

**Full text of
614/2003 Coll.**

DECREE

of Národná banka Slovenska

of 19 December 2003

stipulating details of elements of an application for a foreign exchange license, method of proving the satisfaction of conditions for the grant of a foreign exchange license, and requirements under Article 13(8) of the Foreign Exchange Act, as amended by the Decree of Národná banka Slovenska No. 412/2006 Coll.

Pursuant to Article 6(15) and Article 13(11) of the Act No. 202/1995 Coll., the Foreign Exchange Act and the act amending the Act of the Slovak National Council No. 372/1990 Coll. on misdemeanours, as amended, as amended by the Act No. 602/2003 Coll. (hereinafter the "Act"), Národná banka Slovenska stipulates as follows:

PART ONE

INTRODUCTORY PROVISION

Article 1

This Decree stipulates details of

- a) elements of an application for a foreign exchange license, including attachments thereto, to
 - 1. conduct non-cash transactions in funds in foreign currency;
 - 2. provide foreign exchange services;
 - 3. perform the currency exchange activity;
- b) method of proving the satisfaction of conditions for the grant of a foreign exchange license;
- c) requirements for trading in foreign exchange assets, or for provision of foreign exchange services.

PART TWO

**FOREIGN EXCHANGE LICENSE TO CONDUCT NON-CASH TRANSACTIONS
IN FUNDS IN FOREIGN CURRENCY**

Article 2

(to Article 6 (15) of the Act)

(1) Listed below are the elements of an application for a foreign exchange license to conduct non-cash transactions in funds in foreign currency, which identify the applying entity:

- a) the business name and registered office of the applicant;
- b) the identification number of the applicant;
- c) the first name, surname, address of permanent or temporary residence of the individual who is the statutory body or a member of the statutory body of the applicant, and the first

name, surname, address of permanent or temporary residence, and date of birth of the individual through whom the applicant will conduct non-cash transactions in funds in foreign currency.

(2) The following documents shall be attached to the application referred to in paragraph 1 to support the satisfaction of conditions of Article 6(4)(a) and (6) of the Act:

- a) the Deed of Foundation, or the Memorandum of Association of a corporation;
- b) the Articles of Association of a corporation, if any;
- c) a copy of a record in the Companies Register issued not earlier than three months ago, or a document certifying the incorporation of a corporation, if such a corporation is not entered in the Companies Register, or other similar document, if the applicant is a corporation residing outside the territory of the Slovak Republic;
- d) a declaration of the individual through whom the applicant will conduct non-cash transactions in funds in foreign currency that he/she has unrestricted legal capacity to act;
- e) a document of the highest education attained by the individual through whom the applicant will conduct non-cash transactions in funds in foreign currency;
- f) a document of the paid-up contribution to share capital;
- g) a business plan of the applicant;
- h) a document proving the method of hedging the transactions against risks and the method of measuring, monitoring and managing such risks;
- i) information about the procedure followed in making, executing and settling transactions, including the pricing mechanism, templates of contracts entered into with clients, and confirmations of transaction made and executed;
- j) documents proving material-and-technical, organizational, and personnel arrangements of activities relating to the execution of transactions;
- k) a document of completed university education, or a document of completion of secondary education or secondary specialized education, and a document of economic work experience of the person who is the statutory body or a member of the statutory body of the applicant.

Article 3 **(to Article 13 (11) of the Act)**

(1) Records of non-cash transactions in funds in foreign currency referred to in Article 13(8)(a) of the Act shall consist of daily records with order numbers in a continuous sequence of numbers, and of documents listed in paragraphs 3 and 4 below.

(2) The record referred to in paragraph 1 shall be produced immediately after the agreed transactions, and shall contain in particular the following data:

- a) the order number of the record;
- b) the registration number of the transaction which shall be identical with the registration number stated on the respective document certifying the agreed or settled transaction;
- c) details identifying the individual parties to the transaction, broken down as follows:
 1. the first name, surname, address of permanent or temporary residence, date of birth, if the client is an individual;
 2. the business name, registered office, identification number, if the client is a corporation;
 3. the business name of the place of foreign exchange, identification number, address of the establishment, first name, surname, and signature of the responsible officer

- according to the specimen signature (hereinafter the “Identification Details of the Place of Foreign Exchange”);
- d) the international ISO code of the foreign currency, its amount, and exchange rate;
 - e) the foreign exchange value of the transaction which is determined as a multiple of the agreed exchange rate and the amount of the purchased or sold currency (hereinafter the “Foreign Exchange Value”);
 - f) the price of service;
 - g) the trade date and settlement date;
 - h) bank details for transfer of funds;
 - i) the date and place of record.

(3) The document on the agreed transaction, containing information specified in paragraph 2, shall be executed in two counterparts, of which one shall be delivered to the client for the purpose of claim submission, if any.

(4) The document on the settlement of transaction, executed in two counterparts, of which one shall be delivered to the client for the purpose of claim submission, if any, shall contain the following information:

- a) the registration number of the transaction;
- b) the due date of the order for payment of funds to the credit of the client;
- c) the international ISO code of the currency, its amount;
- d) bank details for transfer of funds;
- e) identification details of the place of foreign exchange;
- f) the date and place of issue of the document.

(5) When the non-cash transaction in funds in foreign currency is cancelled, the word “cancelled” shall be stated on both counterparts of the document, and the registration number of the transaction, the identification details of the place of foreign exchange, and the date and place of issue shall be indicated.

(6) The record referred to in paragraph 2 and the documents referred to in paragraphs 3 and 4 shall be kept separately for each establishment.

(7) The provisions of paragraphs 3 and 4 are not applicable to mediation of non-cash transactions in funds in foreign currency by a place of foreign exchange which is only authorized to mediate non-cash transactions in funds in foreign currency exclusively between banks, with no authorization to receive funds from them.

Article 4 **(to Article 13 (11) of the Act)**

(1) The non-cash transactions in funds in foreign currency are conducted at the agreed buy or sell exchange rates.

(2) The price charged for the provided services in the case of non-cash transactions in funds in foreign currency under Article 13(8)(d) of the Act shall be determined by a fixed rate or in percentage of the foreign exchange value; the prices of services shall be expressed in Arabic numerals.

Article 5
(to Article 13 (11) of the Act)

(1) Data on the non-cash transactions in funds in foreign currency for the previous calendar quarter under Article 13(8)(f) of the Act shall be presented using the form whose template is attached hereto as Annex No. 1; if no non-cash transaction in funds in foreign currency was made in the calendar quarter, zero shall be stated in the relevant lines and columns of the form.

(2) Data referred to in paragraph 1 shall be presented separately for each establishment not later than 15 calendar days after the end of the calendar quarter.

PART THREE

FOREIGN EXCHANGE LICENSE TO PROVIDE FOREIGN EXCHANGE SERVICES

Article 6
(to Article 6 (15) of the Act)

(1) Listed below are the elements of an application for a foreign exchange license to provide foreign exchange services, which identify the applying entity:

- a) the business name and registered office of the applicant;
- b) the identification number of the applicant;
- c) the first name, surname, address of permanent or temporary residence of the individual who is the statutory body or a member of the statutory body of the applicant, and the first name, surname, address of permanent or temporary residence, and date of birth of the individual through whom the applicant will provide foreign exchange services.

(2) The following documents shall be attached to the application referred to in paragraph 1 to support the satisfaction of conditions of Article 6(4)(a) and (7) of the Act:

- a) the Deed of Foundation or the Memorandum of Association of a corporation;
- b) a copy of a record in the Companies Register issued not earlier than three months ago, or a document certifying the incorporation of a corporation, if such a corporation is not entered in the Companies Register, or other similar document, if the applicant is a corporation residing outside the territory of the Slovak Republic;
- c) a declaration of the person through whom the applicant will provide foreign exchange services that he/she has unrestricted legal capacity to act;
- d) a document of the highest education attained by the individual through whom the applicant will provide foreign exchange services;
- e) a document of the paid-up contribution to share capital;
- f) documents proving material-and-technical, organizational, and personnel arrangements of activities relating to the provision of foreign exchange services, including technical description of the provision of foreign exchange services;
- g) a contract with the person that provides for a cross-border wire transfer of funds, or a certified copy thereof;
- h) a document of completed university education, or a document of completion of secondary education or secondary specialized education, and a document of economic work experience of the person who is the statutory body or a member of the statutory body of the applicant.

Article 7
(to Article 13 (11) of the Act)

(1) Records of the provision of foreign exchange services referred to in Article 13(8)(a) of the Act shall be kept in a documentary form, and shall consist of

- a) a document on cross-border transfer of funds, if the transferred amount is designed for transfer from the Slovak Republic to other country (hereinafter the “Certificate of Remittance”);
- b) a) a document on cross-border transfer of funds, if the transferred amount is designed for transfer from other country to the Slovak Republic (hereinafter the “Certificate of Receipt”);
- c) a journal of foreign exchange services.

(2) The certificate of remittance or the certificate of receipt shall be marked with the order number in a continuous sequence of numbers; these documents shall be executed in two counterparts, of which one shall be delivered to the client for the purpose of claim submission, if any.

(3) The certificate of remittance shall contain, in particular

- a) the first name, surname, personal number or date of birth, type and number of ID card, address of permanent or temporary residence of the remitter;
- b) the first name, surname and address of the beneficiary;
- c) the international ISO code and the amount of funds;
- d) the price of service;
- e) identification details of the place of foreign exchange;
- f) the date and place of issue of the document;
- g) the signature of the remitter;
- h) the control number, being a unique, multi-digit number of the transaction communicated to the beneficiary.

(4) The certificate of receipt shall contain, in particular

- a) the first name, surname, personal number or date of birth, type and number of the ID card, address of permanent or temporary residence of the beneficiary;
- b) the first name, surname and address of the remitter;
- c) the international ISO code and the amount of funds;
- d) the price of service, if not paid by the remitter;
- e) identification details of the place of foreign exchange;
- f) the date and place of issue, and signature of the beneficiary;
- g) the control number, being a unique, multi-digit number of the transaction communicated to the beneficiary by the remitter.

(5) The journal of foreign exchange services shall contain

- a) the order number of the document;
- b) the control number;
- c) the international ISO code and the amount of funds, broken down by
 1. the amount of remitted funds, state of the beneficiary, and date of receipt of the funds by the beneficiary;
 2. the amount of received funds, and state of the remitter.

(6) The journal of foreign exchange services shall quantify the amount of remitted and received funds on a daily basis; a record of such amounts shall be signed by the responsible officer of the place of foreign exchange.

(7) The documents referred to in paragraph 1 above shall be kept for each establishment separately.

Article 8
(to Article 13 (11) of the Act)

The price charged for the provided services under Article 13(8)(d) of the Act shall be determined in the case of the foreign exchange services by a fixed rate or in percentage of the amount of remitted or received funds.

Article 9
(to Article 13 (11) of the Act)

Data on the provided foreign exchange services under Article 13(8)(f) of the Act shall be presented to Národná banka Slovenska in a documentary form within a period of 15 calendar days of the next calendar quarter for the previous calendar quarter to the extent specified in Article 7(5).

PART FOUR

**FOREIGN EXCHANGE LICENSE TO PERFORM CURRENCY EXCHANGE
ACTIVITY**

Article 10
(to Article 6 (15) of the Act)

(1) Listed below are the elements of an application for a foreign exchange license to perform the currency exchange activity, if the applicant is an individual:

- a) the first name, surname, address of permanent or temporary residence, date of birth of the applicant;
- b) the business name of the applicant;
- c) the identification number of the applicant, if any;
- d) the first name, surname, address of permanent or temporary residence, and date of birth of the individual through whom the applicant will carry out the currency exchange activity.

(2) Listed below are the elements of an application for a foreign exchange license to perform the currency exchange activity, if the applicant is a corporation:

- a) the business name and registered office of the applicant;
- b) the identification number of the applicant;
- c) the first name, surname, and address of permanent or temporary residence of the individual who is the statutory body or a member of the statutory body of the applicant, and the first name, surname, address of permanent or temporary residence, and date of birth of the individual through whom the applicant will carry out the currency exchange activity;

- (3) The following documents shall be attached to the application referred to in paragraph 1:
- a) a copy of a record in the Trade Register issued not earlier than 3 months ago, if the applicant has a trade license;
 - b) documents supporting the satisfaction of conditions of Article 6(3)(c) to (e) of the Act, namely
 1. a declaration of the applicant that he/she has unrestricted legal capacity to act;
 2. a document of the highest education attained by the applicant;
 3. a declaration of the individual through whom the applicant will carry out the currency exchange activity that he/she has unrestricted legal capacity to act;
 4. a document of the highest education attained by the individual through whom the applicant will carry out the currency exchange activity.

- (4) The following documents shall be attached to the application referred to in paragraph 2:
- a) a copy of a record in the Companies Register issued not earlier than three months ago, or a document certifying the incorporation of a corporation, if such a corporation is not entered in the Companies Register, or other similar document, if the applicant is a corporation residing outside the territory of the Slovak Republic;
 - b) documents supporting the satisfaction of conditions of Article 6 (4)(a) of the Act, namely
 1. a declaration of the individual through whom the applicant will carry out the currency exchange activity that he/she has unrestricted legal capacity to act;
 2. a document of the highest education attained by the individual through whom the applicant will carry out the currency exchange activity.

(5) In addition to the attachments referred to in paragraphs 3 and 4, the following documents shall be attached to the application for a foreign exchange license to perform the currency exchange activity, the subject of which is the sale of funds in foreign currency for the Slovak currency in cash:

- a) a declaration of the applicant that he/she has made transactions in foreign exchange assets, the subject of which is the purchase of funds in foreign currency for the Slovak currency in cash, continuously for at least 12 months in accordance with the generally binding legal regulations and the foreign exchange license;
- b) a certificate of Národná banka Slovenska, or of a person appointed by Národná banka Slovenska, that the individual who will sell funds in foreign currency for the applicant was professionally trained to recognize banknotes and coins suspected of being counterfeit or altered.

Article 11 **(to Article 13 (11) of the Act)**

(1) Records of the purchase or sale of funds in foreign currency referred to in Article 13(8)(a) of the Act shall be kept in a documentary form, and shall consist of a journal of foreign cash and of a cash receipt for the purchased or sold foreign currency.

(2) The cash receipt referred to in paragraph 1 shall be marked with the order number in a continuous sequence of numbers, and shall contain the following data:

- a) the international ISO code of the foreign currency, its amount, exchange rate and foreign exchange value;

- b) the amount of the purchased or sold funds in foreign currency less the price of service in the Slovak koruna;
- c) the price of service;
- d) identification details of the place of foreign exchange;
- e) the date and place of issue of the cash receipt.

(3) In addition to information referred to in paragraph 2 above, the following shall be contained in the cash receipt:

- a) in the case of the purchase or sale of cheques:
 - 1. the first name and surname of the client, type, number and state of issue of the ID card;
 - 2. serial numbers of cheques;
 - 3. the business name of the bank or branch of a foreign bank that honours the cheque (drawee);
- b) in the case of the purchase or sale of banknotes and coins in the amount exceeding EUR 1,000
 - 1. the first name and surname of the client;
 - 2. the type, number, validity date, and state of issue of the ID card.

(4) The value referred to in paragraph 3(b) shall be calculated as a quotient of the foreign exchange value stated on the cash receipt and the EUR/SKK exchange rate announced by Národná banka Slovenska and ruling on the cash receipt issue date.

(5) The cash receipt referred to in paragraph 1 shall be executed in two counterparts, of which one shall be delivered to the client for the purpose of claim submission, if any; in cancelling the purchase or sale of funds in foreign currency, both counterparts shall be marked with the text “cancellation”, and the identification details of the place of foreign exchange, and the date and place of issue shall be specified.

(6) The journal of foreign cash is a set of daily records on all transactions performed within the currency exchange activity, containing information from the cash receipt, namely the date of issue of the cash receipt, the order number of the cash receipt, the international ISO code of the foreign currency, the amount of funds in foreign currency with the purchase or sale specification.

- (7) If a foreign exchange license has been granted
- a) to purchase funds in foreign currency, the journal of foreign cash shall include, in addition to data referred to in paragraph 6, information on the use of the purchased funds in foreign currency, supported by
 - 1. an accounting document; or
 - 2. a different document which contains the identification of the document, the purpose of use of the funds in foreign currency, the amount of funds, the identification of persons receiving and delivering the funds, their signatures, and the date and place of issue of the document;
 - b) to purchase and sell funds in foreign currency, the following information shall be recorded in addition to the data referred to in paragraph 6 above:
 - 1. the use other than the sale of the purchased funds in foreign currency, supported by an accounting document, or by a different document which contains the identification of the document, the purpose of use of the funds in foreign currency, the amount of funds;

2. the acquisition of funds in foreign currency in a manner other than by the purchase of funds in foreign currency, supported by an accounting document, or by a different document which contains the identification of the document, the source of acquisition of the funds in foreign currency, the amount of funds, the identification of persons receiving and delivering the funds, their signatures, and the date and place of issue of the document.

(8) The journal of foreign cash shall include daily amounts of the purchased, sold and used funds in foreign currency under paragraph 7(a) and (b) of the first point, and the amount of funds acquired under paragraph 7(b) of the second point, broken down by the individual foreign currencies, and it shall specify their balances which are to be recorded in the journal of foreign cash the next working day.

(9) The cash receipts and the journal of foreign cash referred to in paragraph 1 above shall be kept for each establishment separately.

Article 12
(to Article 13 (11) of the Act)

The catalogue of payment means referred to in Article 13 (8)(b) of the Act shall be kept in the form of images and description of banknotes and coins of the Slovak and foreign currency, and shall contain information on the issue and validity of the payment means, on the time determined for their exchange upon the expiry of their validity, and shall describe or present images of the known counterfeits.

Article 13
(to Article 13 (11) of the Act)

(1) The purchase of funds in foreign currency, or the sale of funds in foreign currency, shall be carried out at the exchange rate for purchase, or at the exchange rate for sale, published in the exchange list of the place of foreign exchange.

(2) The price charged for the provided services under Article 13 (8)(d) of the Act in the case of the currency exchange activity shall be determined by a fixed rate or in percentage of the foreign exchange value; the prices of the individual services shall be expressed in Arabic numerals.

Article 14
(to Article 13 (11) of the Act)

(1) Data on the amount of the purchased and sold funds in foreign currency for the previous calendar quarter under Article 13(8)(f) of the Act shall be presented to Národná banka Slovenska in summary for all establishments and automated currency exchange machines of the place of foreign exchange, using the form whose template is attached hereto as Annex No. 2. Data on the amount of the purchased funds in foreign currency shall correspond to the total of data stated in the cash receipts for the purchased currency, and data about the amount of the sold funds in foreign currency shall correspond to the total of data stated in the cash receipt for the sold currency. If no purchase or sale of funds in foreign currency was carried out in the calendar quarter, zero shall be stated in the relevant lines and columns of the form.

(2) Data referred to in paragraph 1 shall be sent to Národná banka Slovenska no later than 15 calendar days of the next quarter.

PART FIVE

FINAL PROVISIONS

Article 15

The Decree of Národná banka Slovenska No. 1/1998 of 20 March 1998, stipulating conditions for places of foreign exchange to perform certain transactions with foreign exchange assets (Notice No. 98/1998 Coll.), as amended by the Decree No. 5/2002 (Notice No. 531/2002 Coll.), is repealed.

Article 16

This Decree shall take effect as at 1 January 2004.

The Decree No. 412/2006 Coll. took effect as at 1 January 2006.

Marián Jusko

