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DECREE
of the National Bank of Slovakia
dated 8 June 2010

amending and supplementing Decree of the National Bank of Slovakia No. 4/2007 on banks' own funds of financing and banks' capital requirements and on investment firms' own funds of financing and investment firms' capital requirements, as amended

The National Bank of Slovakia, in accordance with Article 30 (8) and Article 31 (5) of Act No. 483/2001 Coll. on Banks and on amendments and supplements to certain laws as amended, hereby stipulates:

Article I

Decree of the National Bank of Slovakia of 13 March 2007 No. 4/2007 on banks' own funds of financing and banks' capital requirements and on investment firms' own funds of financing and investment firms' capital requirements (Announcement No. 121/2007 Coll.) as amended by Decree of 21 August 2007 No. 10/2007 (Announcement No. 420/2007 Coll.) and Decree of 21 October 2008 No. 17/2008 (Announcement No. 443/2008 Coll.) is amended and supplemented as follows:

1. Article 4 is amended by Paragraph 4 to read as follows:

“(4) The item reducing the value of the bank’s original own funds is also the surplus of the sum of the values of expected losses^{5a}) for individual items of the bank’s property and for individual items not recorded in the bank’s balance sheet over the sum of the values of the devaluations of such items of the bank’s property and the value of provisions created for items not recorded in the bank’s balance sheet.”.

The footnote for reference 5a is to read as follows:

“^{5a}) Decree of the National Bank of Slovakia No. 11/2010 stipulating the methods for valuing the positions recorded in the banking book and details of valuation of the positions recorded in the banking book including the frequency of such valuations (Announcement No. 278/2010 Coll.)”.

2. Article 9 is amended by Paragraph 5 to read as follows:

“(5) For the needs of calculating the value corresponding to the capital requirement on the bank’s credit risk coverage, the exposures arising from the bank’s activities recorded in the banking book and representing the bank’s property and exposures recorded in the banking book representing items not recorded in the bank’s balance sheet are valued in accordance with a special regulation.⁴)”.

3. In Article 225 (1) the following sentence is added to the end:

“The provision of Article 4 (4) does not apply to the investment firm”.

4. In Article 228, the following words are deleted “European Communities and”.

5. In the annex to the Decree, the following words are deleted “EUROPEAN COMMUNITIES AND”.

Article II

This Decree enters into effect on 1 January 2011.

**Jozef Makúch, in his own hand,
Governor**

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| Issued by: | Regulatory and Risk Management Methodology Department Banking Sector and Securities Dealers Regulatory Section | Tel.: +421 2 5787 3301 Fax: +421 2 5787 1118 |
| Prepared by: | Ing. Stanislav Guniš | Tel: +421 2 5787 2885 E-mail: stanislav.gunis@nbs.sk |