rounding up to the nearest whole euro (*for example to whole tens of euros upwards*), or, if applicable, with a higher rounding of their nominal values than the rounding down to the whole euro cent downwards (*for example to the whole euro downwards*). However, it has to be realized that in the case of a greater change of the nominal value of contributions to capital (*including shares*) in euros than the simplified and advantageous procedure under the umbrella law enables within the changeover to the euro, it would not be possible at all to use the procedure under the umbrella law on the euro, *i.e.* also no simplifications and advantageous procedure under the umbrella law on the euro (*for example the nominal value of the individual contributions to capital would not be allowed to be expressed in euro cents or fractions of euro cents by way of exception, but would have to be obligatorily expressed only in whole euros or multiples of whole euros, and not even an exceptional use of the funds from the reserve fund of the company or, in the case of cooperatives, from the non-distributable fund would be possible*). It has to be especially realized that in the case of a greater change of the nominal value of contributions to capital (*including shares*) in euros than the simplified procedure enables within the changeover to the euro, the statutory body of the legal person (*for example the board of directors of a joint stock company*) would also not be allowed to proceed according to the authorizations under the umbrella law on the euro, and in particular the statutory body would not be competent to adopt a decision on the change in the nominal value of contributions to the share capital (*including shares*) and of the share capital of the legal person concerned, but the procedure and decisions would have strictly follow the general rules for the increase and decrease in share capital laid down by law. Thus, the decision on such a greater change of the nominal value of contributions to capital (*including shares*) and of the share capital of the legal person would have to only be adopted by that body of the legal person concerned (as a rule, the main body), which is generally competent and authorized to decide on a change in the nominal value of contributions to the share capital and in the nominal value of the share capital. Thus, in the case of a greater change in the nominal value of shares (*contributions to the capital*) in euros, commercial partnerships and cooperatives, for example, would not be allowed to act upon the Commercial Code and upon the Act on the Companies Register (*petitions for registration of the change in the nominal value in the Companies Register would have to be filed on forms under Decree of the Ministry of Justice No. 25/2004 Coll. regulating the specimens of forms for the filing of petitions for registration in the Companies Register and the list of documents that have to be annexed to the petition for registration*).

Decisions on a redenomination of the nominal value of the share capital and of contributions to the share capital of a legal person from Slovak korunas to euros within the changeover to the euro, *i.e.* using the procedure under the umbrella law on the euro, can be adopted from Thursday 24 July 2008 [*i.e. from the day the conversion rate is set by the official publication of the regulation on the conversion rate¹ in the Official Journal of*

the EU]. If the decision on such a redenomination to euros is adopted in 2008, then the redenomination of the nominal value of contributions to euros can become effective not earlier than on 1 January 2009 (i.e. not earlier than at the euro introduction date) within the changeover to the euro. However, the decision on a redenomination of the nominal value of contributions to the capital and to the share capital from Slovak korunas to euros must be adopted and all legal acts of the respective legal person that are necessary to implement the decision must be performed not later than one year after the introduction of the euro on 1 January 2009 [Art. 10 (3) of the umbrella law]. A petition for registration of a redenomination of nominal values to euros in the Companies Register, which is filed not later than one year after 1 January 2009 (i.e. within one year after the introduction of the euro), will not be subject to a court fee, and, analogously, a petition for registration of a redenomination of the nominal value of the endowment capital of foundations in the Register of Foundations kept by the Ministry of the Interior will not be subject to an administrative fee [Art. 9 (5) and Art. 12 (5) of the umbrella law].

In redenominations (including conversions and rounding) of the nominal value of the share capital and of the nominal value of contributions to the share capital from Slovak korunas to euros within the changeover to the euro, in general it has to be primarily acted pursuant to the provisions of the umbrella law on the euro (Act No. 659/2007 Coll. as amended) and the relevant implementing decrees² to the umbrella law on the euro (*Decree² of the Ministry of Justice No. 246/2008 Coll. and Decree² of the National Bank of Slovakia No. 240/2008 Coll.*). At the same time, however, it is necessary to take into account the relevant provisions of the Commercial Code (Act No. 513/1991 Coll. as amended) and of the Act on the Companies Register (Act No. 530/2003 Coll. as amended), and (*when performing a redenomination of the nominal value to euros under the umbrella law simultaneously with other changes registered in the Companies Register*) is also necessary to take into account the relevant provisions of the decree to implement the Act on the Companies Register (*Decree of the Ministry of Justice No. 25/2004 Coll. regulating the specimens of forms for the filing of petitions for registration in the Companies Register and the list of documents that have to be annexed to the petition for registration*). Depending on the individual types of legal persons concerned, it is also necessary to take into account the relevant provisions of the Act on the European Company (Act No. 562/2004 Coll.), Act on the European Cooperative Society (Act No. 91/2007 Coll.), the Act on Foundations (Act No. 34/2002 Coll.) and the Act on State-owned Enterprises (Act No. 111/1990 Coll. as amended).

The following part of this publication deals primarily with information on the procedure for the redenomination of the nominal value of the share capital and of shares of joint stock companies, for the procedure of the redenomination of the nominal value of shares can serve as inspiration for redenominations of the nominal values of other equity securities. In addition, in terms of the underlying principle, the procedure for cooperatives, European cooperatives, European companies, private limited companies, as well as limited commercial partnerships (if they have a share capital) is analogous to the procedure for the redenomination of the nominal value of shares and share capital of joint stock companies, although there is a difference that in the case of the former legal persons, nominal values of the share capital and contributions to the share capital (*instead of nominal values of the share capital and shares*) are subject to redenomination. In the case of the above mentioned legal persons the procedure for the redenomination of nominal values of the share capital and contributions to capital is, in general, simpler than in the case of joint stock companies, because members' contributions to the share capital of a cooperative or a European cooperative, contributions to the share capital of a private limited company and contributions to the share capital of a limited commercial partnership are not securities (*as opposed to shares of joint stock companies*). At the same time, it has to be realized that the equivalent of the reserve fund of a commercial partnership is the non-distributable fund of a cooperative, and that funds of the reserve fund of a commercial partnership or funds of a non-distributable fund of a cooperative can be used analogously for a redenomination of the nominal value of contributions to the share capital of commercial partnerships or cooperatives, respectively. In addition, it

has to be also realized that the procedure for the redenomination of the nominal value of the equity capital of state-owned enterprises and for the redenomination of the nominal value of the endowment capital of foundations is even simpler, for in the case of state-owned enterprises and foundations it is sufficient to perform only a redenomination of the nominal value of the equity capital or endowment capital (since *there are no shares in endowment capital of foundations or shares in equity capital of state-owned enterprises*).

The redenomination of the nominal value of shares (contributions to the capital) from Slovak korunas to euros within the changeover to the euro has to be performed simultaneously with the redenomination of the share capital of the respective company, the procedure being according to the rules laid down in the umbrella law on the euro for redenominations of nominal values of the share capital and contributions to the share capital of legal persons [*first sentence of Art. 13 (4) in conjunction with Art. 10 to Art. 12 of the umbrella law*]. That means that the board of directors of the company (the statutory body) can decide on a redenomination of the nominal value of shares (*contributions to the capital*) and of the share capital to euros within the changeover to the euro, if the nominal value of all shares (*contributions to the capital*) of the company is rounded uniformly in the same way and with the same rounding up or down for all shares (*contributions to the capital*), including the same number of decimal places for all shares (*contributions to the capital*) of one company. The nominal value of shares (*contributions to the capital*) can be uniformly rounded down to at least two decimal places (i.e. down to the nearest euro cent) and down to six decimal places at the most [*Art. 11 (3) of the umbrella law, Art. 1 (1) of Decree of the Ministry of Justice¹ No. 246/2008 Coll. and Art. 1 of Decree of the National Bank of Slovakia No. 240/2008 Coll.*]. A written decision of the board of directors of the company (*statutory body*), which must be duly signed and the signatures of the competent board of directors members on which must be officially attested by a notary public, by a local office or by a municipality, is sufficient as a valid decision of a company on a redenomination of the nominal values with rounding, which is within the limits under the umbrella law on the euro [*Art. 58 of the Act of the Slovak National Council No. 323/1992 Coll. on notaries public and notarial activity (the Notarial Code) as amended and Act No. 599/2001 Coll. on the attestation*]

If the board of directors of the company (*the statutory body*) decided to convene the general meeting of the company (*the main body*), so that the general meeting decides on a redenomination of the nominal values of shares (*contributions to the capital*) from Slovak korunas to the euro within the changeover to the euro (*i.e. using the procedure under the umbrella law on the euro*), not even then, in rounding up or rounding down, a company would be allow to round a part of it shares up to the nearest euro cent, another part of its shares down to the nearest five or ten euro cents and another part of its shares up to the nearest whole euro. Also, in decisions of the general meeting on a redenomination of the nominal value of shares (*contributions to the capital*) from Slovak korunas to euros within the changeover to the euro (*i.e. using the procedure under the umbrella law on the euro*), all shares (*contributions to the capital*) would have to be uniformly rounded in the same way and with the same rounding up or down for all shares (*contributions to the capital*), including the same number of decimal places for all shares (*contributions to the capital*) of one company. A decision on another redenomination of the nominal value of the individual shares (*contributions to the capital*) from Slovak korunas to euros (*for example on a different way of rounding up or down for individual types of shares or for individual issues of shares of the same joint stock company*) could be adopted only by the general meeting of the joint stock company – not using the advantageous procedure under the umbrella law on the euro, but only according to the general rules for increases or decreases of share capital laid down by law (*i.e. in the case of commercial partnerships and cooperatives according to the procedure of the Commercial Code only*).

In the case of any rounding of the nominal value of shares (*contributions to the capital*) during their redenomination from Slovak korunas to euros within the changeover to the euro (*i.e. using the procedure under the umbrella law on the euro*), all basic principles for the preparation and changeover to the euro (*the principle of neutrality, principle of*

continuity of legal relations and at the same time the principle of protection of citizens as minority shareholders) have to be complied with consistently; rounding up (not down) better eliminates the risk of a conflict with the basic principles for the preparation for and changeover to the euro [*if the redenomination of nominal values takes place with the same rounding for all shares concerned or all contributions to the share capital concerned*]. In the case of rounding down, the difference from rounding must be put exclusively to the reserve fund of the company (*analogously, the difference from rounding down must be put to the non-distributable fund of cooperatives*). By contrast, for rounding up (*including a possible rounding up of the nominal value of shares or contributions to the capital to the nearest whole euro*) it is possible to use the funds of retained earnings from the previous periods or other own sources of the financing of the respective company that constitute the share capital of the company. For rounding up the nominal value of shares (contributions to the capital), it is even possible to use, by way of exception, also funds from the reserve funds of the respective company (*analogously, funds of the non-distributable fund can be used in the case of cooperatives*), but not more than in the amount of 10% of the amount of that fund as at the date of the adoption of the decision on a redenomination of the nominal value of shares (*contributions to the capital*) and share capital from Slovak korunas to euros.

Thus, if there is a sufficient reserve fund of the company (or sufficient non-distributable fund of the cooperative), it is appropriate to consider performing a redenomination of the values of all shares (*contributions to the capital*) only with rounding up and with the use of the funds of the reserve fund of the company (*or with the use of funds of the non-distributable fund of the cooperative*), for when rounding down the risk of a conflict with the basic principles for the preparation for and changeover to the euro (*including the principle of neutrality and principle of protection of citizens as minority shareholders*) is eliminated more safely. At the same time, a rounding up of nominal values to whole euros, or, if applicable, rounding up to a maximum of one or two decimal places (i.e. to a lowest number possible of decimal places in the case of rounding up) has to be considered, also due to the fact that the possibility of using the reserve fund of commercial partnerships (or the non-distributable fund of cooperatives) to perform a redenomination of the nominal values to euros, as well as the maximum number set to six decimal places, are one-off exceptions only for the changeover from the Slovak currency to the euro. Therefore, in the case of any future modification of nominal values of shares (contributions to the capital) it will be indispensable to comply with the general rules under the Commercial Code on the use of the reserve fund of commercial partnerships (*or, if applicable, on the use of the non-distributable fund of cooperatives*) and on compulsory expressing of nominal values only in positive integers (*i.e. to increase or decrease the nominal value of shares and contributions to the share capital at least to whole euros or multiples of whole euros*). It has to be also realized in this connection that the reserve fund of commercial partnerships (*and analogously the non-distributable fund of cooperatives*) belongs to their own sources of financing, and likewise each paid monetary contribution to their share capital registered in the Companies Register belongs to commercial partnerships (or cooperatives). Therefore, commercial partnerships will not lose any assets when they use the reserve fund (or the cooperatives will not lose any assets when they use the non-distributable fund) for rounding up the contributions to their share capital, since in terms of their assets this is primarily a transfer of funds from one accounting category of assets into another category of their assets [*for example Art. 6 (1), Art. 58, Art. 59 (1), third sentence of Art. 60 (1), Art. 61 (1), Art. 67, Art. 93 (2), Art. 123 (3), Art. 179 (2), Art. 223 (1) and (4), Art. 235 and Art. 260 of the Commercial Code and the second sentence of Art. 12 (1) of the umbrella law*].

Decisions on a redenomination of nominal values of shares (contributions to the capital) and share capital from Slovak korunas to euros can be adopted (as already mentioned) from Thursday 24 July 2008 [*i.e. from the official publication of the regulation on the conversion rate¹ in the Official Journal of the EU*]. However, the decision on a redenomination of the nominal value of shares (contributions to the capital) and share capital of a company must be adopted and all related legal acts of the company must be performed

not later than one year after the introduction of the euro on 1 January 2009. The decision of the company on a redenomination of the nominal value of its shares (*contributions to the capital*) and of its share capital to euros can (*although it does not have to*) contain a clause on the date when the redenomination of the nominal value to euros is supposed to become effective; it has to be respected that within the changeover to the euro the redenomination of the nominal value to euros can become effective not earlier than at the euro introduction date, i.e. not earlier than on 1 January 2009 [*Art. 10 (3) and Art. 12 (1) of the umbrella law*]. If the decision on a redenomination of the nominal value to euros contains the date when the redenomination of the nominal value to euros is supposed to become effective (not earlier than on 1 January 2009), it is also necessary to file the corresponding petition for registration of a redenomination of the nominal value to euros in the Companies Register sufficiently in advance. In doing this, it would be necessary to state clearly also the proposed registration date, as at which it is proposed that data contained in the petition for registration of the redenomination be registered [*Art. 8 (1) and (3) of the Act on the Companies Register (Act No. 530/2003 Coll. as amended)*]. At the same time, it has to be realized in this connection that registrations in the Companies Register cannot be performed with a retrospective date (*not even if the retrospective date of registration would be proposed in a petition for registration filed with a delay*) and that in the case of legal persons registered in the Companies Register, the date of the registration of a redenomination of the nominal value to euros in the Companies Register is always also the effective date of the redenomination of that nominal value to euros [*last sentence of Art. 12 (1) of the umbrella law*].

Without delay after the adoption of the decision by the company to redenominate the nominal value of its shares (*contributions to its capital*) and its share capital from Slovak korunas to euros, and, however, not later than 30 days after the date of adoption of the decision (*and at the same time, overall, not later than one year after the introduction of the euro on 1 January 2009*), the board of directors (*statutory body*) of the company is obligated to file a petition for registration of a redenomination of the respective nominal value to euros in the Companies Register on a formalized form. The petition filed must contain officially attested signatures of the persons authorized to act for the respective company (*petitioner*). The annex to the petition for registration of a redenomination of the nominal value to euros in the Companies Register must contain above all the actual decision on the redenomination of the nominal value of contributions to the capital and nominal value of the share capital from Slovak korunas to euros, which must be duly signed and must contain officially attested signatures of the respective members of the statutory body (*or persons making up the statutory body*). At the same time, the annex to the petition must also contain the respective amendment of the by-laws and memorandum of association or deed of incorporation of a joint stock company (or, if applicable, the corresponding amendment of the articles of association, deed of foundation or other relevant legal document laying down the nominal value of contributions to the capital and of the share capital of another respective legal person), as well as the full text of the by-laws and memorandum of association or deed of incorporation of a joint stock company (or, if applicable, the full text of the articles of association, deed of foundation or another relevant legal document of the respective legal person), obligatorily as the full text with incorporated adjustments regarding the redenomination of the nominal value to euros. If the petition is filed by means of a person holding a power of attorney, then the power of attorney must constitute an annex to the petition and it must contain officially attested signatures of persons authorised to act for the company granting the power of attorney (*the petitioner*). If all prescribed conditions for registration of a redenomination of the nominal value to euros in the Companies Register are fulfilled, the Court of Registry should perform the proposed registration within 5 business days from the service of the petition for registration to the Court of Registry (*unless a later date for the performance of the registration of data on the redenomination in the Companies Register is proposed in the petition for registration*). However, the president of any Court of Registry can extend the time limit for the performance of the registration by not more than 10 days for the Court of Registry he presides over. Thus, also in the case of an extension of the time limit, the Court of Registry should perform the proposed registration overall by not more than 15

business days from the service of the petition for registration to the Court of Registry, if all prescribed conditions for registration of the redenomination of the nominal value to euros in the Companies Register were fulfilled as early as at the time of the service of the petition [Art. 10 (3) and 12 (1) of the umbrella law, Art. 6, Art. 8 (1) and Art. 13 (3) of the Act on the Companies Register (Art. No. 530/2003 Coll. as amended), as well as Art. 1 to Art. 6 and annex to Decree of the Ministry of Justice¹ No. 246/2008 Coll. or, if necessary, also Decree of the Ministry of Justice No. 25/2004 Coll.]. If the petition for registration of the redenomination of the nominal value of contributions to the capital and of the share capital to euros in the Companies Register is filed one year after the introduction of the euro (as of 1 January 2009), or if the petition for registration of a redenomination of the nominal value to euros is accompanied by a petition for registration of other data in the Companies Register, then the petition for registration is subject to the payment of the corresponding court fee and is filed on generally prescribed formalized forms destined for the registration of a change in data in the Companies Register [*specimens of forms constituting annexes to Decree of the Ministry of Justice No. 25/2004 Coll.*].

Of course, the **redenomination of the nominal value of shares** to euros (*which becomes effective by its registration in the Companies Register*) must be also, without delay, registered in the list of shareholders (*including the list of shareholders kept by the central securities depository*). The redenomination of the nominal value of securities (*including shares*) to euros must be also, without delay, registered in the records of the central securities depository (*if the securities are recorded by the central depository*), as well as in the accounts of holders of book-entry securities, in holder accounts, a member's customer accounts or other accounts, in which data on the respective securities is recorded [Art. 12 (1) and Art. 14 (1) of the umbrella law].

If an issuer (*for example a joint stock company*) adopts the decision to redenominate the nominal value of securities (*for example shares*) that are admitted to trading on a regulated market (*a listed securities market or the regulated free market of a stock exchange*) or, with the consent of the issuer, are traded on a multilateral trading facility (*organized by the securities dealer or by the stock exchange*), then the issuer is also obligated to notify, without delay, the organizer of the respective regulated market (stock exchange) or multilateral trading facility of the data on the redenomination [Art. 14 (6) of the umbrella law, Art. 25 (1) and (2) and Art. 39a of the Act on the Stock Exchange (Act. No. 429/2002 Coll. as amended) and Art. 5 j) of the Act on Collective Investment (Act No. 429/2002 Coll. as amended)].

After the redenomination of the nominal value of shares in certificate form (*but also of other securities in certificate form*), the issuer is also obligated to mark, without delay, the nominal value in euros of the securities in certificate form on those securities at the first presentation of the respective securities in certificate form to the issuer. The marking of the nominal value in euros on a security in certificate form due to the changeover to the euro has no influence on the legal relations associated to the respective security under separate legal provisions (*including bills of exchanges and checks*). After the redenomination of the nominal value of immobilized or other securities in certificate form from the Slovak currency to euros, the issuer of these securities who, as the consignor, has placed them in safe custody shall at no charge and without delay provide for marking of these shares in certificate form with their nominal value in euros; with regard to securities in certificate form registered in the list of shareholders, list of mutual fund shareholders, or another list of holders of securities in certificate form, it is sufficient that the issuer, at no charge, provides for their marking with their nominal value in euros by the time of release of such securities in certificate form from custody or by the time of their first presentation to another person following the redenomination of their nominal value at the latest [*last sentence of Art. 15 (1) of the umbrella law*].

At the same time, it can be generally noted regarding the redenomination of the nominal values of securities from Slovak korunas to euros that in the case of redenomination of the nominal value of securities that are registered also in other or only in other

registers of securities than in the central securities depository (for example in the case of redenomination of the nominal value of fund units in certificate or book-entry form) the redenomination of the nominal value of the respective securities must be registered, without delay, in all records of securities, in which the respective securities are recorded (for example in separate records for book-entry fund units).

In connection with the issue of **the redenomination of the nominal value of securities, nominal value of contributions to the share capital and nominal value of share capital from** Slovak korunas to the euro, it is also possible to recapitulate the related possible motivational and punitive sanctions, which induce legal persons with a share capital (but also issuers of securities) to perform the redenomination and conversion of the nominal values of their share capital, the contributions to their share capital, as well as nominal values of securities issued from Slovak korunas to euros properly and on time.

Motivation is the nature of the above mentioned provision, under which petitions that will be filed within one year from the introduction of the euro on 1 January 2009 in connection with the redenomination and registration of the redenomination of the nominal value of securities, the nominal value of contributions to the share capital or the nominal value of the share capital from Slovak korunas to euros, are not subject to the fee obligation in the Slovak Republic and to any court fees, administrative fees or other special fees. This exemption from the fee obligation and fees also applies to proceedings on such petitions, but also to other acts and proceedings related to the redenomination of the above mentioned asset values from Slovak korunas to euros. That means that the petition for registration of a redenomination of nominal values in the Companies Register or in another special register (*for example a petition for registration in the Register of Foundations*), which will be filed not later than one year from the introduction of the euro on 1 January 2009, will not be subject to court fees or, if applicable, to administrative fees (for example a petition for the registration of the redenomination of the nominal value of the endowment capital of a foundation in the Register of Foundations kept by the Ministry of the Interior will not be subject to an administrative fee) [Art. 9 (5), Art. 12 (5) and Art. 15 (6) of the umbrella law].

Rather of punitive nature is the provision that from 1 January 2009 onwards (i.e. from the euro introduction date) a legal person that provided contributions to the share capital (including shares) or posses the whole capital denominated in Slovak korunas, must not file a petition for registration of another change in the Companies Register or in other official records or register, in which they are registered, unless it files also an appropriate petition for registration of the change of the nominal value of the share capital and contributions to the share capital from Slovak korunas to euros not later than at the time of filing the petition for registration of another change. Likewise, as from 1 January 2009 (i.e. from the euro introduction date), the issuer of securities denominated in the Slovak currency must not file a petition or order for registration of another change in the records of securities or in another official register, in which these securities are registered, unless the issuer lodges also the appropriate filing for registration of a change with respect to the redenomination of the nominal value of securities from the Slovak currency to euros [Art. 12 (6) and Art. 15 (7) of the umbrella law].

In addition, it is also possible to point out sanctions under the Act on the Companies Register, which lays down that the Court of Registry will impose a penalty of SKK 100,000 also to a natural person authorized to act on behalf of a registered legal person, if that person, within the period set by law, does not fulfil its obligation to file a petition for registration of a change in the data registered in the Companies Register. At the same time the Act on the Companies Register and the umbrella law on the euro stipulate that members of the statutory body of a legal person, which is registered in the Companies Register, and in which there are contributions to the share capital (*including shares*) or a share capital and they are denominated in Slovak currency, are obligated to file the appropriate petition for registration of a redenomination of the respective nominal value to euros in the Companies Register both overall not later than one year after the introduc-

tion of the euro on 1 January 2009, and at the same time, not later than 30 days after the day of the adoption of the decision to redenominated the respective nominal value from Slovak korunas to euros. These set periods (one year and 30 days) for the filing of a petition for the registration of a change with respect to the redenomination of the nominal value of the share capital or the nominal value of contributions to the share capital (including shares) from Slovak korunas to euros are periods set by the law absolutely unambiguously, for the fulfilment of the obligation to file a petition for the registration of a change in the date registered in the Companies Register. Thus, unless the members of the statutory body of the legal person file an appropriate petition for registration of a change of the respective nominal value within the above mentioned periods of time (set by law), they run the risk that the Court of Registry imposes a penalty of up to SKK 100,000 upon the persons constituting the statutory body of the respective legal person [Art. 5 (5) of the Act on the Companies Register and Art. 12 (1) in connection with Art. 10 (3) and Art. 12 (6) of the umbrella law].

Subject to separate regulation is the performance of the conversion, rounding and redenomination of the nominal values of book-entry debt securities, book-entry fund units and book-entry cooperative shares (which, in their nature, represent claim and rights towards the issuers of the respective book-entry securities).

Each issuer of book-entry debt securities, book-entry fund units or book-entry cooperative shares has the obligation, imposed upon him by law, to decide on the conversion and redenomination of the nominal values of those types of book-entry securities from Slovak korunas to euros not later than on Monday 1 December 2008, i.e. not later than one month before the day of the introduction of the euro on 1 January 2009 [Art. 13 (3) of the umbrella law]. The number of decimal places is firmly prescribed for the conversion and expression (redenomination) of the initial value of the share in a mutual fund in euros, as well as the current price of a fund unit of a mutual fund on euros, but, analogously, the number of decimal places is firmly set for the conversion and redenomination of the nominal value of all debt securities from Slovak korunas to euros when rounding the nominal value of each debt security to two decimal places, i.e. to the nearest euro cent [Art. 1 (2) g) and Art. 15 (9) of the umbrella law and Art. 2 of Decree² of the National Bank of Slovakia No. 240/2008 Coll., as well as Art. 41 (8) of the Act on Collective Investment (Act No. 594/2003 Coll. as amended by item 4 of Section IX of the umbrella law)].

At the same time, each issuer of book-entry securities, book-entry fund units or book-entry cooperative shares is obligated to serve upon the central securities depository a written notification with the appropriate data on the redenomination of the nominal values of the book-entry securities, issued by him, from Slovak korunas to euros, not later than on Monday 1 December 2008 (i.e. not later than one month before the introduction of the euro on 1 January 2009).

If that set period of time is not complied with and the corresponding notification is not served upon the central securities by Monday 1 December 2008, the central securities depository is authorized – effective from the introduction of the euro on 1 January 2009 – to perform the conversion, rounding and, at the same time, the relevant registrations of data in euros on the nominal values of the respective book-entry debt securities, book-entry fund units and book-entry cooperative shares [Art. 14 (4) of the umbrella law].

By the way, cooperative shares do not have to take the form of book-entry securities as early as from 1 January 2008, but they can be securities in certificate form [the first sentence of Art. 17 (3) of Act No. 42/1992 Coll. on the regulation of property relationships and settlement of possessory interests in cooperatives as amended by item 2 of Article XXIX of the umbrella law].

The following is not subject to the obligations to ensure and perform a redenomination of the nominal value of debt securities from Slovak korunas (Slovak currency) to euros:

- a) book-entry debt securities (*for example bonds*), which will be payable in their entirety not later than on 1 January 2009 (*i.e. the euro introduction date*),
- b) bills of exchange and checks,
- c) debt securities in certificate form (*for example certificates of deposit*), which will be payable and paid in their entirety in one cash or non-cash payment, when they are first presented for settlement of the monetary obligation attached thereto [*second sentence of Art. 13 (2) of the umbrella law*].

In the end, a separate decision of the issuer of the securities on a redenomination of the nominal value of securities from Slovak korunas to euros will not be indispensable, and it will be considerably simplified in the case of securities that are simultaneously denominated or will be denominated from their very issue onwards in both, Slovak korunas and in euros. In this connection, the fact has to be pointed out that the issuers of equity securities (for example fund units) denominated in Slovak korunas and issued after Thursday 24 July 2008 and before Thursday 1 January 2009 (*i.e. in the period after the setting of the conversion rate and before the introduction of the euro in Slovakia*), as well as issuers of debt securities (*for example certificates of deposit*) denominated in Slovak korunas, which will be issued only after Thursday 24 July 2008 (*i.e. after the setting of the conversion rate*), and which will be payable only after Wednesday 31 December 2008, *i.e. after the introduction of the euro in Slovakia (except for debt securities in certificate form payable in their entirety in one cash or non-cash payment when they are first rendered for settlement)*, are obligated to state simultaneously values in Slovak korunas and in euros in the terms of issue of securities, prospectuses, as well as on the actual securities in certificate form [*Art. 15 (5) in connection with Art. 13 (2) of the umbrella law*].

Dual display of prices, payments and other amounts

The umbrella law also includes basic provisions on the dual display of prices, payments and other amounts, the gist of which is their parallel stating in Slovak korunas (Slovak currency) and euros [*Art. 1 (2) i) and Art. 18 of the umbrella law*].

The period of dual display starts on Sunday 24 August 2008 (*i.e. exactly one month after the official publication of the regulation on the conversion rate¹ in the Official Journal of the EU*). The period of compulsory dual display ends on Friday 1 January 2010 (*i.e. exactly one year after the euro introduction date*). In connection with the dual display, the new European Commission Recommendation 2008/78/EC of 10 January 2008 can be pointed out, in which the European Commission recommends to start the dual display as early as possible after the official approval of the conversion rate between the euro and the national currency. Based on the European Commission Recommendation, as well as recommendations of Slovak institutions, it was appropriate to start the voluntary dual display as early as possible after the approval of the conversion rate on 8 July 2008, and it was optimal to start the dual display at least on Friday 8 August 2008, *i.e. not later than one month after the approval of the conversion rate* [*Art. 18 (1) and second sentence of Art. 18 (9) of the umbrella law*].

The compulsory dual display must only be implemented in accordance with the full conversion rate, rounding rules and other rules for the changeover to the euro, including the stipulated number of decimal places for the dual display of prices, unit prices, payments and other amounts. Conversions and redenominations of all amounts from Slovak korunas to euros and vice versa must be performed in such a way that partial calculations and resulting conversions of the final amounts are as accurate as possible [*first sentence of Art. 18 (3) in connection with Art. 2 (2) and (5) of the umbrella law*].

The basic rule for the dual display of prices, payments and other amounts is that the monetary amount in Slovak korunas (including haliers) and simultaneously the same amount in euros (including euro cents), converted and rounded at the conversion rate and ac-

According to the rounding rules, is stated. For the dual display prior to 1 January 2009 (i.e. before the introduction of the euro), the monetary amounts in Slovak korunas are decisive and informative monetary amounts in euros are stated simultaneously. For dual display after 1 January 2009, by contrast (i.e. from and inclusive of the day of the introduction of the euro), monetary amounts in euros are decisive and informative monetary amounts in Slovak korunas are stated simultaneously [Art. 1 (2) i) of the umbrella law]. It has to be realized in this connection that the informative amounts are and must be only the exact mirror image (equivalent) of the decisive monetary amounts. Thus, the informative amounts must be an exact conversion of the decisive amounts at the conversion rate. This means that the informative amounts must not be rounded in such a way that they are no exact mirror image (equivalent) of the decisive monetary amounts and that they distort the real value of the decisive monetary amounts, because that would contradict the valid conversion rate, the basic principle of a dual display and the principle of protection of the citizens and consumers [Art. 1 (1), Art. 1 (2) i), Art. 2 (1) and (7) and the first sentence of Art. 18 (3) of the umbrella law]. For example, until (and inclusive of) 31 December 2008, decisive amounts in Slovak korunas and informative amounts in euros are and must be only the exact mirror image of the decisive amounts in Slovak korunas at the conversion rate. Thus, until (and inclusive of) 31 December 2008, informative amounts in euros must be the exact conversion of the decisive amounts according to the conversion rate and their mathematical rounding to nearest euro cent, because informative amounts in euros with another rounding (for example to tens of euro cents) would not be the mirror image (equivalent) of the decisive monetary amounts in Slovak korunas anymore, but they would, on the contrary, distort the decisive monetary amounts in Slovak korunas in violation of the valid conversion rate. It has to be realized in this connection that although the umbrella law on the euro regulates or enables the rounding of sums in euros in some cases, these are never informative amounts in euros, but always only decisive final amounts in euros, which have to be actually paid or accounted for, or, by way of exception, decisive unit amounts (unit prices) in euros, which serve for the calculations of final amounts in euros. Thus, rounding of amounts in euros is possible only within the actual change of the decisive amounts in Slovak korunas to the decisive amounts in euros, which will take place exclusively within the actual changeover from the Slovak currency to the euro (i.e. at the turn of the years 2008 and 2009), including, if applicable, the rounding of the decisive unit amount (unit price) in euros after the changeover to the euro as from 1 January 2008, but each rounding of the decisive amount in euros must be performed in accordance with the basic principles for the preparation for and changeover from the Slovak currency to the euro [Art. 2 (1) of the umbrella law].

For dual display (whether compulsory or voluntary), the rule applies that wherever dual display is performed, the conversion rate must be stated transparently as well [second sentence of Art. 18 (3) of the umbrella law]. Thus, the conversion rate must be for example stated transparently in all outlets or other business premises used in communicating with clients, citizens and consumers (customers, clients), where prices, payments or other amounts are dually displayed, including web sites or other electronic environment, where prices, payments or other amounts are dually displayed. It has to be noted here that, in the interests of providing the best information and an apparent provability of the provision of information about the conversion rate, it is very useful (although the law does not regulate this explicitly) to state the conversion rate directly on cash vouchers form electronic cash registers and on other documents, on which there are dually displayed prices, payments or other amounts.

The compulsory dual display in the stipulated scope of prices, payments and other amounts applies [Art. 18 (2) of the umbrella law] only to

- a) prices, payments and other amounts which before 1 January 2009 (i.e. before the euro introduction date) are stated in the Slovak currency, i.e. in Slovak korunas and haliers (the dual display before 1 January 2009 does not apply to prices, payments and other amounts, which are not stated in the Slovak currency at all before 1 January 2009)

- b) prices, payments and other amounts which after 1 January 2009 (i.e. after the euro introduction date) are stated in euros (*i.e. the dual display from 1 January 2009 applies also to prices, payments and other amounts stated in euros that were not stated in the Slovak currency at all before 1 January 2009*).

If the compulsory dual display was supposed to apply only to prices, payments and other amounts that are stated in the Slovak currency before the introduction of the euro (before 1 January 2009) (and that are converted to euros from the introduction of the euro on 1 January 2009), then Art. 18 (2) of the umbrella law on the euro would not make any sense and they the words saying that the dual display applies “*to prices, payments and other amounts, which after the euro introduction date are stated in euros*” would be superfluous. Indeed, from the introduction of the euro (from 1 January 2009) onwards, all prices, payments and other amounts until then stated in Slovak korunas will be converted to euros at the conversion rate. Of course, neither before the introduction of the euro on 1 January 2009 (*i.e. neither in the case of decisive prices in Slovak korunas*), nor after the introduction of the euro on 1 January 2009 (*i.e. nor in the case of decisive prices in euros*), the dual display is compulsory in the case of exceptions from the compulsory dual display, which are laid down by the umbrella law on the euro or by legal provisions (decrees) issued to implement the umbrella law on the euro.

Within offers and sale, but also within other paid provision of products, goods, services and work (including marketing), the data on prices, including unit prices, are displayed dually and stated on price tags, in price lists, including price schedules and price tariffs, in marketing materials or in other information media and technical devices, where information on price is usually stated [*first sentence of Art. 18 (5) of the umbrella law*]. It is sufficient, however, to provide for a dual display that is accessible for the public or clients in the electronic environment, by means of a visibly positioned and user-friendly virtual software calculator with a firmly and permanently set conversion rate [*second sentence of Art. 18 (5) of the umbrella law*].

Under any written form (whether in the form of a paper (document) or in an electronic form), the dual display must be implemented by displaying and stating the prices, payments and other amounts, including unit prices, simultaneously in Slovak korunas and in euros, in an unambiguous, transparent, comprehensible, easily accessible and clearly legible manner, so that the respective prices, payments and other amounts can be compared with similar prices, payments and other amounts, including unit prices. Under a dual display, information concerning prices, payments and other amounts must be stated in the Slovak language (i.e. in the state language) and they may be stated also in other languages [*Art. 18 (4) of the umbrella law and Art. 8 of the Act of the National Council of the Slovak Republic No. 270/1995 Coll. on the state language of the Slovak Republic*].

Voluntary dual display may also be implemented more broadly than in the compulsory scope of dual display, but it must be implemented under the valid rules. The voluntary dual display may also be implemented outside the compulsory period of dual display, i.e. both prior to the beginning of the period of compulsory dual display on Sunday 24 August 2008 (*not earlier, however, than as of the conversion rate adoption date onwards*), and after the end of the period of compulsory dual display on Friday 1 January 2010 [*Art. 18 (1) of the umbrella law*].

As of Thursday 24 July 2008 [*i.e. as of the conversion rate adoption date set by the official publication of the regulation on the conversion rate in the Official Journal of the EU*], it is prohibited to display and state prices, payments and other amounts simultaneously in the Slovak currency and in euros in any way not complying with the rules of dual display, in particular it is prohibited to use the dual display with a conversion different than according to the conversion rate, with a lower than prescribed number of decimal places or with less accurate rounding than under the prescribed rounding rules. Until (and inclusive of) Wednesday 31 December 2008, i.e. until the introduction of the euro,

it is, however, possible to state the exchange rates used for purchases, sale or exchange of Slovak korunas for euros [Art. 18 (9) of the umbrella law].

Should the dual display apply to monetary amounts stated in invoices, contracts, payment or disbursement documents, documents issued by electronic cash register, cash receipts, other payment confirmation documents or other accounting documents, only the final total sums of prices, payments and other amounts which are to be actually paid or accounted for, are subject to the dual display, unless otherwise provided in the umbrella law or a separate legal provision [*first sentence of Art. 18 (6) of the umbrella law*]. However, subject to dual display are also the final amounts of net wages, salaries and other incomes of the citizens. The valid legislation on dual display requires that also some items other than the final amount be dually displayed in certain special cases, for example in the case of tariffs and price lists of goods, materials, works and performances and in the case of statements of accounts kept in financial institutions [*second sentence of Art. 18 (6) of the umbrella law and also for example the implementing decree of the Ministry of the Economy No. 97/2008 Coll.*].

Of course, the total final amounts in euros, which are supposed to be actually paid or accounted for (*i.e. the decisive final amounts in euros from the introduction of the euro on 1 January 2009*) are rounded to two decimal places to the nearest euro cent, unless the umbrella law on the euro or a separate legal provision prescribes a specific number of decimal places of some final amounts [Art 2 (3) of the umbrella law].

Should the dual display apply to amounts specified in account statements issued by financial institutions, at least the initial balance and final balance of the respective amount stated in the account statement for the reported period, and the fees, charges and other prices paid to the financial institution are subject to dual display [*second sentence of Art. 18 (6) of the umbrella law*]. This separate provision for financial institutions has been laid down, since otherwise it would be necessary to act upon the general rule on dual display of each final amount in euros paid or accounted for, which, however, could cause a decrease in the transparency of account statements and at the same time would not take into account the existing standard commercial usage for keeping of accounts and setting up of account statements kept by banks or other financial institutions. Indeed, individual account statements kept by financial institutions do not contain by default an aggregate item showing the total final price with a sum of the fees for the keeping of the account and services performed within the account-keeping for the period reported in the account statement, but by default only the individual items showing the individual fees (prices) charged to the account kept in an ongoing manner both for account-keeping and for individual services performed within the account-keeping by the bank or another financial institution. However, a dual display of each individual item showing the individual fees could lead to a decrease of the transparency of account statements kept by financial institutions; a dual display of the key items for the period reported in the account statement (*i.e. the initial balance and final balance of the account for the reported period*), and in the case of a change in the level of the fees (*scale of fees*) for account-keeping or services performed within account-keeping also a dual display of the respective fees (the respective part of the scale of fees) – whether directly in the account statement or in the form of a separate clause to the account statement – is sufficient to preserve transparency of account statements [Art. 2 a) of the implementing Decree of the National Bank of Slovakia No. 221/2008 Coll.].

Should one and the same monetary amount be stated both in a document issued by an electronic cash register and in another document handed over to the consumer or to another authorised person, the dual display applies only to the amount stated in the document issued by the electronic cash register. Amounts stated in accounting documents of income and expenditure concerning cash register transactions in cash shall not be subject to a dual display. However, the dual display shall apply to the final amount stated in the cash receipt (sale slip) issued in lieu of a cash voucher from an electronic cash register, if the electronic cash register is temporarily unusable [*third and fourth sentence of Art. 18 (6) of the umbrella law*].

It has to be pointed out that there is a considerable amount of exemptions from the compulsory dual display of prices, payments and other amounts within the dual display. In general, those exemptions, however, do not mean a ban on a voluntary dual display of prices, payments and other amounts that are not subject to the compulsory dual display or to which the compulsory dual display does not apply [*Art. 18 (7) and (10) of the umbrella law and the implementing decrees² on the umbrella law on the euro*].

The compulsory dual display does not apply to monetary amounts that are stated exclusively between legal persons or exclusively between entrepreneurs in their mutual relations in performance of their business activities [*second sentence of Art. 18 (7) of the umbrella law*].

The compulsory dual display does not apply to payment orders, documents on deposit or disbursement of money, postal vouchers, other payment documents, operation documents, applications and forms processed, handled and executed by financial institutions or other entities (e.g. post offices), which are filled in by their clients or prepared on the basis of data provided by them [*third sentence of Art. 18 (7) of the umbrella law*]. The reason behind this stipulation was not to put a burden on customers of financial institutions and other similar entities (e.g. post offices) by the requirement to fill in payment orders, postal vouchers and other similar documents, applications and forms in dual manner. However, this stipulation does not exempt contracts concluded by financial institutions with their customers or account statements provided by them from the compulsory dual display.

The compulsory dual display also does not apply to monetary amounts stated in provisions of generally binding legal regulations and in the holdings of decisions of courts or other public authorities [*first sentence of Art. 18 (7) of the umbrella law*]. The reason for this provision on the umbrella law on the euro is both the fact that that generally binding legal regulations are of compulsory (not just informative) nature, so that it is not appropriate to prescribe the dual display of informative amounts in generally binding legal regulations; explanatory notes (or the grounds) to drafts of generally binding legal regulations, however, are not exempted from dual display due to their nature. Another reason for this provision in the umbrella law on the euro is the fact that the holdings of the decisions of courts and other public authorities constitute the binding (*not informative*) core of the decisions issued in the exercise of powers of public authorities. Based on the respective procedural laws, the holdings of courts and other public authorities are binding (not just informative) for parties to proceedings and, as a rule, other public authorities are bound by them, as well [*for example Art. 159 (2), Art. 155 (1) and Art. 135 (2), Art. 52 and Art. 40 (1) of the Rules of Administrative Procedure (Act No. 71/1967 Coll. as amended)*]. Because it is not appropriate to prescribe a dual display of informative amounts in binding holdings of the decisions of courts and other public authorities, the holdings of the decisions of public authorities are not subject to compulsory dual display; the grounds of the decisions of public authorities, however, are not exempted from dual display due to their nature. It is therefore expedient that the dual display (stating) of informative monetary amounts (i.e. of informative monetary amounts in euros before the introduction of the euro and of informative monetary amounts in Slovak korunas after the introduction of the euro) is, in principle, only part of the grounds of the decisions of public authorities issued during the compulsory period of dual display, but also only part of explanatory reports (or the grounds) to drafts of generally binding legal regulations prepared and submitted to the legislative process during the compulsory period of dual display.

A dual display is not required from natural persons who are not entrepreneurs in regard to occasional renting of movables, occasional sale of own used items and products in adequate quantities between natural persons, or occasional sale of forest fruits, mushrooms or plant and animal products from own small-scale growing or breeding activities in agriculture, forest management or water management, including such occasional sales activities at market places [*fifth sentence of Art. 18 (7) of the umbrella law*].

The umbrella law on the euro does not prescribe a compulsory dual display for monetary amounts stated on duty stamps, postage stamps and other stamped stationery, tax labels for the consumer packaging of cigarettes or on other official tokens of value.

In connection with the dual display, it can be also said that the provisions of the umbrella law on the euro that regulate the dual display have effects in the future (*pro futuro*) and, in principle, have no retroactive effects. The reason is that, in principle, the retroactive effect of legal rules should not exist (the legal rule “*lex retro non agit*”), except for circumstances laid down by law in accordance with the principles of a “state of law” [democratic state respecting the rule of law]. Thus, in principle, the dual display does not apply to contracts or similar legal documents entered into or adopted before the beginning of the compulsory dual display period, unless they are modified (*amended*) during the dual display. Consequently, it is not indispensable to conclude separate addenda to contracts or similar legal documents concluded or adopted before the beginning of the compulsory dual display period, i.e. it is not indispensable to conclude separate addenda only because of the dual display of the final amounts to be paid or accounted for, which are stated in those contracts or analogous legal documents. Should, however, with respect to contracts or analogous legal documents entered into or adopted before the beginning of the compulsory dual display period, addenda (*amendments*) be entered into or adopted during the compulsory dual display period, by which the level of the final amounts to be paid or accounted for, stated in those contracts or analogous legal documents, should be regulated, the regulated level of final amounts to be paid or accounted for should be dually displayed as an informative amount in the respective addendum, except for cases where an exemption from the compulsory dual display (*for example if the same monetary amount was dually displayed on the cash voucher from a electronic cash register*) applies to the respective contract or analogous legal document.

Many detailed rules for the dual display, including a considerable number of exemptions from dual display, are contained in the implementing decrees issued by virtue of the empowering provisions of the umbrella law on the euro [Art. 10 (10) of the umbrella law]. These decrees to implement the umbrella law on the euro constitute the final part of this publication; the extraordinarily detailed rules and exemptions in the implementing decrees² are specially designed for individual specific situations and basically cannot be summarized except for the fact that the subject of dual display are primarily final amounts.

Concerning exemptions from dual display, the implementing decree of the Ministry of the Economy No. 97/2008 Coll. on the details of dual display for the area of consumer protection can be mentioned. Under Art. 3 c) of that decree, items exempted from dual display include also prices displayed by means of digital means of displaying prices, the technological solution of which does not enable dual displaying, for example public phone displays, other displays, electronic illuminated panels, scales and price scanners. At the same time, for example Art. 5 (1) and (2) of that decree lays down the exceptional compulsory rounding of selected unit prices in such a way that the unit prices of water-rates and sewage charges, unit prices of heat, unit prices of electricity and gas in euros, as well as the unit prices of electronic communication services billed per seconds of phoning are rounded mathematically at least to four decimal places.

For the financial market area, the details on the dual display are regulated by the implementing decree² of the National Bank of Slovakia No. 221/2008 Coll., which – taking into account Art. 15 (5) and Art. 13 (2) of the umbrella law – lays down that the nominal value of securities including the initial value of a mutual fund share is not subject to dual display, but the nominal value of securities issued after Thursday 24 July 2008 and before 1 January 2009 (*i.e. in the period after the official fixation of the conversion rate and before the introduction of the euro in Slovakia*) is subject to dual display. However, if values on otherwise exempted securities are stated or published in a publicly available way, or if they are stated as a total final amount stated in an account statement, they are subject to dual display.

Supervision concerning the preparations for the changeover and the changeover to the euro

The umbrella law on the euro explicitly regulates also the supervision and oversight of the compliance with the rules and obligations during the preparation for the changeover and during the changeover from the Slovak currency to the euro [Art. 19 to Art. 22 of the umbrella law].

The umbrella law on the euro has created no new supervision authorities, but it also has not changed the original scope of power of the existing supervision authorities. The supervision and oversight of the preparation for the changeover and the changeover from the Slovak currency to the euro will be performed by already existing supervision authorities to the extent of their original subject-matter competence [Art. 19 of the umbrella law]. However, in the interests of legal unambiguousness and clarity, the umbrella law on the euro has laid down explicitly that the existing supervision authorities are obligated and competent, within their subject-matter competence, to supervise and oversee also a new dimension – the circumstances and facts brought about or related to the preparation for the changeover and the changeover from the Slovak currency to the euro. Indeed, virtually all subject-matter fields in Slovakia must be adapted to the objectively changed circumstances and facts caused by the preparation for the changeover and the changeover from the Slovak currency to the euro, or which are the result of the end of the existence and replacement of the Slovak currency during the changeover to the euro. Therefore the existing supervision authorities are obligated and competent to supervise and oversee, within their subject-matter competence, also anything brought about, caused or affected, within the subject-matter field of their competence, by the preparation for and changeover from the Slovak currency to the euro. For example, the dual display of prices, payments and other amounts, which has to serve above all in the interests of protection of the citizens and consumers, affects both the area of prices and the area of consumer protection, so that price controlling authorities and authorities responsible for consumer protection are, within their subject-matter competence, obligated and competent to supervise and oversee also the circumstances and facts brought about or related to the dual display.

A key role within the supervision and oversight of compliance with the rules and obligations concerning the preparation for the changeover and the changeover from the Slovak currency to the euro will be played by the Slovak Trade Inspectorate, the National Bank of Slovakia, price controlling authorities, authorities involved in consumer protection and other supervision authorities within the limits of their subject-matter competence for supervision and oversight as laid down by separate legal provisions [Art. 19 (1) of the umbrella law]. Such authorities, within the limits of their subject-matter competence for supervision and oversight as laid down by separate legal provisions, include the Ministry of Finance of the Slovak Republic, the Ministry of Health of the Slovak Republic, the Ministry of the Economy of the Slovak Republic, the Ministry of Labour, Social Affairs and Family of the Slovak Republic, the Ministry of the Interior of the Slovak Republic, the Telecommunications Office of the Slovak Republic, the Regulatory Office of Network Industries, the Postal Regulatory Office of the Slovak Republic, the Railway Regulatory Authority, the Public Health Authority of the Slovak Republic, the State Food and Veterinary Administration of the Slovak Republic, the State Institute for Drugs Inspection, the Institute for the State Inspection of Veterinary Biologics and Drugs, the State Energy Inspection of the Financial Control Administration, higher territorial units, Trade License Offices and municipalities. For example, the municipalities will be entitled to perform supervision and oversight during the preparation for the changeover and the changeover from the Slovak currency to the euro especially at market places and market spaces.

However, should it be, for any reasons, impossible to find out the competence of the supervision authority, the Slovak Trade Inspectorate will be competent for performing supervision and oversight. This solution in the umbrella law on the euro is actually the same solution that already contained in the valid Act on consumer protection [Art. 19 (1) of the umbrella law and Art. 20 (1) of Act No. 250/2007 on consumer protection as amended].

Due to the special financial sensitivity of the citizens, consumers and other entities, the umbrella law on the euro also explicitly lays down that the National Bank of Slovakia performs supervision of compliance with rules and obligations concerning preparations for the changeover and the changeover to the euro in the field of cash and non-cash circulation and in the financial market, including conversions, rounding, redenominations, exchanges and dual display within the services of financial institutions, including redenominations of bank products from Slovak korunas to euros, exchanges of cash money (banknotes and coins), as well as conversions and redenominations of nominal values of securities from Slovak korunas to euros [Art. 19 (2) of the umbrella law].

For detected unlawful shortcomings related to the preparations for and changeover to the euro, an entrepreneur or a legal person may be imposed a pecuniary fine in the valid currency of up to the value of EUR 30,000, and for a repeated or serious shortcoming even up to the value of EUR 60,000 [Art. 20 (2) of the umbrella law]. At the same time, it is also possible to impose upon a natural person that has caused the detected legal shortcoming in the activity of the entrepreneur or legal person – for example upon the unlawfully acting responsible firm manager – a so-called personal fine in the valid currency up to the value of EUR 1,500, and for a repeated or serious shortcoming even up to the value of EUR 3,000 [Art. 20 (3) of the umbrella law]. However, if some of the supervised entities or some representatives of the supervised entities are also subject to separate supervision or oversight pursuant to separate legal provisions, then, pursuant to the provisions on that separate supervision or oversight, corrective measures, fines or other sanctions will be imposed upon the respective supervised entities and representatives of the supervised entities also for the detected unlawful shortcomings concerning the preparations for the changeover and the changeover to the euro [Art. 20 (1) and second sentence of Art. 20 (3) of the umbrella law]. For example, financial institutions and their representatives are subject to financial market supervision, therefore corrective measures, fines or other sanctions will be also imposed upon them for the detected unlawful shortcomings during the preparations for the changeover and the changeover to the euro [Act on financial market supervision (Act No. 747/2004 Coll. as amended), Act on banks (Act No. 483/2001 Coll. as amended), as well as other separate laws regarding the financial market].

Within supervision and oversight of compliance with rules and obligations concerning the preparations for the changeover and the changeover to the euro, supervision authorities are also competent to impose a procedural fine (*disciplinary measure*) on anyone who without any serious reason hinders the conduct of proceedings before a supervisory authority, or hinders another execution of supervision or oversight (*for example, hinders the execution of supervision or oversight at site or does not provide the cooperation required for the purposes of supervision or oversight*). The procedural fine can be imposed upon a natural person up to the value of 1,500 euros or upon a legal person up to the value of 15,000 euros and it can be imposed repeatedly [Art. 22 of the umbrella law].

In addition, in the conduct of supervision and oversight of rules and obligations concerning the preparations for the changeover and the changeover to the euro, supervision authorities have the right to request the provision of cooperation, defined by them, on the part of state authorities, local self-government authorities, other public authorities and other legal persons and natural persons [Art. 21 of the umbrella law].

Common and transitional rules for preparations for the changeover for and the changeover to the euro

The umbrella law also contains extraordinarily important common and transitional rules for the preparations for the changeover and the changeover to the euro [Art. 23 and Art. 24 of the umbrella law].

All legal persons and entrepreneurs have the explicit obligation to prepare and implement measures, rules and procedures that will secure a continuous and undisturbed changeover to the euro when carrying out their activities. In doing that, each person has to bear its own costs and expenses related to the introduction of the euro. However, the costs and expenses necessarily and demonstrably incurred in relation to the introduction of the euro are subject to provisions on tax expenses and costs under the Act on the income tax [Act No. 595/2003 Coll. as amended]. Those common rules contribute to an organized and continuous changeover from Slovak currency to the euro and they have also set the stage for the costs and expenses necessarily and demonstrably incurred in relation to the introduction of the euro to be deductible as tax expenses and costs under the Act on the income tax [Art. 23 (1) of the umbrella law].

The umbrella law also stipulates explicitly within the common rules that the costs and expenses related to the introduction of the euro may not constitute a reason for raising prices, including unit prices, fees or other financial payments, or for requiring special fees, surcharges, or other payments for the purpose of covering the costs related to the introduction of the euro, including the cost relating to the redenomination of asset values from the Slovak currency to euros [Art. 23 (1) of the umbrella law]. It has to be pointed out again in connection with this provision that this is not an absolute prohibition to increase prices (i.e. a price freeze) during the period of preparations for the changeover and the changeover to the euro, but it is only a prohibition to increase prices (including unit prices, fees or other financial payments) for reasons related to the introduction of the euro. However, the basic principles for the preparations for and changeover to the euro mean that, if during the preparations for the changeover and the changeover to the euro, including the dual display period, there is an increase in a price (including a unit price, fee or other financial payment), the actual reasons for the increase in a price (including a unit price, fee or other financial payment) must be transparent and must enable a clear, unambiguous and comprehensible differentiation of the reasons for the price increase from circumstances related to the introduction of the euro, including the differentiability of the reasons of the increase from the conversion and rounding of amounts from Slovak korunas to euros according to the conversion rate, the rounding rules and other rules for the changeover from the Slovak currency to the euro. Thus, during the preparations for the changeover and the changeover to the euro including the dual display period, this contributes – by means of basic principles for the preparations for and changeover to the euro – to ensuring a transparent formation and use of prices, as well as a simplification of their control in terms of differentiation of the reasons of a possible increase in a price (including a unit price, fee or other financial payment) from circumstances related to the introduction of the euro in the process of preparations for the changeover and changeover to the euro, including the dual display period [including the part of this publication concerning the basic principles for the preparations for and changeover to the euro].

Securities, other financial instruments and other asset values which in monetary terms are expressed in the Slovak currency and which are not governed by Slovak law, but by the law of a foreign country, will be redenominated from the Slovak currency to euros or to another currency in accordance with the law of that foreign country [Art. 23 (3) of the umbrella law]. This rule fully complies with the fact that the umbrella law on the euro and the Slovak law system have only limited applicability and cannot regulate legal relations that are subject to a foreign legal system. For example, if securities denominated in Slovak korunas are governed by the law of a foreign country (particularly by the law system of a non-EU member state), their validity and redenomination from Slovak korunas to euros has to be assessed according to the respective foreign legal system. If, however, securities denominated in Slovak korunas are governed by the law of an EU Member State (and thereby also by EU/EC law), then, within the changeover from the Slovak currency to the euro, those securities denominated in Slovak korunas remain valid and, at the same time, the legal presumption (legal fiction) applies, according to which those securities have to be treated as values converted from Slovak korunas to euros at the conversion rate [Art. 3 and Art. 5 of Council Regulation (EC) No. 1103/97 and Art. 7 and 14 of Council Regulation (EC) No. 974/98].

The provisions of the umbrella law on the euro also apply to legal relations established before the effective date of the individual provisions of the umbrella law on the euro (i.e. before 1 January 2009 or even before 1 January 2008); nevertheless, the establishment of such legal relations, as well as claims arising hereunder before the effective date of the respective provisions of the umbrella law on the euro are treated in accordance with existing provisions (i.e. according to legal regulations effective until the effective date of the relevant provisions of the umbrella law on the euro) in such a way that as of the euro introduction date on 1 January 2009, amounts and asset values expressed in Slovak korunas are treated as amounts and asset values expressed in euros under the rules for the changeover to the euro, unless otherwise agreed by the parties to the respective legal relation or unless otherwise provided in the umbrella law on the euro or a separate legal provision [Art. 24 (1) of the umbrella law]. This rule fully complies with the prohibition of negative direct retroactivity of legal provisions to the detriment of the persons concerned. At the same time, however, the umbrella law also permits (*analogously to several transitional provisions of the Civil Code*) indirect retroactivity, which consists primarily in the fact that as from the euro introduction date on 1 January 2009 (*i.e. from the cessation of the existence of Slovak currency*) amounts and asset values expressed in Slovak korunas are treated as amounts and asset values expressed in euros according to the conversion rate and other rules for the changeover from the Slovak currency to the euro. The aim of this provision is to contribute to an indispensable adaptation of legal relations to the objectively changed external circumstances, which are the result of the cessation to exist and replacement of the Slovak currency (Slovak korunas) during the changeover to the euro as of 1 January 2009.

The umbrella law on the euro also contains important terminological and redefinition substitutions [Art. 24 (2) to (4) of the umbrella law]. In part, these are terminological substitutions between the terminology that existed and was used in the past (*sometimes even inconsistently*) and between the newly introduced terminology, which is the consequence of the preparation for the changeover and of the changeover from the Slovak currency to the euro. In part, however, these are also redefinition substitutions between the meaning of terms (definitions) with regard to content, which existed and was used also in the past, and between the changed (new) meanings of terms (definitions) with regard to content, which is the consequence of the preparations for the changeover and the changeover from the Slovak currency to the euro.

For example, the term “monetary reserves”, as well as the term “foreign reserves”, the material nature of which was the same, were used in parallel in the past, but only the term “foreign reserves” used also by EU/EC law should be used today. Only the term “currency unit”, which is also used by EC/EU law, should be used today, instead of the terms “monetary unit” and “monetary unit of currency”, which are parallel with regard to content [Art. 24 (2) of the umbrella law].

Similarly, the terms “lawful money” and “legal tender” were used in the past in parallel, but only the term “legal tender”, also used by EC/EU law, should be use today. At the same time, however, the meaning of the term “legal tender” is gradually changing (is being redefined) with regard to content over time, because exclusive legal tender in Slovakia are only valid Slovak banknotes and Slovak coins until (and inclusive of) 31 December 2008 (*i.e. until the introduction of the euro*); valid euro banknotes and euro coins as well as valid Slovak banknotes and Slovak coins in the period from and inclusive of 1 January 2009 to and inclusive of 16 January 2009 (*i.e. during the dual cash circulation period*), and, from 17 January 2009 onward (*i.e. from the end of the dual cash circulation period*) exclusive legal tender in Slovakia are only valid euro banknotes and euro coins [Art. 24 (2) of the umbrella law]. By the way, the content of the term “legal tender” had not been explicitly defined in any legal regulation in force until then.

The meaning of the term “foreign currency” (or, if applicable, also of the term “currency of a foreign country”) is also gradually changing (being redefined) over time with regard to its content, because until and inclusive of 31 December 2008 (*i.e. until the introduc-*

tion of the euro) foreign currency stands for any other currency than Slovak currency in Slovakia (until then euro is also a foreign currency), in the period from and inclusive of 1 January 2009 to and inclusive of 16 January 2009 (*i.e. during the dual cash circulation period*) foreign currency stands for any other currency than the euro or the Slovak currency, and from 17 January 2009 (*i.e. from the end of the dual cash circulation period*) any foreign currency stands for any other currency than the euro [Art. 24 (4) of the umbrella law]. Similarly, the meaning of the terms “foreign banknotes and coins” and “foreign exchange”, which are basically cash and non-cash foreign currency funds, is gradually changing over time with respect to content. The meaning of the terms “domestic money”, “domestic currency” or “national currency” is changing in that such money or currency will include also the euro from 1 January 2009 (*i.e. from the changeover to the euro*), but exclusively the euro from 17 January 2009 (*i.e. from the end of the dual cash circulation period*) [Art. 24 (3) and (4) of the umbrella law]. By the way, the content of the term “foreign currency” (or of the term “currency of a foreign country”) had not been explicitly defined in any legal regulation in force until then.

The situation in the case of the terms “Slovak tender”, “Slovak money”, “Slovak currency” and “Slovak korunas”, which are used in many Slovak legal regulations, is special, so that the umbrella law lays down the legal presumption that from 1 January 2009 (*i.e. from the changeover to the euro*) these terms mean also the euro, but from 17 January 2009 (*i.e. from the end of the dual cash circulation period*) they mean only the euro [Art. 24 (3) and (4) of the umbrella law].

In connection with the terminology introduced by the umbrella law on the euro, it is necessary, for the sake of completeness, to point out a substantial mistake occurring in practice at times consisting in the opinion that the term “euro” is only a legal abbreviation of the expression “euro currency”, although the legal abbreviation does not exist anywhere and in reality the term “euro” has a broader meaning than the expression “euro currency”, because euro is both the common European currency and the currency unit of the whole euro area as well as of participating third countries. This mistake regarding the term “euro” might be the result of a perfunctory reading of the umbrella law on the euro, which contains a few legal abbreviations, but it nowhere contains the legal abbreviation “euro” for the expression “euro currency”.

The transitional provisions of the umbrella law on the euro also contain short-term temporary exceptions for the introduction of informative price data in Slovak korunas instead of a price in euros on electronic display devices [see Art. 24 (8) of the umbrella law as amended by the amendment of 18 September 2008]. Specifically, Art. 24 (8) of the umbrella law on the euro lays down that on electronic display devices – in the case of the provision of electronic communication services (*for example on the displays of telephone sets*) and when selling goods and providing services by means of electronic means of distance communication (*for example within internet sale of goods and internet provision of services*) – from 1 January 2009 to 17 January 2009 (*i.e. from the euro changeover to the end of the dual cash circulation period*) it is allowed to display only an informative sum of money in Slovak korunas instead of the price of the good or service in euros, if that price is not subject to dual display or is exempted from dual display, if an earlier display of that price provably is not possible for technical reasons and in the absence of a provision to the contrary in this Act or in a separate piece of legislation.

In addition, Art. 24 (8) of the umbrella law lays down that on the digital indication display devices on filling columns for the refueling of motor vehicle tanks (*i.e. on the filling columns of fuelling stations*), after the euro changeover it is allowed to display only an informative sum of money in Slovak korunas instead of the fuel price in euros from 1 January 2009 to 31 January 2009.

Art. 24 (8) of the umbrella law also lays down that on the displays of taximeters it is allowed to display only an informative sum of money in Slovak korunas instead of the fare in euros from 1 January 2009 to 31 March 2009.

The exceptions under the new paragraph (8) of Art. 24 of the umbrella law on the euro take into account the time necessary for the technical conversion of electronic systems and their electronic display devices from Slovak korunas to euros, as well as the set periods of time necessary for the state testing agency to perform certification (the so-called calibration) of devices at the filling columns at fuelling stations, as well as to perform certification of taximeters after the changeover from Slovak korunas to euros.

At the same time, it has to be emphasized that the said exceptions (*exceptions under Art. 24 (8) of the umbrella law on the euro*) only apply to data stated on electronic display devices (screens), but the exceptions do not apply at all to the obligation to state prices in euros on cash vouchers from electronic cash registers or on other vouchers (*e.g. on sale slips*) as early as from 1 January 2009 (*from the introduction of the euro*).

The umbrella law on the euro also contains repealing clauses. The umbrella law on the euro has, among other things, repealed – as early as from 1 January 2008 – several legal regulations or parts of legal regulations [*Art. 25 of the umbrella law*]; the repealed legal regulations or the repealed parts thereof mostly have been obsolete and unusable in reality for a very long time, but were not repealed in the past.

Attendant amendments to laws

Part of the Act on the introduction of the euro in the Slovak Republic are (as Sections II to XXIX) also attendant amendments to 28 other acts, which regulate matters related to the preparations for the introduction of the euro in Slovakia and to the actual changeover from the Slovak currency to the euro. Subject to an amendment are for example the Commercial Code (including an amendment to several provisions on commercial partnerships and on cooperatives as early as from 1 January 2008), the Act on the Companies Register, the Foreign Exchange Act, Act on the payment system, acts related to the financial market (particularly to securities, investment services, collective investment, banking and bank deposit protection, retirement pension saving), Act on social insurance, but many other acts have been also amended.

Amendment to the Act on the National Bank of Slovakia

Of particular importance is the primarily the amendment to the Act on the National Bank of Slovakia (*and the related amendment to the Act on the Supreme Audit Office of the Slovak Republic*), which contains primarily alterations of provisions on monetary policy, on monetary policy instruments, on operations of the National Bank of Slovakia, on issues of banknotes and coins by the National Bank of Slovakia and on other activities of the National Bank of Slovakia. It also contains a partial regulation of cash circulation of euro money in Slovakia so as to appropriately ensure harmonization of the Act on the National Bank of Slovakia with the relevant EC/EU legislation [see also the part of this publication on the period of exclusive cash circulation of euro money in Slovakia from 1 January 2009 to 17 January 2009].

The most important changes contained in the amendment to the Act on the National Bank of Slovakia include the transition of the key competences of the central bank in monetary policy and issue of cash money, as well as provisions on the transfer of a part of foreign reserves from the National Bank of Slovakia to the European Central Bank as of the introduction of the euro in Slovakia. An important change is also the fact that the power to approve (*determine*) independent external auditors for audits of the financial statements of the National Bank of Slovakia will not belong to the Supreme Audit Office of the Slovak Republic anymore, but to the Council of the European Union based on a recommendation of the Governing Council of the European Central Bank.

Effect date and application of the umbrella law

The umbrella law on the euro became effective de jure on 1 January 2008. The key provisions of the umbrella law, however, have to be applied in reality primarily from 24 August 2008 (i.e. from the start of the dual display period). And the most important provisions of the umbrella law become effective and have to be applied only from 1 January 2009, i.e. from the euro introduction date in the Slovak Republic. Overall it can be said that the umbrella law has created the basic legal preconditions in the Slovak Republic for a problem-free and successful introduction of the euro in Slovakia and also the integration of Slovakia into the euro area, as well as the integration of the National Bank of Slovakia into the Eurosystem as the system of central banking for the euro area within the European System of Central Banks.

Final notes

This informative commentary to the provisions of the umbrella law on the euro (*Act No. 569/2007 Coll. as amended*) can also be used as informal methodological recommendations for the practical interpretation and application of the provisions of the umbrella law on the euro within the preparations for the changeover and the changeover from the Slovak currency to the euro.

At the same time, however, it has to be pointed out that preparations and discussions of a variety of draft acts, by which amendments to “ministerial” acts related to the introduction of the euro currency in the Slovak Republic are laid down in the scope of powers of individual ministries, have already entered the final stages of the legislative process. The key package of government drafts for amendments to “ministerial euro laws” has been approved by the government of the Slovak Republic on 20 August 2008. At the same time, it results from the published schedule of sessions of the National Council of the Slovak Republic that the final discussion and approval of these government drafts for amendments to “ministerial euro laws” will probably take place at the session of the National Council of the Slovak Republic in October 2008. In connection with the preparations for the changeover and the changeover from the Slovak currency to the euro, it is thus also necessary to monitor and comply with recent legislation, i.e. new acts and other legal regulations, which are promulgated in the Collection of Laws of the Slovak Republic.

97
DECREE
of the Ministry of Economy of the Slovak Republic
of 12 March 2008

concerning the details of dual display with regard to consumer protection

The Ministry of Economy of the Slovak Republic, pursuant to Article 18 para. 10 a) first subparagraph of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) (hereinafter the “Act”) hereby lays down the following:

Article 1

Dual display of prices, payments, and other amounts (hereinafter the “dual display”) shall be performed in a manner allowing the consumer to clearly and unambiguously distinguish between the prices stated in the main currency and the prices stated in the informative currency. The conversion table must be displayed in a manner that is unambiguous, identifiable, comprehensible, easily accessible and clearly legible for consumers.

Article 2

For the purposes of this Decree:

- a) “main currency” shall be the Slovak koruna currency prior to the date of the introduction of the euro in the Slovak Republic (hereinafter the “euro introduction”); after the euro introduction date, this term shall denote the euro;
- b) “informative currency” shall be the euro prior to the euro introduction date and, as of the euro introduction date, including the day on which the euro is introduced; this term shall denote the Slovak koruna currency;
- c) “conversion table” means the display of all price values, in ascending or descending order, of products and services offered by a seller, which are stated in the Slovak koruna and the euro (hereinafter “both currencies”), along with the display of the conversion rate.

Article 3

Exemption from dual display applies to:

- a) prices on the price tags directly placed on products, with the exception of products sold in bulk¹, where it is sufficient to display the prices in the main currency, if the dual display of these prices is provided in some other appropriate manner in a visible place in an immediate proximity to the product;
- b) unit prices displayed on the packages of products sold in bulk;
- c) prices displayed by means of digital screen equipment for the display of prices that is not technically designed to provide dual display, such as public phone displays, other displays, electronic display boards, weight scales and price scanners;
- d) prices of returnable containers, in which case it is sufficient to display the prices on a pricelist in both currencies in a visible place in an immediate proximity to the point of redemption along with the conversion rate; dual display is also not required for documents issued by the seller to the consumer in connection with the redemption or issuing of returnable containers;
- e) prices of discounted products, with the exception of products sold in bulk, indicated in leaflets, banners and other marketing materials, where it is sufficient to provide dual display of the applicable discounted sale price along with the conversion rate;
- f) prices of discounted products sold in bulk, indicated in leaflets, banners and other marketing materials, where it is sufficient to provide dual display of the applicable discounted unit price along with the conversion rate;
- g) values stated on gift cards, coupons and vouchers for goods and services issued prior to the commencement of the dual display obligation;

¹ Article 2 c) of Regulation No. 387/2007 Coll. of the Government of the Slovak Republic on the marking of products with prices.

- h) prices provided as informative prices to end users of electronic communication services² in the form of short message services (SMS), by means of dialogue interface in IPTV services³, as well as information concerning the credit balance for pre-paid electronic communication services, where it is sufficient to indicate the prices in the main currency;
- i) prices provided as informative prices by means of voice communication, with the exception of information concerning the prices for services provided through public phones in accordance with Article 4 (g);
- j) prices of services stated in the catalogues of tour operators and travel agencies or in the pricelists to such catalogues.

Article 4

For dual display as regards the sale of several products and provision of several services, the following dual display methods shall be applied:

- a) unit prices per litre of fuel shall be displayed in both currencies on the pumps of petrol stations or in an immediate proximity thereto;
- b) prices of products and services stated in the catalogues issued
 1. prior to the commencement of the dual display obligation and provided to consumers after the commencement of the dual display obligation shall be displayed using a conversion table to be inserted in the catalogue;
 2. following the commencement of the dual display obligation shall be displayed using a conversion table which forms an inseparable part of every catalogue;
- c) prices of all products and services in specialised shops selling meat and meat products, confectionery products and other perishable foodstuffs⁴, or in specialised shop sections selling meat and meat products, confectionery products and other perishable foodstuffs, and in fast food facilities, shall be displayed in both currencies on a pricelist in a visible and accessible place;
- d) prices of all products and services offered by means of vending machines or ticket machines for public transport shall be displayed in both currencies on a pricelist placed on the vending machines or ticket machines or in an immediate proximity thereto;
- e) prices of periodic and non-periodic publications⁵ shall be displayed in both currencies on a pricelist placed in a visible and accessible place in the shop;
- f) prices of products or services offered by a seller employing five or less employees shall be displayed in both currencies on a pricelist placed in a visible and accessible place in the shop;
- g) information on prices for services provided by means of public phone booths shall be stated in both currencies on a toll-free non-stop customer service phone number to be shown on the public phone displays or in an immediate proximity thereto.

Article 5

- (1) Unit prices for electronic communication services² based on per-second billing, which are stated in euros, shall be mathematically rounded to at least four decimal places.
- (2) Unit prices of water and sewerage,⁶ unit prices of heating⁷ and unit prices of electricity and gas⁸ stated in euros shall be mathematically rounded to at least four decimal places.

Article 6

This Decree becomes effective on 27 March 2008.

² Article 5 of Act No. 610/2003 Coll. on electronic communications, as amended by Act No. 117/2006 Coll.

³ Act No. 220/2007 Coll. on digital broadcasting of programme services and on provision of other content services through digital transmission and on amendments to certain acts (the Digital Broadcasting Act).

⁴ Article 2 para. 3 of Decree No. 2986/2003-100 of the Ministry of Agriculture of the Slovak Republic and the Ministry of Health of the Slovak Republic of 27 October 2003 which issues a Title of the Food Code of the Slovak Republic governing deep frozen food and frozen food. (Notification No. 480/2003 Coll.)

⁵ Article 2 para. 1 to 4 of Act No. 212/1997 Coll. on compulsory copies of periodic publications, non-periodic publications and audiovisual works, as amended.

⁶ Act No. 442/2002 Coll. on the public water supply and public sewerage and on amendments to Act No. 276/2001 Coll. on regulation in network industries, as amended.

⁷ Act No. 657/2004 Coll. on the heating sector, as amended.

⁸ Act No. 656/2004 Coll. on the energy sector and on amendments to certain acts, as amended.

DECREE
of the Ministry of Finance of the Slovak Republic
No. 75/2008 Coll.
of 27 February 2008

determining the rules for reporting, conversion and rounding of monetary data in relation to the changeover to the euro, for the purposes of accounting, taxes, and for customs purposes

The Ministry of Finance of the Slovak Republic, pursuant to Article 16 paragraph 3 and Article 18 paragraph 10 b) of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) hereby lays down the following:

Basic provisions
Article 1

This Decree regulates detailed rules for registration, reporting or rounding of data on financial amounts (hereinafter the “monetary data”) and a detailed conversion procedure for monetary data in relation to the changeover to the euro for the area of

- a) accounting,
- b) income tax,
- c) value added tax,
- d) excise taxes,
- e) local taxes,
- f) tax administration,
- g) customs duties.

Article 2

For the purposes of this Decree, monetary data means the amount of

- a) assets, liabilities, costs, revenues, income and expenses¹ kept on accounts of accounting entities,
- b) taxes, tax differences or losses quantified in a protocol of a tax audit or of a repeated tax audit (hereinafter the “tax audit”),
- c) taxes or tax differences fixed by using tools in a protocol on tax fixation or of tax differences as stated in the minutes on a tax agreement,
- d) specified in
 1. tax returns, amended tax returns, or in supplementary tax returns,
 2. report, amended report or in a supplementary report,
 3. overview of tax advances withheld and paid for income from employment or in an amended overview of tax advances withheld and paid for income from employment,
 4. aggregate statement, amended aggregate statement or in a supplementary aggregate statement,
 5. application for value added tax refund,
 6. application for excise tax refund, or in a supplementary application for excise tax refund,
 7. application for the return of mineral oil tax to a foreign representative specified in separate legal provisions,²
 8. notice of interest receipts paid,³
- e) taxes paid without imposition,

¹ Article 2 para. 4 of Act No. 431/2002 Coll. on accounting, as amended.

² Article 16 para. 2 of Act No. 98/2004 Coll. on the excise tax on mineral oil.

³ Article 32 para. 15 of Act of the National Council of the Slovak Republic No. 511/1992 Coll. on administration of taxes and fees and on amendments to territorial financial bodies, as amended.

- f) taxes assessed in the import of goods,
- g) specified in a decision on
 - 1. tax imposition or tax difference imposition,
 - 2. imposition of a fine, imposition of penalty interest, imposition of interest,
 - 3. permission to postpone the payment of tax or of delinquent taxes, permission to pay tax or delinquent taxes in instalments⁴ (hereinafter “tax or tax instalments postponement”),
 - 4. permission of tax arrears or sanction relief, remission of delinquent taxes or sanction,⁵
 - 5. delinquent tax write-offs, cessation of delinquent taxes,
 - 6. tax or delinquent taxes refund, application of overpaid tax,
 - 7. specification of the payment of tax advances,
 - 8. regular remedial measure or extraordinary remedial measure,
- h) specified in a decision or in another document issued in tax execution proceedings,
- i) specified in a decision issued in tax proceedings, which is not listed in g) and h),
- j) specified in an appeal issued under separate legal provisions,⁶
- k) tax base or another fact of financial character which is crucial for correct specification of tax or for the creation of tax liability ascertained under separate legal provisions,⁷
- l) included in a list of tax debtors,
- m) specified in a notice on the amount of overpaid tax on request of the taxable unit,
- n) specified in a notice on another taxable unit on request of a natural person or of a legal entity,
- o) specified in a certificate of income from employment and in an annual account of income from employment,
- p) specified in a certificate of the payment of taxes on income from employment,
- r) tax allowance for a dependent child living in the household with the taxpayer⁸ (hereinafter the “tax bonus”),
- s) advances for income tax and advance for value added tax,
- t) share of tax paid for special purposes,
- u) import customs duty or export customs duty listed
 - 1. in a customs declaration,
 - 2. in an appeal,
 - 3. in a protocol on subsequent control,
 - 4. in a decision on reporting of a customs debt,
 - 5. in a decision on additional customs debt assessment,
 - 6. in a decision on permission to pay customs duty in instalments,
 - 7. in a decision on the postponement of customs duty payment,
 - 8. in a decision on customs duty refund or remission,
 - 9. in a decision on the assessment of late payment interest,
 - 10. in a decision on the assessment of compensatory interest,
 - 11. in a decision on the imposition of a fine,
 - 12. in a decision issued in customs execution proceedings,
 - 13. in a decision on approval to be a guarantor,
 - 14. in a decision on regular remedial measure or extraordinary remedial measure,
 - 15. in a decision not specified in para. 4 to 14 issued by customs offices,
- v) transferred cash financial resources listed in documents accompanying transport of cash financial resources,⁹

⁴ Article 59 of Act of the National Council of the Slovak Republic No. 511/1992 Coll. as amended.

⁵ Articles 64 and 103 of Act of the National Council of the Slovak Republic No. 511/1992 Coll. as amended.

⁶ For instance, Act of the National Council of the Slovak Republic No. 511/1992 Coll. as amended, Act No. 105/2004 Coll. on the excise duty on alcohol and on amendment and supplement of Act No. 467/2002 Coll. on the production of alcohol and its placement on the market, as amended by Act No. 211/2003 Coll., as amended.

⁷ Article 15 and 15b of Act of the National Council of the Slovak Republic No. 511/1992 Coll. as amended.

⁸ Article 115 Civil Code.

⁹ Article 4 of Act No. 199/2004 Coll., the Customs Act, amending and supplementing certain acts, as amended.

- w) listed in a certificate of depositing cash financial resources to secure a customs debt or in a certificate of the payment of a customs debt, accessions thereof, penalties or other payments,
- z) customs claim listed in a certificate of its set-off or in a deed of its transfer.

Accounting Article 3

(1) By the euro introduction date in the Slovak Republic (hereinafter the “euro introduction”), individual components of assets and liabilities shall be converted to euros at the conversion rate, except assets and liabilities under para. 2.

(2) By the euro introduction date, individual components of assets and liabilities set by separate legal provisions¹⁰ shall be converted to euros under separate legal provisions.¹¹

(3) By the euro introduction date, in an accounting entity posting in the system of double-entry bookkeeping, the accounting period of which is a business year, a period shorter than 12 calendar months due to a change of the accounting period, or which is bankrupt or winding up, closing costs and closing revenues shall be converted to euros at the conversion rate.

(4) By the euro introduction date, in an accounting entity posting in the system of single-entry bookkeeping, the accounting period of which is a business year, a period shorter than 12 calendar months due to a change of the accounting period, or which is bankrupt or winding up, aggregate amounts of income and aggregate amounts of expenses shall be converted to euros at the conversion rate.

(5) When rounding the amounts of assets, liabilities, costs, revenues, income and expenses, Article 20 shall be adhered to, unless otherwise stipulated by a special regulation¹². In double-entry bookkeeping, rounding differences and exchange differences originating from the euro introduction shall be posted separately on a special sub-account under a special regulation.¹³ In single-entry bookkeeping, rounding differences and exchange differences originating from the euro introduction shall be posted on book accounts in line with a special regulation.¹⁴

(6) In the conversion of share capital of partnerships or cooperatives, ordinary shares of state-owned enterprises, the endowment capital of foundations or other similar capital, including the conversion of the nominal value of share securities and shares denominated in the Slovak currency, the special regulation shall be adhered to.¹⁵

(7) In the bookkeeping of an accounting entity, which compiles individual financial statements under a special regulation,¹⁶ in the conversion of monetary data to euros, the procedure to be followed shall be in accordance with a special regulation.¹⁷

Article 4

(1) Monetary data in financial statements compiled at the euro introduction date or at the date following the euro introduction date are reported in the euro currency unit. Com-

¹⁰ Article 4 para. 7 of Act No. 431/2002 Coll. as amended by Act No. 561/2004 Coll.

¹¹ Act No. 431/2002 Coll. as amended.

¹² For instance, Article 2 para. 3 and 5 of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic, including amendments to certain acts.

¹³ Article 4 para. 2 of Act No. 431/2002 Coll. as amended.

¹⁴ Article 15 para. 1 of Act No. 431/2002 Coll.

¹⁵ For instance, Articles 10 to 15 of Act No. 659/2007 Coll.

¹⁶ Article 17a of Act No. 431/2002 Coll. as amended.

¹⁷ For instance, Commission Regulation (EC) No. 1725/2003 of 29 September 2003 adopting certain international accounting standards in accordance with Regulation No. 1606/2002 of the European Parliament and of the Council (EC), as amended, Act No. 659/2007 Coll.

parable data, which means data for immediately preceding accounting period expressed in Slovak korunas, shall be converted to euros at the conversion rate.

(2) Comparable data under para. 1 of the second sentence reported in individual lines of the balance sheet, profit and loss statement or assets and liabilities statement and income and expenses statements shall be converted to euros at the conversion rate, and reported in whole euros.

(3) When compiling ordinary financial statements and extraordinary financial statements, which are compiled for the first time at the day following the euro introduction, in the bookkeeping of the accounting entity the accounting period of which is the business year, a period shorter than 12 calendar months due to a change of the accounting period, or which is bankrupt or winding up, the basis is made up of monetary data of the current financial statements compiled at the day immediately preceding the euro introduction date, and of the monetary data after the euro introduction inclusive up to the day at which the ordinary financial statements and the extraordinary financial statements are compiled.

(4) In the notes to financial statements compiled for the first time after the euro introduction also information on the change of currency shall be stated, in which the accounting entity keeps accounts and compiles financial statements in relation to the euro introduction, and on the conversion of comparable financial data at the conversion rate, including its denomination.

Tax administration

Article 5

(1) After the euro introduction,

- a) financial information listed in Article 2 shall be reported in euros, unless stated otherwise below,
- b) tax record shall be kept in euros.

(2) In forms listed in Article 2 d) first to third paragraph and eighth paragraph, filed after the euro introduction for the taxation period before the euro introduction, monetary data shall be reported in Slovak korunas.

Article 6

(1) If a decision under a special regulation⁶ is issued after the euro introduction, which contains monetary data related to the taxation period that ends before the euro introduction, in the statements of the law contained in the decision, monetary data shall be stated in euros, and in the grounds of the decision, conversion of the relevant data shall be stated in euros at the conversion rate.

(2) If a tax audit is conducted after the euro introduction for the taxation period that ends before the euro introduction, the tax base, tax or tax difference shall be reported in a tax audit protocol, in a protocol of tax assessment according to tools or in the minutes on agreement of tax amount in Slovak korunas, and the tax amount or tax difference shall be converted to euros at the conversion rate. If a tax audit is conducted after the euro introduction for the taxation period that ends before the euro introduction, and a loss is reported in a tax audit protocol, such loss shall be reported in Slovak korunas and converted to euros at the conversion rate.

(3) If the tax administration permits to postpone the tax or the tax payment before the euro introduction and the postponement of tax or tax payment is set for a period that begins before the euro introduction and ends after the euro introduction, in the grounds of the decision their conversion to euros shall be stated, if the conversion rate is known.

Income tax
Article 7

The amount of tax bonus¹⁸ in Slovak korunas paid by the tax administration after the euro introduction, which applies to taxation periods before the euro introduction, shall be converted to euros at the conversion rate and rounded up to the nearest euro cent.

Article 8

(1) Advances on individual income tax calculated under a special regulation¹⁹ in Slovak korunas from the last known tax liability from tax returns filed for 2007, paid over the course of advance period²⁰ of 2008 and 2009 within the period for filing tax returns for the 2008 taxation period in 2009, after the euro introduction shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

(2) For the purposes of calculation of tax advances on individual income tax over the course of advance period²⁰ of 2009 and 2010,

- a) the tax base specified in the tax returns filed for 2008 in Slovak korunas shall be converted to euros at the conversion rate and rounded down to the nearest euro cent,
- b) tax credit paid abroad and listed in the tax returns filed for 2008 in Slovak korunas shall be converted to euros at the conversion rate and rounded up to the nearest euro cent,
- c) tax bonus listed in the tax returns filed for 2008 in Slovak korunas shall be converted to euros at the conversion rate and rounded up to the nearest euro cent,
- d) withholding tax under a special regulation,²¹ deducted as a tax advance in the tax returns filed for 2008 in Slovak korunas shall be converted to euros at the conversion rate and rounded up to the nearest euro cent.

Article 9

(1) Advances on legal entity income tax calculated under a special regulation²² from the last known tax liability stated in Slovak korunas in the tax returns filed for 2007, paid after the euro introduction within the period for filing tax returns in 2009, shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

(2) In the calculation of advances on legal entity income tax paid after the period for filing tax returns in 2009, tax for the previous taxation period calculated under a special regulation²³ in the tax returns filed for 2008 in Slovak korunas shall be converted at the conversion rate to euros and rounded down to the nearest euro cent. Advances on legal entity income tax ascertained under a special regulation²⁴ shall be rounded down to the nearest euro cent.

(3) If the taxation period is the business year, para. 1 and 2 shall apply.

Article 10

In forms listed in Article 2 o) and p) and in other forms used in relation to the taxation of income from employment for taxation periods before the euro introduction, after the euro introduction monetary data in Slovak korunas shall be reported.

¹⁸ Article 33 and Article 52 para. 48 of Act No. 595/2003 Coll. on income tax, as amended.

¹⁹ Article 34 of Act No. 595/2003 Coll. as amended.

²⁰ Article 34 para. 1 of Act No. 595/2003 Coll. as amended.

²¹ Article 43 of Act No. 595/2003 Coll. as amended.

²² Article 42 para. 7 of Act No. 595/2003 Coll. as amended by Act No. 534/2005 Coll.

²³ Article 42 para. 6 of Act No. 595/2003 Coll. as amended by Act No. 534/2005 Coll.

²⁴ Article 42 para. 1 and 2 of Act No. 595/2003 Coll. as amended.

Article 11

The amount of remitted share of paid tax calculated in Slovak korunas under a special regulation²⁵ from tax stated in Slovak korunas in tax returns filed after the euro introduction or in annual account made after the euro introduction shall be converted to euros at the conversion rate and rounded up to the nearest euro cent.

Value added tax Article 12

(1) Value added tax which was paid to the customs office before the euro introduction and returned under a special regulation²⁶ after the euro introduction shall be converted to euros at the conversion rate.

(2) Deduction of value added tax which applies to taxable transaction in which tax liability originated in the taxation period before the euro introduction, and the payment was required in Slovak korunas, and which is enforced in the taxation period after the euro introduction, shall be stated in euros in tax returns, after converting the amount stated in the invoice in Slovak korunas to euros at the conversion rate. If the payment was required in euros, in tax deduction the monetary value of the euro shall be used as it was stated in the invoice.

(3) In refund claims for the value added tax refund under a special regulation²⁷ filed after the euro introduction, which relates to the period before the euro introduction, monetary data shall be given in Slovak korunas; the amount of value added tax refund shall be converted to euros at the conversion rate.

(4) Any excess deduction originating in the taxation period before the euro introduction shall be converted after deducting the respective sum from tax liability in the taxation period after the euro introduction to euros at the conversion rate.

(5) Any excess tax sum not deducted, originating in the taxation period before the euro introduction, when refunded after the euro introduction, shall be converted to euros at the conversion rate.

(6) In an overall statement, amended overall statement or in a supplementary overall statement filed after the euro introduction, which relates to the period of the calendar quarter before the euro introduction, monetary data shall be stated in Slovak korunas.

Excise taxes Article 13

(1) In an excise tax refund claim or in a supplementary excise tax refund claim filed after the euro introduction, which relates to taxation period before the euro introduction, monetary data shall be stated in Slovak korunas; the resulting amount of excise tax refund shall be converted to euros at the conversion rate.

(2) In a mineral oil tax refund claim to a foreign representative stated in a special regulation² filed after the euro introduction, which relates to taxation period before the euro introduction, monetary data shall be stated in Slovak korunas; the resulting amount of excise tax refund shall be converted to euros at the conversion rate.

²⁵ Article 50 of Act No. 595/2003 Coll. as amended.

²⁶ Article 25 para. 5 of Act No. 222/2004 Coll. on value added tax, as amended.

²⁷ Articles 56 to 64 of Act No. 222/2004 Coll. as amended.

(3) If any tax liability arises under a special regulation²⁸, and to calculate excise tax for the purposes of filing tax returns under a special regulation²⁹ the rate of excise tax is used which is valid on the day when the relevant excise tax is sent, which belongs to the period before the euro introduction, monetary data shall be stated in Slovak korunas; the resulting tax shall be converted to euros at the conversion rate.

Local taxes

Article 14

For the purposes of calculating a tax base on land, after the euro introduction, the value of land³⁰ fixed before the euro introduction under an expert opinion in Slovak korunas, shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

Article 15

If any tax liability arises in relation to tax for using a public area³¹ before the euro introduction, and lasts continuously and extinguishes after the euro introduction, than, for the purposes of levying the tax for using a public area, the relevant tax rate specified in a generally binding legal regulation in Slovak korunas shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

Article 16

In case of transient lodging of a natural person in an accommodation facility³² that started before the euro introduction, and lasts continuously and extinguishes after the euro introduction, for the purposes of levying the accommodation tax, the relevant tax rate specified in a generally binding legal regulation in Slovak korunas shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

Article 17

If any tax liability arises in relation to tax for entering and parking a motor vehicle within the historical part of the town³³ before the euro introduction, and lasts continuously and extinguishes after the euro introduction, for the purposes of levying the relevant tax, the tax rate specified in generally binding legal regulation in Slovak korunas shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

Customs duties

Article 18

(1) If goods are to be released to customs regime of free circulation after the euro introduction based on a customs declaration which was received before the euro introduction, the amount of customs duties shall be stated in Slovak korunas according to customs regulations valid on the day of receipt of the customs declaration, and converted to euros at the conversion rate.

²⁸ For instance, Article 28 para. 1 of Act No. 98/2004 Coll.

²⁹ For instance, Article 28 para. 5 of Act No. 98/2004 Coll.

³⁰ Article 7 of Act No. 582/2004 Coll. on local taxes and local fees for municipal waste and minor construction waste, as amended.

³¹ Article 34 of Act No. 582/2004 Coll. as amended by Act No. 538/2007 Coll.

³² Article 37 of Act No. 582/2004 Coll. as amended.

³³ Article 64 of Act No. 582/2004 Coll. as amended by Act No. 538/2007 Coll.

(2) If goods are released to customs regime of temporary use with partial exemption from customs duty before the euro introduction, and such customs regime ceases to exist after the euro introduction, the amount of customs debt shall be stated in Slovak korunas according to customs regulations valid on the day of receipt of a customs declaration with a proposal to release goods to customs regime of temporary use with partial exemption from entrance duty, and converted to euros at the conversion rate.

(3) If a customs debt is assessed after the euro introduction, which arose before the euro introduction otherwise than by receipt of a customs declaration, or if a customs debt is assessed additionally after the euro introduction, which arose before the euro introduction, the amount of customs debt shall be stated in Slovak korunas according to customs regulations valid at the time when the customs debt arose, and converted to euros at the conversion rate.

Article 19

(1) If a subsequent control is conducted after the euro introduction in relation to customs declaration, on the basis of which goods were released before the euro introduction, the amount of customs debt which is to be collected or which remains for collection, shall be stated in Slovak korunas and converted to euros at the conversion rate.

(2) If after the euro introduction, a decision listed in Article 2 u) para. 4 to 10 and 12 is issued in relation to a customs debt, which arose before the euro introduction, delay interest payments or compensatory interest payments, which relate to the period before the euro introduction, in the statements of the law in the decision on the amount of customs duty, delay interest payments or compensatory interest payments shall be stated in euros, and in the grounds of the decision, their calculation shall be stated in Slovak korunas and converted to euros at the conversion rate.

(3) If after the euro introduction, an appeal authority or an authority competent to examine decisions beyond appeals proceedings decide on a decision issued before the euro introduction, and the statements of the law in the decision include monetary data, such monetary data shall be stated in euros, and in the grounds of the decision they shall be stated in Slovak korunas and in euros, converted at the conversion rate.

Common and final provisions

Article 20

(1) Unless stated otherwise in this Decree or in a special regulation³⁴, an amount of up to 0.005 euro shall be rounded down to the nearest euro cent, and an amount from 0.005 euro inclusive shall be rounded up to the nearest euro cent.

(2) For the purposes of taxes and customs, an amount converted to euros at the conversion rate, which is

- a) any payment from the national budget or from a municipality budget, shall be rounded up to the nearest euro cent,
- b) any payment to the national budget or to a municipality budget, shall be rounded down to the nearest euro cent.

Article 21

This Decree becomes effective on 15 March 2008.

³⁴ For instance, Act No. 659/2007 Coll.

**DECREE
of the Ministry of Finance of the Slovak Republic
No. 220/2008 Coll.
of 21 May 2008**

**determining the scope of prices, payments and other values subject
to dual display in the field of gambling games and the method of their
dual display**

The Ministry of Finance of the Slovak Republic, pursuant to Article 18 para. 10 a) fifth subparagraph of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) hereby lays down the following:

**Article 1
Lottery games**

In operating lottery games, the following shall be displayed dually:

- a) the price of a lot in a written document placed in a visible and easily accessible place at the point of lots sale, in the case of draw lotteries, instant lotteries and raffles,
- b) the amount of contribution
 1. in a printed certificate of contribution and of a bet made, in the case of numerical lotteries, and if contributions are received in a collection point,
 2. on the website of an operator of the gambling game, in the case of numerical lotteries, and if contributions are received through the Internet network,
 3. on the display of the telecommunication equipment, in the case of numerical lotteries, and if contributions are received by means of telecommunication equipment,
- c) the price of a lot in a written document placed in a visible and easily accessible place in a gambling house, in the case of bingo,
- d) the amount of contribution
 1. in a printed certificate of contribution and of a bet made, in the case of special bingo, and if contributions are received in a collection point,
 2. on the website of an operator of the gambling game, in the case of special bingo, and if contributions are received through the Internet network.

**Article 2
Gambling games in a casino**

In the operation of gambling games in a casino, the following shall be displayed dually:

- a) the value of a gaming chip in a written document placed in a visible and easily accessible place in the casino, in the case of board games,
- b) minimum amount of contribution and the maximum amount of contribution per gambling game approved in the game plan in a written document placed in a visible and easily accessible place in the casino, in the case of gambling games operated by means of gambling machines,
- c) minimum amount of contribution and the maximum amount of contribution per position approved in the game plan in a written document placed in a visible and easily accessible place in the casino, in the case of gambling games operated by means of technical equipment operated directly by gamblers,
- d) minimum amount of contribution and the maximum amount of contribution in a gambling game approved in the game plan in a written document placed in a visible and easily accessible place in the casino, in the case of video games.

Article 3 Bet games

In the operation of bet games, the following shall be displayed dually:

- a) the amount of contribution and the possible amount of the winning
 1. in a printed certificate of contribution and of a bet made, in the case of exchange bets, and if bets are received in a betting agency,
 2. on the website of an operator of gambling games, in the case of exchange bets, and if bets are received through the Internet network,
 3. on the display of the telecommunication equipment, in the case of exchange bets, and if bets are received by means of telecommunication equipment,
- b) the amount of contribution in a printed certificate of contribution and of a bet made, in the case of totalizator and horse racing bets.

Article 4 Gambling games operated by means of gambling machines

In the operation of gambling games by means of gambling machines, the maximum amount of contribution per gambling games shall be displayed dually, the maximum amount of the winning in a game, and the maximum amount of a premium game stipulated by a special Act¹ in a written document placed in a visible and easily accessible place in the gambling house and in another room where gambling machines are situated.

Article 5 Gambling games operated by means of technical equipment operated directly by gamblers or operated by means of telecommunication equipment and video game

(1) In the operation of gambling games by means of technical equipment operated directly by gamblers, the minimum amount of contribution and the maximum amount of contribution per position together with the maximum amount of the jackpot stipulated by a special Act¹ shall be displayed dually in a written document placed in a visible and easily accessible place in the gambling house and in another room where technical equipment operated directly by gamblers is situated.

(2) In the operation of gambling games by means of telecommunication equipment, the amount of contribution on the display of telecommunication equipment shall be displayed dually.

(3) In the operation of video games, the minimum amount of contribution in a game and the maximum amount of contribution in a game shall be displayed dually, and the maximum amount of the jackpot stipulated by a special Act¹ in a written document placed in a visible and easily accessible place in the gambling house and in another room where the terminals of video games are situated.

Article 6 Gambling games operated by means of the Internet

In the operation of gambling games operated by means of Internet, the amount of contribution on the website of an operator of gambling games shall be displayed dually.

Article 7 Legal effect

This Decree becomes effective on 1 July 2008.

¹ *Act No. 171/2005 Coll. on gambling games and on amendments and supplements to certain acts, as amended.*

**DECREE
of the National Bank of Slovakia
No. 221/2008 Coll.
of 10 June 2008,**

**determining certain rules for the dual display of prices, payments
and other amounts in the field of financial market and services of financial
institutions in the areas of banking, capital market, insurance industry
and pension saving**

The National Bank of Slovakia, after consulting the Ministry of Finance of the Slovak Republic, pursuant to Article 18 para. 10 a) second subparagraph of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) (hereinafter referred to as the "Act") hereby lays down the following:

Article 1

This Decree regulates the techniques, procedures, methods and other detailed rules for the dual display of prices, payments and other amounts¹ (hereinafter referred to as the "dual display") as well as for the rounding of prices, payments and other amounts to be adhered to in the changeover process from the Slovak currency to the euro (hereinafter referred to as the "euro changeover") in the field of financial market and services of financial institutions² in the areas of banking, capital market, insurance industry and pension saving.

Article 2

In line with the rules set by the Act, the requirements for dual display in written form including electronic form are also deemed to be fulfilled if the following is enclosed or attached to the documentation:

- a) a separate schedule containing dually displayed prices, payments and other amounts (hereinafter referred to as the "amounts") specified in the documentation, and the conversion rate, or
- b) electronic, mechanical or other technical equipment with a computed and permanently set conversion rate which is able to set or convert amounts in Slovak korunas including haliers (hereinafter referred to as "Slovak korunas"), constituting part of such documentation, to amounts in euros including eurocents (hereinafter referred to as "euros"), and from euros to Slovak korunas.

¹ Article 1 para. 2 i) of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts).

² For instance, Article 6 para. 17 and Article 5 p) and r) of Act No. 483/2001 Coll. on banks and on changes and the amendment of certain acts, as amended, Article 8 c) of Act No. 566/2001 Coll. on securities and investment services and on amendment to certain acts (the Securities Act), as amended, Article 21 para. 2 d) of Act No. 510/2002 Coll. on the payment system and on amendments and supplement to certain laws, as amended, Article 5 n) of Act No. 594/2003 Coll. on collective investment and on changes and amendments of certain other laws, as amended, Article 48 para. 22 of Act No. 43/2004 Coll. on retirement pension saving and on amendments and supplement to certain laws, as amended, Article 1 para. 3 a) of Act No. 747/2004 Coll. on financial market supervision (including consequential amendments), as amended by Act No. 340/2005 Coll., Article 176 para. 1, 2 and 5 of Act No. 7/2005 Coll. on bankruptcy and restructuring and on changes and amendments to some acts, as amended, Article 4 para. 4 of Act No. 8/2005 Coll. on insolvency trustees and on changes and amendments of certain other laws, as amended, Article 3 b) of Act No. 8/2008 Coll. on insurance and on amendments and supplements to certain laws.

Article 3

(1) The dual display by means of distant communication³, except telephone communication, means reporting of an amount in Slovak korunas and also in euros exclusively by means of a distant communication facility used, before the euro introduction in the Slovak Republic (hereinafter referred to as the “euro introduction”) in the case of an amount stated in Slovak korunas, and after the euro introduction in the case of an amount stated in euros.

(2) In telephone communication, except short message services (SMS), the dual display shall be stated accordingly under para. 1 on express request of the client only.

Article 4

(1) The value of pension unit⁴ shall be displayed dually as the value in euros rounded to six decimal places, and as the value in Slovak korunas rounded to four decimal places.

(2) Initial value of a share in a mutual fund, the current price of a share, and the current value of a mutual fund unit⁵ shall be displayed dually as the value in euros rounded to six decimal places, and as the value in Slovak korunas rounded to four decimal places.

(3) The values listed in para. 1 and 2 shall be rounded to six decimal places in such a manner that a total calculated remainder of final amount which is lower than 0.0000005 shall be rounded down, and a calculated remainder of final amount which equals to or is higher than 0.0000005 shall be rounded up. The values listed in para. 1 and 2 shall be rounded to four decimal places in such a manner that a total calculated remainder of final amount which is lower than 0.00005 shall be rounded down, and a calculated remainder of final amount which equals to or is higher than 0.00005 shall be rounded up.

Article 5

(1) The nominal value of securities including the initial value of a share in a mutual fund and except securities that will be issued in the period after the conversion rate fixing date and before the euro introduction date, is not subject to the dual display; this shall not affect the provision of para. 2.

(2) If values of securities under para. 1 are stated or disclosed in a publicly accessible manner, or if they are stated as the total final amount accounted for in an account statement, they shall be subject to dual display.

Article 6

(1) Total sums for a reported period in account statements, which are available through a direct electronic access to client’s account shall be displayed dually, unless the financial institution provides the client with an account statement in the physical form containing total sums being the subject of dual display, not later than one month before the euro introduction date, and not later than one quarter after the euro introduction date.

(2) Should the dual display apply to fees, charges and other prices paid to the financial institution, specified in account statements issued by the financial institution, the dual

³ For example, Article 9 of Act No. 108/2000 Coll. on consumer protection in doorstep selling and distance selling as amended, Article 2 e) of Act No. 266/2005 Coll. on consumer protection in distance financial services (including amendments to certain acts).

⁴ Article 75 para. 2 of Act No. 43/2004 Coll. as amended by Act No. 659/2007 Coll.

⁵ Article 41 para. 8 of Act No. 594/2003 Coll. as amended by Act No. 659/2007 Coll.

display of prices in a separate schedule under Article 2 a), e.g. in the price schedule or in the relevant part of the price schedule with dually displayed prices paid according to the account statement provided to the client in the period of dual display shall also be considered the dual display, whereas such price schedule or its relevant part shall be enclosed to the first account statement provided in the period of dual display, and shall also be enclosed to the first account statement provided after each alternation in any price stated in account statements in the period of dual display.

Article 7

(1) Dual display in statements from a separate register containing information on the value of investment or another value of client's property shall also mean the dual display of at least opening balance and closing balance of the relevant value specified in the statement from such register for the respective period, if opening balance and closing balance is specified in the statement.

(2) For the purposes of para. 1, the separate register means, in particular

- a) register in the area of financial instruments, liens and transfer of securities as collateral kept under a separate law,⁶
- b) register of stockholders containing inter alia the value of their property kept by the asset management company or separate records of book-entry shares in open-end investment funds kept by the asset management company and by the depository of an open-end investment fund under separate provisions⁷ or by the central depository under separate provisions,⁸
- c) list of persons containing also the values of accumulated funds on the basis of insurance policies, which are part of the insurance industry A 4 under separate provisions.⁹

Article 8

(1) Dual display in withdrawing cash from an ATM is considered to be the dual display of an amount of withdrawn cash in written confirmation which the ATM produces after the operation ends.

(2) The following shall not be subject to dual display:

- a) operations conducted by means of ATMs, except operations stated in para. 1,
- b) output from payment terminals,
- c) amounts in confirmation of operation and in confirmation of the balance of account sent in the form of short message services (SMS).

(3) In a reminder or appeal to pay the outstanding amount, which is sent by financial institution to the client, it is sufficient to dually display the final outstanding amount.

(4) In a notification letter on the amount of insurance benefit, it is sufficient to dually display the final amount of insurance benefit.

(5) In the dual display of the amount of insurance premium, it is sufficient to dually display the final amount of total insurance cover.

⁶ Act No. 566/2001 Coll. as amended.

⁷ Article 3 para. 2 b) fifth subparagraph and Articles 40 to 40c of Act No. 594/2003 Coll. as amended.

⁸ Article 10 para. 4 c) of Act No. 566/2001 Coll. as amended.

⁹ Amendment No. 1 to Act No. 8/2008 Coll.

(6) The dual display of a deposit of money with a bank or with a branch of a foreign bank, confirmed by deposit book means at least the dual display of the amount of deposit balance in the relevant deposit book or by means of a separate schedule under Article 2 a).

(7) In a certificate of deposit it is sufficient to dually display the amount designated for payment.

Article 9

This Decree becomes effective on 1 July 2008.

**DECREE
of the National Bank of Slovakia
No. 240/2008 Coll.
of 24 June 2008**

**specifying the number of decimal places for rounding in redenomination of
certain securities from the Slovak currency to the euro**

The National Bank of Slovakia, after consulting the Ministry of Finance of the Slovak Republic, pursuant to Article 15 para. 9 of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) hereby lays down the following:

Article 1

In redenomination of nominal values of equity securities¹, except fund units, from the Slovak currency to the euro, the number of decimal places in the rounding of nominal value of one security shall be set to maximum six decimal places, and in rounding down, at least to two decimal places.

Article 2

In redenomination of nominal values of debt securities¹ from the Slovak koruna to the euro, a nominal value of one security shall be rounded to two decimal places.

Article 3

This Decree becomes effective on 8 July 2008.

¹ *Article 1 para. 2 g) of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic, including amendments to certain acts.*

DECREE
of the Ministry of Justice of the Slovak Republic
No. 246/2008 Coll.
of 18 June 2008

**determining rules and procedures for the redenomination of nominal values
of contributions to capital and nominal values of share capital from the
Slovak currency to the euro**

The Ministry of Justice of the Slovak Republic, pursuant to Article 12 para. 7 of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) hereby lays down the following:

Article 1

(1) In the redenomination, conversion and rounding of nominal values (hereinafter the “redenomination of nominal value”) of partners’ contributions, the nominal value of members’ contributions, founders’ contributions, or other capital investments constituting an interest in the share capital of legal persons (hereinafter the “contributions to capital”) from the Slovak currency to the euro, the nominal value of contributions to capital shall be converted and rounded maximum to six decimal places, and rounding downwards shall not be performed to less than two decimal places; the number of decimal places in rounding of nominal value of shares and temporary share certificates¹ is set by a separate legal provision.²

(2) In the redenomination of nominal value of endowment capital from the Slovak currency to the euro the nominal value of endowment capital shall be converted and rounded maximum to six decimal places, and rounding downwards shall not be performed to less than two decimal places.

Article 2

A petition for registration of redenomination of nominal value of contributions to capital and the nominal value of share capital of partnerships and cooperatives, including the ordinary shares of state-owned enterprises (hereinafter the “share capital”) from the Slovak currency to the euro in the Commercial Register shall be filed within a year after the euro introduction in the Slovak Republic (hereinafter the “euro introduction”) on a form with authenticated signatures of authorized persons, a sample form of which is stated in the annex.

Article 3

A petition for registration of the redenomination of nominal value of contributions to capital and nominal value of share capital from the Slovak currency to the euro in the Commercial Register shall be filed after the lapse of one year of the euro introduction on the form designated for the registration of data registered in the Companies Register, a sample form of which is set by a separate provision.³

¹ *Article 154 para. 1, Articles 155 to 159 and Article 176 of the Commercial Code, Article 13 para. 4 first sentence of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts).*

² *For instance, Article 15 para. 9 of Act No. 659/2007 Coll., Decree of the National Bank of Slovakia No. 240/2008 Coll. determining the number of decimal places for rounding for redenomination of nominal values of certain types of securities from the Slovak currency to the euro.*

³ *Annexes No. 4, 6, 8, 10, 12, 14, 16, 18, 21, 24 and 27 to Decree of the Ministry of Justice of the Slovak Republic No. 25/2004 Coll. stipulating sample forms for submission of applications for registration in the Companies Register, and a list of documents required to be attached to the application, as amended.*

Article 4

A petition for registration of redenomination of nominal value of contributions to capital and nominal value of share capital from the Slovak currency to the euro in the Companies Register joined with a petition for registration of other data in the Companies Register shall be filed on a form designated for the registration of a change of data registered in the Companies Register, a sample form of which is set by a separate provision.³

Article 5

Unless otherwise provided by a separate provision, also the following documents shall be enclosed to petitions under Articles 2 to 4:

- a) decision on redenomination of nominal value of contributions to capital and share capital from the Slovak currency to the euro, and on amendment of the articles of association, founding deed, memorandum of association, or the by-laws,
- b) power of attorney with an authenticated signature of the donor, if the petition is filed through an attorney.

Article 6

A petition for registration of redenomination of nominal value of endowment capital from the Slovak currency to the euro shall be filed in accordance with a separate legal provision.⁴

Article 7

This Decree becomes effective on 8 July 2008.

⁴ *Act No. 34/2002 Coll. on foundations and on the amendment to the Civil Code, as amended.*

SAMPLE FORM

PETITION FOR REGISTRATION OF REDENOMINATION OF NOMINAL VALUES OF CONTRIBUTIONS TO CAPITAL AND THE NOMINAL VALUE OF SHARE CAPITAL FROM THE SLOVAK CURRENCY TO THE EURO

Companies Register	
District Court	
Street	No.
Municipality	
Postal Code	

Section: Insertion No: /

PETITIONER

DEGREE BEFORE NAME	NAME	SURNAME/ BUSINESS NAME/NAME	DEGREE AFTER NAME	ADDRESS*/ PLACE OF BUSINESS/REGISTERED OFFICE				
				Name of street/public place	Reference/Registration No.	Name of municipality	Postal Code	Country

* Address means the address of permanent residence under Act No. 253/1998 Coll. on the reporting of citizen residency and on the Registry of Inhabitants of the Slovak Republic, as amended.

Pursuant to Article 12 of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts), I propose (we propose) making an entry/expungement of the following information:

PARTNER'S CONTRIBUTION			
Identification of partner			
1. Degree before name			
2. Name and surname/business name			
3. Degree after name			
4. Address*/registered office			
a) Name of street/public place			
b) Reference/Registration No.			
c) Name of municipality			
d) Postal Code			
e) Country			
	ENTRY (EUR)	EXPUNGEMENT (SKK)	
Amount of contribution			
Scope of payment			
Identification of partner			
1. Degree before name			
2. Name and surname/business name			
3. Degree after name			
4. Address*/registered office			
a) Name of street/public place			
b) Reference/Registration No.			
c) Name of municipality			
d) Postal Code			
e) Country			
	ENTRY (EUR)	EXPUNGEMENT (SKK)	
Amount of contribution			
Scope of payment			

SHARE CAPITAL			
<input type="checkbox"/>	(public company, specific partnership, limited liability company, joint stock company, state-owned enterprise, cooperative, European cooperative)		
		ENTRY (EUR)	EXPUNGEMENT (SKK)
	Share capital		
	Scope of payment of share capital		
	Approved amount of share capital		

NOMINAL VALUE OF SHARE			
<input type="checkbox"/>	(joint stock company)		
		ENTRY (EUR)	EXPUNGEMENT (SKK)
	Nominal value of share		
	Nominal value of share		
	Nominal value of share		

AMOUNT OF BASIC MEMBER'S INVESTMENT			
<input type="checkbox"/>	(cooperative, European cooperative)		
		ENTRY (EUR)	EXPUNGEMENT (SKK)
	Amount of basic member's investment		

I propose (we propose) to make an entry of information contained in this Petition in the Companies Register as of the day of making the entry.

Annex to Petition for registration of redenomination of nominal values of contributions to capital and the nominal value of share capital from the Slovak currency to the euro:

Order no.	Name of Annex

Number of sheets of the Petition for registration of redenomination of nominal values of contributions to capital and the nominal value of share capital from the Slovak currency to the euro:

Number of annexes (instruments) enclosed to the Petition for registration of redenomination of nominal values of contributions to capital and the nominal value of share capital from the Slovak currency to the euro:

I declare (we declare) that all information contained in this Petition for registration of redenomination of nominal values of contributions to capital and the nominal value of share capital from the Slovak currency to the euro and all annexes enclosed to the Petition is true and complete.

Partnership/cooperative:

--

Degree before name	Name	Surname	Degree after name	Signature	Authentication of signature

In date

In date

DECREE
of the Ministry of Health of the Slovak Republic
No. 247/2008 Coll.
of 25 June 2008

regulating procedures, methods and other detailed rules
for the dual display and for the conversion, rounding and reporting
of monetary data in the changeover to the euro in the field of health care

The Ministry of Health of the Slovak Republic pursuant to Article 16 para. 2 and Article 18 para. 10 a) fourth subparagraph of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) as amended by Act No. 70/2008 Coll. (hereinafter the "Act") hereby lays down the following:

Article 1
Scope of application

This Decree regulates procedures, methods and other detailed rules for the dual display of prices, payments and other amounts (hereinafter the "dual display") and for the conversion, rounding and reporting of monetary data in the changeover to the euro in the field of health care, in particular

- a) public health insurance (hereinafter "health insurance"),
- b) providing of health care and health-care related services including pharmaceutical care,
- c) rental for non-residential premises within health care facilities¹ (hereinafter "rent of non-residential premises").

Article 2
Definition of certain terms

For the purposes of this Decree,

- a) main currency before the euro introduction date in the Slovak Republic (hereinafter the "euro introduction") means the Slovak koruna, and after the euro introduction date it is the euro,
- b) conversion table means the display of the prices, in the descending or ascending order, of all products provided, services and performances in Slovak korunas and in euros (hereinafter "both currencies"), along with the display of the conversion rate by a health care provider (hereinafter the "provider")² or by a health worker,³
- c) list means a list of pharmaceuticals and medicines fully covered or partially covered by public health insurance,⁴ a list of medical devices fully covered or partially covered by public health insurance⁵, and a list of dietetic food products fully covered or partially covered by public health insurance,⁶
- d) product means medicines, medical devices and dietetic food products,
- e) medical service performance means the provision of health care service⁷ by a provider or health worker,

¹ Article 7 par. 1 of Act No. 578/2004 Coll. on healthcare providers, health workers and professional organisations in the health service, and amending and supplementing certain acts.

² Article 4 of Act No. 578/2004 Coll.

³ Article 27 of Act No. 578/2004 Coll.

⁴ Article 4 par. 2 of Act No. 577/2004 Coll. on the scope of health care covered by public health insurance and on the reimbursement of health-care-related services.

⁵ Article 5 par. 2 of Act No. 577/2004 Coll.

⁶ Article 6 par. 2 of Act No. 577/2004 Coll.

⁷ Article 2 par. 2 of Act No. 576/2004 Coll. on health care and health-care-related services, and amending and supplementing certain acts.

- f) services means activities related to the provision of health care, provision of further education to health workers⁸, and other services provided under a separate regulation,⁹
- g) unit price of medical service performance means the price assessed by the number of points and priced by the price of point,
- h) price of medical service performance means the price of such performance set in a manner other than in the case of unit price of medical service performance,
- i) monetary data in regard to the field of health care insurance means an amount set as
 - 1. prepayments for premiums¹⁰ and premium,¹¹
 - 2. amount of receivables and payables of the health insurance company against the insurance payer,
 - 3. amount of receivables and payables of the health insurance company against the provider and the insured,
- j) monetary data in the field of health care provision, related services and the rental for non-residential premises means an amount set or determined as
 - 1. price of product
 - 1.1. price of product from the manufacturer or importer,
 - 1.2. sales price of product from the holder of a licence for bulk distribution, including the price of commercial performance,
 - 1.3. final price of product including value added tax and the agreed price of commercial performance by the holder of a licence for bulk distribution and by the holder of a licence for health care provision,
 - 2. price of medical service performances and services in the health care,
 - 3. amount of receivables and payables of the provider against the health insurance company,
 - 4. payment for the health care and services provided,
 - 5. maximum payment of the health insurance company per package of product,
 - 6. maximum additional payment of the insured per package of product,
 - 7. price and payment for the rent of non-residential premises,
 - 8. other amount or payment,
- k) form
 - 1. form of annual clearing of premiums,¹²
 - 2. form for the reporting of premiums,¹³
 - 3. form by means of which the health insurance company informs of facts under a separate provision,¹⁴
 - 4. invoice for health care provided before the euro introduction date,
 - 5. forms of prescriptions and of vouchers for health device.

Article 3 **Exemption from the dual display**

(1) The dual display in both currencies is not required in individual billing notices and premiums, if the total insurance payer's receivable or payable is displayed dually.

(2) The dual display in both currencies is not required in

⁸ Article 39a par. 3 of Act No. 578/2004 Coll.

⁹ Article 44 par. 2 and par. 4 of Act No. 577/2004 Coll.

¹⁰ Article 16 of Act No. 580/2004 Coll. on health insurance and amending and supplementing Act No. 95/2002 Coll. on insurance and on amendments to certain acts, as amended.

¹¹ Article 12 of Act of the National Council of the Slovak Republic No. 273/1994 Coll. on health insurance, financing of health insurance, on establishing the General Health Insurance Institution and on establishing departmental, branch, corporate and civic health insurance companies.

¹² Article 19 of Act No. 580/2004 Coll.

¹³ Article 20 of Act No. 580/2004 Coll. and Article 19 of Act of the National Council of the Slovak Republic No. 273/1994 Coll.

¹⁴ Articles 27 and 27a) of Act No. 580/2004 Coll.

- a) unit prices of medical service performance,
- b) amounts given on digital display devices, where it is sufficient to display the sales prices in the main currency,
- c) stating the prices on price tags placed directly on products, where it is sufficient to display the prices in the main currency, if the dual display of these prices is provided in some other appropriate manner in a visible place in an immediate proximity to the product,
- d) stating the prices of discounted products sold in units of quantity, indicated in leaflets, eye-catchers and other marketing materials, where it is sufficient to provide dual display of the applicable discounted sale price along with the conversion rate,
- e) stating the prices of discounted products sold in bulk,¹⁵ indicated in leaflets, eye-catchers and other marketing materials, where it is sufficient to provide dual display of the applicable discounted unit price along with the conversion rate,
- f) stating the prices of products prepared individually, where it is sufficient to state the price in the main currency.

Article 4 **Procedures and methods of the dual display**

The following procedures of dual display shall be applied in the provision of certain products, services and performances in the health care:

- a) for entities providing their products and services within the health care, including the medical care, indicated in lists or catalogues
 1. published before the creation of duty to provide dual display, if products or services were provided after the creation of duty to provide dual display, the prices shall be displayed by means of a conversion table, which is inserted in a list or a catalogue,
 2. published after the creation of duty to provide dual display, the prices shall be displayed dually by means of a conversion table, which is part of each list or catalogue,
- b) for providers and entities providing products, services and performances in the field of health care on the basis of a trade licence, the prices of all products, services and performances shall be displayed dually in the pricelists in a visible and easily accessible place.

Article 5 **Procedure for the conversion of receivables against insurance payers, providers and insured persons**

(1) For the purpose of conversion to euros, receivables from an insurance payer shall be split into receivables relating to the premium, prepayments for premiums, and into receivables relating to sanctions, delay fees, delay interest payments, penalties, fee for failure to meet the notification duty.

(2) Amounts prescribed by valid payment assessments or by other decisions shall be set aside from receivables against an insurance payer.

(3) Individual receivables shall be converted at the conversion rate.

Article 6 **Rounding rules**

(1) Any premiums payable, prepayments, delay fees and costs of proceedings originating before the euro introduction date and denominated in Slovak currency, and which should

¹⁵ Article 2 c) of Regulation No. 387/2007 Coll. of the Government of the Slovak Republic on the marking of products with prices.

be paid after the euro introduction date, shall be rounded down to the nearest euro cent after conversion at the conversion rate.

(2) Receivables in Slovak currency of health insurance companies from providers which become due before the euro introduction date, and which should be paid after the euro introduction date, shall be rounded mathematically to the nearest euro cent after conversion at the conversion rate.

(3) Receivables in Slovak currency of providers from health insurance companies which become due before the euro introduction date, and which should be paid after the euro introduction date, shall be rounded mathematically to the nearest euro cent after conversion at the conversion rate.

Article 7

Procedure for the conversion of health insurance company's liabilities against insurance payers, providers and insured persons

(1) Conversion of health insurance company's liabilities against insurance payers in relation to premiums and sanctions in euros shall be made by conversion of individual liabilities against the insurance payer.

(2) Conversion of health insurance company's liabilities against providers, and conversion of providers liabilities against the health insurance company in euros shall be made by conversion of individual liabilities.

Article 8

Rounding rules

(1) Health insurance company's liabilities in Slovak currency against insurance payers which become due before the euro introduction date, and which should be paid after the euro introduction date, shall be rounded up to the nearest euro cent after conversion at the conversion rate.

(2) Health insurance company's liabilities in Slovak currency against providers which become due before the euro introduction date, and which should be paid after the euro introduction date, shall be rounded mathematically to the nearest euro cent after conversion at the conversion rate.

(3) Providers liabilities in Slovak currency against the health insurance companies which become due before the euro introduction date, and which should be paid after the euro introduction date, shall be rounded mathematically to the nearest euro cent after conversion at the conversion rate.

Article 9

Prepayments for premiums

(1) Prepayments for premiums calculated in the annual clearing of premiums for 2007 under a separate regulation¹⁶ or reported by the payer under a separate regulation¹⁶ in Slovak korunas, and due over the course of the 2008 and 2009 prepayment period, after the euro introduction date, shall be converted to euros at the conversion rate and rounded down to the nearest euro cent.

¹⁶ Act No. 580/2004 Coll.

Article 10

(1) On forms pursuant to Article 2 k) first to third subparagraphs filed after the euro introduction date, relating to the decisive period, which ends before the euro introduction date, monetary data shall be reported in Slovak korunas; the amount of calculated prepayment for premiums, total amount of receivable or payable from the annual clearing of premiums, total amount of reported prepayments for premiums, and the final amount of invoice shall be converted at the conversion rate.

(2) On forms pursuant to Article 2 k) fourth to fifth subparagraphs in their annexes filed after the euro introduction date, monetary data including unit prices and partial calculations, relating to the health care provided before the euro introduction date, shall be reported in Slovak korunas. The total amount of such reported data shall be converted at the conversion rate.

Article 11

Separate rules for the rounding and specification of the number of decimal places in the field of health care provision

As of the euro changeover, unit prices of medical performance shall be rounded mathematically to six decimal places.

Article 12

Unless this Decree or the Act stipulates otherwise, an amount of up to 0.005 euro shall be rounded down to two decimal places to the nearest euro cent, and an amount from 0.005 euro inclusive shall be rounded up to two decimal places to the nearest euro cent.

Article 13 **Effect**

This Decree becomes effective on 4 July 2008.

DECREE
of the Ministry of Labour, Social Affairs and Family of the Slovak Republic
No. 251/2008 Coll.
of 14 May 2008

determining other detailed rules for the dual display and for the conversion and rounding of prices, unit prices, payments and other amounts in the changeover from Slovak currency to the euro in the field of wages, salaries and other remuneration for work, reimbursement of travel expenses, employment services, social insurance and retirement pension saving, social benefits, social assistance benefits, assistance in material need and other social support, and social services

The Ministry of Labour, Social Affairs and Family of the Slovak Republic, pursuant to Article 18 para. 10 a) third subparagraph of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) hereby lays down the following:

PART ONE

BASIC PROVISIONS

Article 1
Scope of application

This Decree regulates other detailed rules for the dual display of prices, payments and other amounts (hereinafter the “dual display”) and for the conversion and rounding of prices, unit prices, payments and other amounts in the changeover from Slovak currency to the euro (hereinafter the “changeover to the euro“) in the field of

- a) wages, salaries and other remuneration for work,
- b) reimbursement of travel expenses,
- c) employment services,
- d) social insurance,
- e) retirement pension saving,
- f) subsistence minimum,
- g) state social benefits,
- h) assistance in material need,
- i) other social support,
- j) social assistance,
- k) social and legal protection of children and social guardianship.

Article 2
Scope of prices, unit prices, payments
and other amounts subject to dual display

The following shall be subject to dual display

- a) wages,¹ salaries,²

¹ Article 118 of the Labour Code.

² For instance, Act No. 73/1998 Coll. on the civil service of members of the Police Force, the Slovak Intelligence Service, the Court Guards and Prison Wardens Corps of the Slovak Republic, and the Railway Police, as amended, Act No. 200/1998 Coll. on the civil service of customs officers (including consequential amendments), as amended, Act No. 385/2000 Coll. on judges and lay judges, and on amending and supplementing certain laws, as amended, Act No. 154/2001 Coll. on state prosecutors and prosecutors' trainees, as amended, Act No. 312/2001 Coll. on state service and on amending and supplementing certain laws, Act No. 553/2003 Coll. on remuneration of

- b) average hourly earnings or probable hourly earnings and average monthly earnings or probable monthly earnings,³
- c) compensation of wage or salary, compensation for nonactive part of the state of alert outside the workplace, compensation for the state of alert during measures for a period of crisis situation,
- d) income compensation during employee's temporary incapacity to work,⁴
- e) remuneration for work performed on the basis of agreements on work performed outside employment relationship,⁵
- f) reimbursement of travel expenses,⁶
- g) benefit and monetary payments within employment services,⁷ which includes
 1. benefit provided on the basis of an agreement or on the basis of an application,
 2. remuneration provided on the basis of a contract,
 3. return of funds which were provided on the basis of an agreement,
 4. reimbursement of part of travel expenses,
 5. payment for failure to fulfil the compulsory share of the employment of handicapped citizens including overpayment and back payment,
- h) social insurance benefit⁸ (hereinafter the "benefit"), which is
 1. sickness benefit,
 2. pension benefit,
 3. accident benefit,
 4. surety insurance benefit,
 5. unemployment benefit,
- i) contribution on social insurance,⁸ which is
 1. sickness insurance contribution,
 2. old-age insurance contribution,
 3. invalidity insurance contribution,
 4. accident insurance contribution,
 5. surety insurance contribution,
 6. unemployment insurance contribution,
 7. contribution to solidarity reserve fund,
- j) contribution on retirement pension saving,⁹
- k) fine and penalty in the area of social insurance and retirement pension saving,
- l) subsistence minimum,¹⁰
- m) state social benefits, which is
 1. child allowance,¹¹
 2. parental allowance,¹²
 3. childbirth allowance,¹³

certain employees in the performance of work in public interest and amending and supplementing certain acts, as amended, Act No. 346/2005 Coll. on the state service of professional soldiers of the Armed Forces of the Slovak Republic and on amendments and supplements to certain acts, as amended.

³ Article 134 of the Labour Code.

⁴ Act No. 462/2003 Coll. on income compensation during temporary incapacity to work of an employee and on the amendment of certain acts, as amended.

⁵ Articles 223 to 228a of the Labour Code.

⁶ For instance, Act No. 73/1998 Coll. as amended, Act No. 200/1998 Coll. as amended, Act No. 312/2001 Coll. as amended, Act No. 283/2002 Coll. on travel expense reimbursement, as amended, Act No. 346/2005 Coll. as amended.

⁷ Act No. 5/2004 Coll. on employment services and amending and supplementing certain acts, as amended.

⁸ Act No. 461/2003 Coll. on social insurance, as amended.

⁹ Act No. 43/2004 Coll. on retirement pension saving (including amendments to certain acts), as amended.

¹⁰ Act No. 601/2003 Coll. on the subsistence minimum (including consequential amendments), as amended.

¹¹ Act No. 600/2003 Coll. on child allowance, amending the Act No. 461/2003 Coll. on social insurance, as amended by Act No. 532/2007 Coll.

¹² Act No. 280/2002 Coll. on parental allowance, as amended.

¹³ Act No. 235/1998 Coll. on childbirth allowance and on allowances for parents who have three or more children born at the same time or twins more than once in two years (including amendments to certain acts), as amended.

4. allowance for parents who have three or more children born at the same time or twins more than once in two years,¹³
5. funeral benefit,¹⁴
- n) social assistance benefit and allowances for social assistance benefit,¹⁵
- o) other social benefits, which is
 1. substitute alimony,¹⁶
 2. allowances to support child custody,¹⁷
 3. subsidy on meals, subsidy on educational supplies, subsidy on incentive allowance and subsidy on a special recipient,¹⁸
- p) monetary payments in the area of social assistance,¹⁹ which include
 1. cash benefits for compensation of social consequences of serious handicap (hereinafter the “cash benefits for compensation”),
 2. cash benefit for custody,
 3. financial benefit for selected types of social services, social advisory and social prevention,
 4. payments for social service provided,
 5. penalties,
 6. pocket money for children with ordered institutional upbringing,
- q) measures of social and legal protection of children and social guardianship²⁰ of financial character, which include
 1. transportation allowance,
 2. meals allowance,
 3. allowance to support the regulation of child’s family background and to create savings,
 4. average current expenses for child in a children’s home and in children’s home for the minor without accompaniment,
 5. payment of expenses in a foster facility,
 6. payment for living in a children’s home,
 7. payment for stay in a children’s home,
 8. payment for children’s home care,
 9. pocket money for child in a children’s home,
 10. receivables in the area of social and legal protection of children and social guardianship,
 11. allowances to secure the purpose of decision of the court made in a facility and to facilitate independence of the young adult,
 12. resocialization allowance,
 13. costs associated with the return or replacement of a child to the territory of the Slovak Republic.

¹⁴ Act No. 238/1998 Coll. on funeral benefit, as amended.

¹⁵ Act No. 599/2003 Coll. on assistance in material need (including amendments to certain acts), as amended.

¹⁶ Act No. 452/2004 Coll. on substitute alimony as amended by Act No. 613/2004 Coll.

¹⁷ Act No. 627/2005 Coll. on allowances to support child custody.

¹⁸ Ordinance of the Ministry of Labour, Social Affairs and Family of the Slovak Republic of 5 December 2007 No. 29775/2007-II/1 on the provision of subsidies within the responsibilities of the Ministry of Labour, Social Affairs and Family of the Slovak Republic (Notice No. 597/2007 Coll.).

¹⁹ Act No. 195/1998 Coll. on social assistance, as amended.

²⁰ Act No. 305/2005 Coll. on social and legal protection of children and social guardianship (including amendments to certain acts), as amended.

PART TWO

DETAILED RULES FOR THE DUAL DISPLAY, CONVERSION AND ROUNDING OF WAGES, SALARIES AND OTHER REMUNERATION FOR WORK

Article 3

Conversion of wages, salaries or other payments

(1) In the period of dual display before the euro introduction date in the Slovak Republic (hereinafter the “euro introduction“), the amount of wage, salary or other payments provided in relation to the performance of work, provided in Slovak korunas, shall be displayed also in euros in the wage document. After conversion at the conversion rate, the amount shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent.

(2) In the period of dual display after the euro introduction, the amount of wage, salary or other payments provided in relation to the performance of work, provided in euros, shall be displayed also in Slovak korunas in the wage document. After conversion at the conversion rate, the amount shall be rounded to Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one half of one Slovak koruna shall be rounded down to the nearest Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna.

Article 4

Payout of wages, salaries and other payments

The amounts of wages, salaries and other payments provided in relation to the performance of work in Slovak korunas, to which entitlement is created for the month immediately preceding the euro introduction date, which is to be paid or remitted on a specific bank account in euros in the period after the euro introduction date, after conversion at the conversion rate shall be rounded up to the nearest euro cent. The same procedure applies to wages, salaries or other payments provided in relation to the performance of work, if entitlement in Slovak korunas is created in another period before the euro introduction date.

Article 5

Overpaid wages, salaries or other payments

The amount of overpaid wage, salary or other payments provided in relation to the performance of work, which arose in Slovak korunas before the euro introduction date, which is to be returned in the period after the euro introduction date, after conversion at the conversion rate shall be rounded down to the nearest euro cent.

Article 6

Back wage, salary or other payments

The amount of back wage, salary or other payments provided in relation to the performance of work, which arose in Slovak korunas before the euro introduction date, which

is to be paid additionally in the period after the euro introduction date, after conversion at the conversion rate shall be rounded up to the nearest euro cent.

Article 7
Payments for overtime work
or work on holidays,
payrise for overtime work or civil service,
or extra payment for work or civil service on holidays

If taking a compensatory time off is agreed for overtime work or for work on holidays performed in a period before the euro introduction date, but this is not taken in the agreed period, and the entitlement to payment in Slovak korunas is to be paid in a period after the euro introduction date, after conversion at the conversion rate, the amount of payment paid in euros shall be rounded up to the nearest euro cent. The same procedure applies to the payment of entitlement for payrise for overtime work or civil service or of entitlement for extra payment for work or civil service on holidays.

Article 8
Average earnings

(1) The amount of average hourly earnings determined under a separate regulation³⁾ from wage accounted for pay in the last quarter before the euro introduction date in Slovak korunas, after conversion at the conversion rate shall be rounded to four decimal places.

(2) Average monthly earnings in euros shall be determined by multiplying the average hourly earnings under para. 1 and the average number of working hours falling on one month in the year according to the employee's weekly working time. The resulting amount of average monthly earnings shall be rounded up to the nearest euro cent.

(3) If wage or part of wage is accounted for pay in the decisive period, which is provided for a period longer than a calendar quarter, for the purposes of determining the average earnings, the aliquot part of wage falling on the calendar quarter shall be rounded up to the nearest euro cent after conversion at the conversion rate.

(4) Procedure under para. 1 to 3 shall apply also to conversion of probable earnings to euros.

Article 9
Remuneration for work performed on the basis of agreements on work
performed outside employment relationship

If agreement on work performed outside employment relationship is concluded before the euro introduction date, whereas remuneration was agreed in Slovak korunas, but it will be paid only in a period after the euro introduction, after conversion at the conversion rate, the amount of remuneration paid in euros shall be rounded up to the nearest euro cent.

PART THREE

DETAILED RULES FOR THE DUAL
DISPLAY, CONVERSION AND ROUNDING OF
REIMBURSEMENT OF TRAVEL EXPENSES

Article 10
Conversion of reimbursement of travel expenses

(1) In the period of dual display before the euro introduction date, the amount of reimbursement of travel expenses, provided in Slovak korunas, shall be displayed also in

euros in the account of the reimbursement of travel expenses. After conversion at the conversion rate, the amount shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent.

(2) In the period of dual display after the euro introduction date, the amount of reimbursement of travel expenses, provided in euros, shall be displayed also in Slovak korunas in the account of the reimbursement of travel expenses. After conversion at the conversion rate, the amount shall be rounded to whole Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one half of one Slovak koruna shall be rounded down to the nearest Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna.

Article 11
Payment of reimbursement of travel expenses

The amount of reimbursement of travel expenses determined in Slovak korunas, to which entitlement is created before the euro introduction date, which is to be paid in a period after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

Article 12
Overpaid reimbursement of travel expenses

The amount of overpaid reimbursement of travel expenses, which arose before the euro introduction date in Slovak korunas, and which is to be returned in a period after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 13
Back reimbursement of travel expense

The amount of back reimbursement of travel expenses, which arose before the euro introduction date in Slovak korunas, which is to be paid additionally in a period after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

PART FOUR
DETAILED RULES FOR THE DUAL
DISPLAY, CONVERSION AND ROUNDING
IN THE FIELD OF EMPLOYMENT SERVICES

Article 14
Allowance or benefit provided
on the basis of an application, contract or agreement

(1) In the period of dual display before the euro introduction date, the amount of allowance or benefit provided on the basis of an application, contract or agreement in Slovak korunas, shall be displayed also in euros. After conversion at the conversion rate, the amount shall be rounded up to the nearest euro cent.

(2) In the period of dual display after the euro introduction date, the amount of allowance or benefit provided on the basis of an application, contract or agreement in euros, shall be displayed also in Slovak korunas. After conversion at the conversion rate, the amount shall be rounded to Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one half of one Slovak koruna shall be rounded down to the nearest Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna.

Article 15
Remuneration provided
on the basis of a contract

(1) In the period of dual display before the euro introduction date, the amount of remuneration provided on the basis of a contract in Slovak korunas, shall be displayed also in euros. After conversion at the conversion rate, the amount shall be rounded up to the nearest euro cent.

(2) In the period of dual display after the euro introduction date, the amount of remuneration provided on the basis of a contract in Slovak korunas, shall be displayed also in Slovak korunas. After conversion at the conversion rate, the amount shall be rounded to the whole Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one half of one Slovak koruna shall be rounded down to the nearest Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna.

Article 16
Return of funds which were provided
on the basis of an agreement

The amount of return of funds which were provided on the basis of an agreement in Slovak korunas, which was not paid in a period before the euro introduction date, after conversion at the conversion rate shall be rounded down to the nearest euro cent, after the euro introduction date.

Article 17
Reimbursement of part of travel expenses

The amount of reimbursement of part of travel expenses, to which entitlement was created in Slovak korunas, which is to be paid in a period after the euro introduction date, after conversion at the conversion rate shall be rounded up to the nearest euro cent.

Article 18
Payment for failure to fulfil the compulsory share of the employment
of handicapped citizens including overpayment and back payment

(1) The amount of payment for failure to fulfil the compulsory share of the employment of handicapped citizens for the 2008 calendar year shall be rounded down to the nearest euro cent, after conversion at the conversion rate.

(2) In the period of dual display after the euro introduction date, the amount of payment for failure to fulfil the compulsory share of the employment of handicapped citizens for the 2008 calendar year, shall be displayed in the annual report on the fulfilment of the compulsory share of the employment of handicapped citizens also in Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one

half of one Slovak koruna shall be rounded down to the nearest Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna.

(3) The amount of overpaid payment for failure to fulfil the compulsory share of the employment of handicapped citizens, which arose before the euro introduction date, which is to be returned in a period after the euro introduction date, after conversion at the conversion rate shall be rounded up to the nearest euro cent.

(4) The amount of back payment for failure to fulfil the compulsory share of the employment of handicapped citizens, which arose before the euro introduction date, which is to be paid in a period after the euro introduction date, after conversion at the conversion rate shall be rounded down to the nearest euro cent.

(5) The amount of outstanding payments the payment of which was agreed for the failure to fulfil the compulsory share of the employment of handicapped citizens in Slovak korunas, which is set also for the period after the euro introduction date, after conversion at the conversion rate shall be rounded down to the nearest euro cent.

PART FIVE

DETAILED RULES FOR THE DUAL DISPLAY, CONVERSION AND ROUNDING IN THE FIELD OF SOCIAL INSURANCE AND RETIREMENT PENSION SAVING

Article 19 Conversion of benefit in the period of dual display

(1) In the period of dual display before the euro introduction date, the amount of benefit in Slovak korunas, after conversion at the conversion rate, shall be rounded up to the ten nearest euro cents, and shall also be displayed in euros.

(2) In the period of dual display after the euro introduction date, the amount of benefit provided in euros, after conversion at the conversion rate, shall be rounded up to whole Slovak korunas, and shall also be displayed in Slovak korunas.

Article 20 Specification of the number of decimal places of intermediate results for the purposes of specifying the amount of benefit

For the purposes of specifying the amount of benefit in euros, in conversion to euros, the results of individual mathematical operations shall be calculated to maximum eight decimal places without rounding.

Article 21 Payment of benefit, to which entitlement is created before the euro introduction date

(1) The amount of benefit, to which entitlement is created for a period before the euro introduction date, which is to be paid or remitted on the account of benefit recipient at a bank or at a branch of a foreign bank in a period after the euro introduction date, shall be determined in Slovak korunas for the period from its creation up to the date

preceding the euro introduction date, and after conversion at the conversion rate, it shall be rounded up to the nearest euro cent. The same is applicable when a benefit is paid or remitted in an amount increased, decreased or limited, as well as to the settlement of benefits with social assistance benefit and of allowances for social assistance benefit.

(2) The amount of unemployment benefit under a separate regulation,²¹ to which entitlement is created in repeated inclusion in the record of unemployed not earlier than after the euro introduction date, after conversion at the conversion rate, shall be rounded up to ten nearest euro cents.

(3) The amount of unemployment benefit under a separate regulation,²² to which entitlement is created as a lump-sum of 50 % unemployment benefit not earlier than after the euro introduction date, after conversion at the conversion rate, shall be rounded up to ten nearest euro cents.

Article 22
Fixed amounts of benefit
and fixed amounts set
to specify the amount of benefit

(1) The amount of benefit which is set as a fixed amount, or the amount of benefit which is set as a multiple of the subsistence minimum, after conversion at the conversion rate, shall be rounded up to ten nearest euro cents.

(2) Fixed amounts set to specify the amount of benefit shall be rounded up to the nearest euro cent, after conversion at the conversion rate.

Article 23
Payment of benefit not taken over

(1) If a benefit recipient has not taken over the benefit, to which entitlement is created in Slovak korunas before the euro introduction date, in the payout of the benefit in a period after the euro introduction date, after conversion at the conversion rate, the amount of benefit paid on a monthly basis shall be rounded up to the nearest euro cent. The same is applicable, also when the benefit is remitted in an increased, decreased or limited amount, and the same is applicable to the settlement of benefits with subsistence minimum benefit and of allowances for subsistence minimum benefit.

(2) If a benefit recipient has not taken over the benefit, to which entitlement is created in Slovak korunas before the euro introduction date, for a period longer than one month, remitted by postal cheque, the aggregate sum of benefits which is paid in a period after the euro introduction, after conversion at the conversion rate, shall be rounded up to the nearest euro cent; provision of para. 1 second sentence applies accordingly.

Article 24
Social insurance contribution

(1) The amount of social insurance contribution paid without the legal grounds in Slovak korunas in a period before the euro introduction date, which the Social Insurance Agency returns to a natural person or to a legal entity which is obligated to pay social insurance contributions, or to its legal successor, in a period after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

²¹ Article 105 para. 3 of Act No. 461/2003 Coll. as amended.

²² Article 105 para. 4 of Act No. 461/2003 Coll. as amended.

(2) Amounts in input data relating to the collection of social insurance contributions and reported by a natural person or legal entity to the Social Insurance Agency are not subject to the dual display and reporting. Data according to the first sentence means, in particular, amounts stated in an abstract from tax return and in a record of social insurance contributions and of contributions for retirement pension saving.

(3) The total amount of social insurance contribution for the calendar month preceding the euro introduction date set in Slovak korunas, the due date of which is in a period after the euro introduction date and which is to be paid in euros, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 25 Retirement pension saving contribution

(1) The amount of retirement pension saving contribution shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent.

(2) The amount of retirement pension saving contribution assigned by the Social Insurance Agency to a pension asset management company without legal grounds in Slovak korunas in a period before the euro introduction date, which the pension asset management company will return to the Social Insurance Agency in a period after the euro introduction date, after conversion at the conversion rate, shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent.

(3) Amounts in input data relating to the collection of retirement pension saving contributions and reported by a natural person or legal entity to the Social Insurance Agency are not subject to the dual display and reporting; provision of Article 24 para. 2 second sentence applies accordingly.

(4) The total amount of retirement pension saving contribution for the calendar month preceding the euro introduction date set in Slovak korunas, the due date of which is in a period after the euro introduction date and which is to be paid in euros, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 26 Sanctions

(1) The amount of fine imposed before the euro introduction date, which is paid in a period after the euro introduction date, after the euro introduction date, shall be rounded down to the nearest euro cent, after conversion at the conversion rate.

(2) The amount of penalty prescribed in a period before the euro introduction date, which is not paid before the euro introduction date, after the euro introduction date, shall be rounded down to the nearest euro cent, after conversion at the conversion rate.

**Article 27
Receivables**

The amount of receivable concerning social insurance contribution, benefits, compensation for damage under a separate provision²³ not paid to the Social Insurance Agency by third parties, concerning penalties under a separate provision,²⁴ penalties under a separate provision,²⁵ which arise for a period before the euro introduction date, and amount of payments, which is paid by the Social Insurance Agency for employer under a separate provision²⁶ for a period before the euro introduction date, after the euro introduction date, shall be rounded down to the nearest euro cent, after conversion at the conversion rate.

**Article 28
Amounts of benefit paid by mistake**

If the recipient's obligation to return amounts of benefit paid by mistake and the obligation of a natural person or of a legal entity to refund amounts of benefit paid by mistake, which were paid in a period before the euro introduction date, is imposed in a period after the euro introduction date, the aggregate amount of benefit paid by mistake shall be rounded down to the nearest euro cent, after conversion at the conversion rate.

PART SIX

**DETAILED RULES FOR THE DUAL DISPLAY, CONVERSION
AND ROUNDING OF SUBSISTENCE MINIMUM,
STATE SOCIAL BENEFITS, ASSISTANCE IN MATERIAL NEED AND OTHER
SOCIAL BENEFITS**

**Article 29
Conversion of subsistence minimum amounts, state social benefits, assistance
in material need and allowances for benefit in material need and other social
benefits in the period of dual display**

(1) In the period of dual display, before the euro introduction date, subsistence minimum amounts, state social benefits and assistance in material need and allowances for benefit in material need and other social benefits listed in Article 2 para. 1 o) provided in Slovak korunas, in decisions issued in administrative proceedings, in warrants and other written documents issued by a public body, after conversion at the conversion rate, shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent, and shall be displayed also in euros.

(2) In the period of dual display, after the euro introduction date, subsistence minimum amounts, state social benefits and assistance in material need and allowances for benefit in material need and other social benefits listed in Article 2 para. 1 o) provided in euros, in decisions issued in administrative proceedings, in warrants and other written documents issued by a public body, after conversion at the conversion rate, shall be rounded to whole Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one half of one Slovak koruna shall be rounded down to the nearest

²³ Article 238 para. 6 of Act No. 461/2003 Coll. as amended by Act No. 555/2007 Coll.

²⁴ Article 239 of Act No. 461/2003 Coll. as amended.

²⁵ Article 240 of Act No. 461/2003 Coll. as amended.

²⁶ Article 279 para. 4 of Act No. 461/2003 Coll. as amended.

Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna, and shall be displayed also in Slovak korunas.

Article 30

Conversion of income for the purposes of determining subsistence minimum, assistance in material need and allowances for benefit in material need and other social benefits

The sum of income of natural persons considered jointly, expressed in Slovak korunas, for the purposes of determining subsistence minimum, assistance in material need and allowances for benefit in material need and other social benefits listed in Article 2 para. 1 o), after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 31

Conversion of fixed amounts

(1) Subsistence minimum amounts, assistance in material need and allowances for benefit in material need, state social benefits and other social benefits, which are set as a fixed amount, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(2) A fixed amount which is paid by parent for meal within subsidy on meals for child, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 32

Payment for period before the euro introduction date

(1) The amount of state social benefits, assistance in material need and allowances for benefit in material need, the amount of substitute alimony and allowances to support child custody, to which entitlement is created in a period before the euro introduction date, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(2) If a recipient has not taken over state social benefit, assistance in material need and allowances for benefit in material need, substitute alimony and allowances to support child custody, paid before the euro introduction date, for the payment of amount not taken over in a period after the euro introduction date, after conversion at the conversion rate, this amount shall be rounded up to the nearest euro cent.

(3) If a recipient of state social benefit, assistance in material need and allowances for benefit in material need, substitute alimony and allowances to support child custody is obligated to return an amount which was paid by mistake before the euro introduction date, after the euro introduction date, after conversion at the conversion rate, this amount shall be rounded down to the nearest euro cent.

Article 33

Receivables and sanctions

(1) The amount of receivable concerning state social benefit, assistance in material need and allowances for benefit in material need, substitute alimony and allowances to sup-

port child custody, which arose for a period before the euro introduction date and is not paid as of the euro introduction, after the euro introduction date, after conversion at the conversion rate, this amount shall be rounded down to the nearest euro cent.

(2) Compensation for substitute alimony granted and penalty of 25 % of substitute alimony granted, which the obligated party is to pay for a period before the euro introduction date, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

(3) Percentage increase in assistance in material need paid by mistake and in allowances for benefit in material need under a separate provision,²⁷ which the obligated party is to pay for a period before the euro introduction date, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 34

Conversion and rounding of amount of state social benefit, assistance in material need and allowances for benefit in material need, substitute alimony and allowances to support child custody, concerning which proceedings were not closed validly as of the euro introduction date

Articles 31 to 33 shall apply to the conversion and rounding of amount of state social benefit, assistance in material need and allowances for benefit in material need, substitute alimony and allowances to support child custody, concerning which proceedings were not closed validly before the euro introduction date.

PART SEVEN

DETAILED RULES FOR THE DUAL DISPLAY AND FOR THE CONVERSION AND ROUNDING OF PAYMENTS IN THE FIELD OF SOCIAL ASSISTANCE

Article 35

Conversion of payments in the field of social assistance in the period of dual display

(1) In the period of dual display, before the euro introduction date, the amount of payment in the field of social assistance granted in Slovak korunas, in decisions issued in administrative proceedings, in warrants and other written documents issued by a public body, after conversion at the conversion rate, shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent, and shall be displayed also in euros.

(2) In the period of dual display, after the euro introduction date, the amount of payment in the field of social assistance granted in euros, in decisions issued in administrative proceedings, in warrants and other written documents issued by a public body, after conversion at the conversion rate, shall be rounded up to whole Slovak korunas, and shall be displayed also in Slovak korunas.

²⁷ *Act No. 599/2003 Coll. on assistance in material need and on amending and supplementing certain laws, as amended.*

Article 36
Conversion of income, property and savings
for the purposes of payments in the field of social assistance

(1) The resulting amount of the income of a citizen or of a natural person ascertained for a period before the euro introduction date, for the purposes of payments in the field of social assistance, stated in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

(2) The resulting amount of the value of property and savings of a citizen, for the purposes of payments in the field of social assistance, expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 37
Amount of payments
in the field of social assistance

(1) The amount of payments for compensation, of a cash benefit for custody, of a financial benefit for selected types of social services, social advisory and social prevention and pocket money for children with ordered institutional upbringing under a separate provision¹⁹, expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(2) The amount of rate per hour of personal assistance and per hour of day care and the amount per kilometre of transportation service under a separate provision¹⁹), expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(3) The amount of maximum value of property and savings of a citizen under a separate provision¹⁹), expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(4) Prices of medical devices under a separate provision,²⁸ passenger motor vehicles, devices of a dog with special training, repairs of devices, conversion of a flat, family house or garage under a separate provision¹⁹ taken into consideration for the purposes of cash benefits for compensation expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(5) The amount of cash benefits for compensation, of a cash benefit for custody, of a financial benefit for selected types of social services, social advisory, social prevention and pocket money for children with ordered institutional upbringing, expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(6) The amount of payment for a social service provided, expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

²⁸ *Decree of the ministry of Labour, Social Affairs and the Family No. 461/2000 Coll. implementing Article 59 para. 10 of Act No. 195/1998 Coll. on social assistance, as amended.*

Article 38
**Specification of the number of decimal places of intermediate results
for the purposes of specifying cash payments in the field of social assistance**

For the purposes of specifying the amount of cash payments in the field of social assistance in euros, the results of individual mathematical operations shall be calculated to four decimal places.

Article 39
**Payout of cash payment not taken over
in the field of social assistance**

If a recipient of cash payment in the field of social assistance has not taken over a cash payment, the entitlement to which arose before the euro introduction date in Slovak korunas, in a period after the euro introduction, the amount of the cash payment, after conversion at the conversion rate, shall be rounded up to the nearest euro cent. The same is applicable also when a cash payment is paid or remitted in the field of social assistance as an increase amount, decreased amount and in its settlement.

Article 40
**Fines, penalties, back payments and receivables
concerning cash payments in the field of social assistance**

(1) If a fine is imposed before the euro introduction date under a separate provision¹⁹⁾, expressed in Slovak korunas, which is not paid as of the euro introduction date, the amount of such fine, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

(2) If an overpayment arose before the euro introduction date concerning cash payments in the field of social assistance, expressed in Slovak korunas, which is to be returned not earlier than on the euro introduction date, the amount of such overpayment, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

(3) The amount of back payment concerning cash payments in the field of social assistance paid in Slovak korunas, which arose in a period before the euro introduction date, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(4) If a receivable arose before the euro introduction date concerning cash payments in the field of social assistance, calculated in Slovak korunas, which is to be paid not earlier than on the euro introduction date, the amount of such receivable, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 41
**Amounts of cash payments paid by mistake
in the field of social assistance**

If the obligation of recipient of a cash payment in the field of social assistance to return cash payments paid by mistake in the field of social assistance, which were paid in a period before the euro introduction date, is imposed in a period after the euro introduction date, the amount of such cash payment paid by, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 42
Rounding of cash payments in the field of social assistance,
concerning which proceedings were not closed validly as of the euro
introduction date

Articles 37, 40 and 41 shall apply to the rounding of cash payments in the field of social assistance, concerning which proceedings were not closed validly as of the euro introduction date.

PART EIGHT

DETAILED RULES FOR THE DUAL DISPLAY, CONVERSION
AND ROUNDING OF MEASURES OF SOCIAL AND LEGAL PROTECTION OF
CHILDREN AND SOCIAL GUARDIANSHIP OF FINANCIAL CHARACTER

Article 43
Conversion of amount of measures of social and legal
protection of children and social guardianship of financial
character in the period of dual display

(1) In the period of dual display, before the euro introduction date, amounts of measures of social and legal protection of children and social guardianship of financial character granted in Slovak korunas, in decisions issued in administrative proceedings, in warrants and cash vouchers for the payment of pocket money, and amounts stated in contracts for provision of financial benefits for the payment of costs concerning the measures of social and legal protection of children and social guardianship, after conversion at the conversion rate, shall be rounded to the nearest euro cent in such a manner that the total calculated remainder of amount which is lower than one half of one euro cent shall be rounded down to the nearest euro cent, and the total calculated remainder of amount which equals to or is higher than one half of one euro cent shall be rounded up to the nearest euro cent, and shall be displayed also in euros.

(2) In the period of dual display, after the euro introduction date, amounts of measures of social and legal protection of children and social guardianship of financial character granted in Slovak korunas, in decisions issued in administrative proceedings, in warrants and cash vouchers for the payment of pocket money, and amounts stated in contracts for provision of financial benefits for the payment of costs concerning the measures of social and legal protection of children and social guardianship, after conversion at the conversion rate, shall be rounded to whole Slovak korunas in such a manner that the total calculated remainder of amount which is lower than one half of one Slovak koruna shall be rounded down to the nearest Slovak koruna, and the total calculated remainder of amount which equals to or is higher than one half of one Slovak koruna shall be rounded up to the nearest Slovak koruna, and shall be displayed also in Slovak korunas.

Article 44
Conversion of amount of measures of social and legal protection of children
and social guardianship of financial character

(1) The amount of transportation allowance, meals allowance, allowance to support the regulation of child's family background and to create savings, the amount of resocialization allowance, the amount of average current expenses for child in a children's home and in children's home for the minor without accompaniment, payment of expenses in a foster facility, and amounts of allowances to secure the purpose of decision of the court made in a facility of social and legal protection and social guardianship and to facilitate

independence of the young adult, after the euro introduction date, after conversion at the conversion rate, shall be rounded up to the nearest euro cent.

(2) The amount of payment for stay in a children's home and payments for care in a children's home, costs associated with the return or replacement of a child to the territory of the Slovak Republic expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 45
**Receivables in the field of social and legal
protection of children and social guardianship**

The amount of outstanding payment²⁰), for the period before the euro introduction date, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 46
**Rounding of amount of measures of social and legal protection of children
and social guardianship of financial character,
concerning which proceedings were not closed validly as of the euro
introduction date**

Articles 44 and 45 shall apply to the rounding of amount of measures of social and legal protection of children and social guardianship of financial character, concerning which proceedings were not closed validly as of the euro introduction date.

Article 47
**Return of funds which were
provided on the basis of a contract**

The amount of financial resources not drawn and provided on the basis of a contract for provision of financial benefit for the payment of costs of measures of social and legal protection of children and social guardianship, which the applicant is obligated to return to the provider, expressed in Slovak korunas, after the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 48
Effect

This Decree becomes effective on the day of its declaration.

DECREE
of the Ministry of Interior of the Slovak Republic
No. 265/2008 Coll.
of 11 June 2008

**determining other details concerning the dual display, conversion
and rounding of payments and other amounts for the changeover from the
Slovak currency to the euro in regard to social insurance of police officers
and professional soldiers**

The Ministry of Interior of the Slovak Republic in cooperation with the Ministry of Defence of the Slovak Republic, pursuant to Article 18 par. 10 a) sixth subparagraph of Act No. 659/2007 Coll. on the introduction of the euro in the Slovak Republic (including amendments to certain acts) hereby lays down the following:

Article 1
Scope of application

This Decree regulates procedures and methods of dual display of payments and other amounts (hereinafter the “dual display”) and other detailed rules for the dual display and the conversion and rounding of payments and other amounts as a result of the changeover from the Slovak koruna to the euro (hereinafter the “changeover to the euro”), and the scope of payments and other amounts subject to dual display, payments and other values stated, converted and rounded to a special number of decimal places, and the number of these decimal places, as well as payments and other amounts exempted from dual display, and also other details concerning the dual display, conversion and rounding of payments and other amounts in regard to social insurance of the members of the Police Force, Fire Brigade and Rescue Corps, Mountain Life-Saving Service, Slovak Intelligence Service, National Security Authority, Court Guards and Prison Warden Corps, Railway Police and Customs Officials (hereinafter the “police-man”) and professional soldiers.

Article 2

(1) An amount which is fixed, calculated or provided as

- a) sickness security benefit,
- b) accident security benefit,
- c) benefit of security for years of service,
- d) benefit under separate regulations,¹
- e) monetary value of social security service.

shall be subject to dual display.

(2) Moreover, the following shall be subject to dual display

- a) fee for failure to satisfy the notification duty,
- b) fines and penalties,
- c) reimbursement of expenses associated with the performance of assessment activity of social security,

¹ Act No. 437/2004 Coll. on compensation for pain and on compensation for reduced social opportunities and amending and supplementing the Slovak National Council Act No. 273/1994 Coll. on health insurance, financing of health insurance, on establishing the General Health Insurance Institution and on establishing departmental, branch, corporate and civic health insurance companies, as amended by later regulations.

- d) reimbursement of costs for medical services,
- e) partial payment paid for recreational care and an allowance from the budget of Ministry of Interior of the Slovak Republic, Ministry of Defence of the Slovak Republic, Ministry of Justice of the Slovak Republic, Ministry of Transport, Posts and Telecommunications of the Slovak Republic, Ministry of Finance of the Slovak Republic, Slovak Intelligence Service and of the National Security Authority (hereinafter the “Ministry“) for the payment of costs for recreational care,
- f) sickness security benefit, accident security benefit and benefit of security for years of service paid by mistake (hereinafter the “social security benefit“) stated in a decision on the duty of the service authority, service body, Social Security Unit of the Ministry, Social Security Military Agency, Social Insurance Agency or of another legal entity, to refund an amount of social security benefit paid by mistake,
- g) compensation for damage against third parties, which is incurred by the service authority, service body, Social Security Unit of the Ministry or by the Social Security Unit of the Ministry as a result of the payment of social security benefits, compensation for service pay or service income during temporary incapacity for the performance of service resulting from their culpable illegal acting or resulting from confirmation of incorrect data decisive for the creation of entitlement to a social security benefit, entitlement to its payment or its amount.

Article 3
**Dual display of the amount of social security benefit and
of the financial amount of social security service**

In the period of the dual display, the amount of a social security benefit and of the financial amount of social security service

- a) before the euro introduction date in the Slovak Republic (hereinafter the “euro introduction“), after conversion at the conversion rate shall be rounded up to the nearest euro cent, and displayed also in the amount in euros determined in this manner,
- b) after the euro introduction date, after conversion at the conversion rate shall be rounded to whole Slovak korunas, and displayed also in the amount in Slovak korunas determined in this manner.

Article 4
**Dual display of the amount of benefits
provided under separate regulations**

In the period of dual display, the amount of compensation for pain and of compensation for reduced social opportunities provided under separate regulations¹

- a) before the euro introduction date, after conversion at the conversion rate shall be rounded up to the nearest euro cent, and displayed also in the amount in euros determined in this manner,
- b) after the euro introduction date, after conversion at the conversion rate shall be rounded to whole Slovak korunas, and displayed also in the amount in Slovak korunas determined in this manner.

Article 5
**Dual display of the amount of partial payment
paid for recreational care**

In the period of dual display, the amount of partial payment paid for recreational care

- a) before the euro introduction date, after conversion at the conversion rate shall be rounded down to the nearest euro cent, and displayed also in the amount in euros determined in this manner,

- b) after the euro introduction date, after conversion at the conversion rate shall be rounded to whole Slovak korunas, and displayed also in the amount in Slovak korunas determined in this manner.

Article 6

Dual display of the amount of fee for failure to satisfy the notification duty, fine, penalty, payment of costs for medical services, social security benefit paid by mistake and compensation for damage

In the period of dual display, the amount of fee for failure to satisfy the notification duty, fine, penalty, payment of costs for medical performance, social security benefit paid by mistake and compensation for damage

- a) before the euro introduction date, after conversion at the conversion rate shall be rounded down to the nearest euro cent, and displayed also in the amount in euros determined in this manner,
- b) after the euro introduction date, after conversion at the conversion rate shall be rounded to whole Slovak korunas, and displayed also in the amount in Slovak korunas determined in this manner.

Article 7

Dual display of the amount of reimbursement of expenses associated with the performance of assessment activity of social security and allowance from the budget of Ministry for the payment of costs for recreational care

In the period of dual display, the amount of reimbursement of expenses associated with the performance assessment activity of social security and allowance from the budget of Ministry for the payment of costs for recreational care

- a) before the euro introduction date, after conversion at the conversion rate shall be rounded up to the nearest euro cent, and displayed also in the amount in euros determined in this manner,
- b) after the euro introduction date, after conversion at the conversion rate shall be rounded to whole Slovak korunas, and displayed also in the amount in Slovak korunas determined in this manner.

Article 8

Payments and other amounts exempted from dual display

Amounts in input information related to the collection of sickness security contribution, accident security contribution and contribution on security for years of service paid by policemen, professional soldiers, service authority, service body and by the state, which is the income of a special account² shall not be subject to the dual display.

Article 9

Other detailed rules for the conversion and rounding of service pay of policemen and of professional soldiers for the period before the euro introduction for specification of the social security benefit

The amount of service pay of policemen and the amount of service pay of professional soldiers for the period before the euro introduction, for the purposes of specification of the social security benefit after the euro introduction date shall be converted at the conversion rate and rounded up to the nearest euro cent.

² *Article 94 of Act No. 328/2002 Coll. on Social Security for Policemen and Soldiers and on Change and Amendment of Some Acts, as amended.*

Article 10

Other detailed rules for the conversion and rounding of the amount of assessment base for the calculation of sickness security contribution, accident security contribution and contribution on security for years of service

If the decisive period for specification of the assessment base for sickness security contribution, accident security contribution and contribution on security for years of service, which is paid after the euro introduction date is a period before the euro introduction date, the assessment base shall be converted at the conversion rate and rounded down to the nearest euro cent.

Article 11

Other detailed rules for the conversion and rounding of the amount of social security benefit and of the financial amount of social security service, which is not validly decided on before the euro introduction date

The amount of social security benefit and of the financial amount of social security service, to which entitlement is created for a period before the euro introduction date, and which is not validly decided on before the immediately preceding day of the euro introduction, after the euro introduction date shall be converted at the conversion rate and rounded up to the nearest euro cent.

Article 12

Other detailed rules for the conversion and rounding of the amount of social security benefit and of the financial amount of social security service before the euro introduction date

The amount of social security benefit and of the financial amount of social security service, to which entitlement is created before the euro introduction date and which should be paid out to or remitted to account of the social security benefit recipient or of the recipient of the financial amount of social security service at a bank or at a branch of a foreign bank after the euro introduction date, after the creation of entitlement to the social security benefit or to the financial amount of social security service before the day preceding the euro introduction, shall be calculated in Slovak korunas, converted at the conversion rate and rounded up to the nearest euro cent; the same is applicable to the payment or remitting of prepayment on benefit.

Article 13

Other detailed rules for the conversion and rounding of the amount of social security benefit not taken over and of the financial amount of social security service not taken over before the euro introduction date

If the social security benefit recipient or the recipient of the financial amount of social security service has not taken over a social security benefit or a financial amount of social security service, to the payment of which the entitlement is created before the euro introduction, as of the euro introduction date the social security benefit not taken over and the financial amount of social security service not taken over shall be converted at the conversion rate and rounded up to the nearest euro cent; the same is applicable to the payment or remitting of prepayment on benefit.

Article 14
Other detailed rules for the conversion and rounding of the amount
of sickness security contribution, accident security contribution
and contribution on security for years of service

The amount of sickness security contribution, accident security contribution and contribution on security for years of service paid without legal grounds before the euro introduction date, which should be returned after the euro introduction date, shall be converted at the conversion rate and rounded up to the nearest euro cent.

Article 15
Other detailed rules for the conversion and rounding of the amount of claim
for contributions

The amount of outstanding sickness security contribution, accident security contribution and contribution on security for years of service for a period before the euro introduction date, after the euro introduction date shall be converted at the conversion rate and rounded down to the nearest euro cent.

Article 16
Other detailed rules for the conversion and rounding of the amount
of social security benefit paid by mistake

(1) If the duty stated in a decision on the duty of the service authority, service body, Social Security Unit of the Ministry, Social Security Military Agency, Social Insurance Agency or of another legal entity to refund the amount of social security benefit paid by mistake, which was paid before the euro introduction date, is imposed as of the euro introduction date, the total social security benefit paid by mistake shall be converted at the conversion rate and rounded down to the nearest euro cent.

(2) If the service authority, service body, Social Security Unit of the Ministry, Social Security Military Agency, Social Insurance Agency or another legal entity has, in the decision on the duty to refund the social security benefit paid by mistake expressed in Slovak korunas, which should be refunded after the euro introduction date, the total social security benefit paid by mistake shall be converted at the conversion rate and rounded down to the nearest euro cent.

Article 17
Other detailed rules for the conversion
and rounding of the amount of compensation for damage

If damage that occurred before the euro introduction date should be paid after the euro introduction date, it shall be converted at the conversion rate and rounded down to the nearest euro cent.

Article 18
Other detailed rules for the conversion and rounding of the amount of fine,
penalty and fee for failure to satisfy the notification duty

(1) The amount of fine imposed before the euro introduction date, which is paid after the euro introduction date, as of the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

(2) The amount of penalty prescribed before the euro introduction date, which is not paid before the euro introduction date, as of the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

(3) The amount of fee for failure to satisfy the notification duty imposed before the euro introduction date, which is paid after the euro introduction date, as of the euro introduction date, after conversion at the conversion rate, shall be rounded down to the nearest euro cent.

Article 19

Other detailed rules for the conversion and rounding of expenses associated with the performance of assessment activity

(1) The amount of expenses associated with the performance of assessment activity, which arose before the euro introduction date and which should be admitted after the euro introduction date, shall be converted at the conversion rate and rounded up to the nearest euro cent.

(2) The amount of the reimbursement of expenses associated with the performance of assessment activity, which should have been paid before the euro introduction date in Slovak korunas, and is paid after the euro introduction date, shall be converted at the conversion rate and rounded up to the nearest euro cent.

Article 20

Other detailed rules for the conversion and rounding of the reimbursement of costs for medical performance

(1) The amount of the reimbursement of costs for medical services, which arose before the euro introduction date and which should be remitted after the euro introduction date, shall be converted at the conversion rate and rounded up to the nearest euro cent.

(2) The amount of the reimbursement of costs for medical services, which should have been paid before the euro introduction date, after the euro introduction date, shall be converted at the conversion rate and rounded up to the nearest euro cent.

Article 21

Effect

This Decree becomes effective on 1 August 2008.

