



LEGISLATION



10 LEGISLATION

In 2009, Národná banka Slovenska continued to exercise its legislative and approximation competences in regard to monetary matters, currency, currency circulation, foreign exchange management, banking, the capital market, insurance, and retirement pension saving.

LEGISLATIVE AMENDMENTS PREPARED AND IMPLEMENTED IN 2009 TO LAWS ON MATTERS WITHIN THE COMPETENCE OF NÁRODNÁ BANKA SLOVENSKA

Act No. 483/2001 Coll. on banks and on amendments to certain laws as amended was amended in 2009 by Act No. 186/2009 Coll., Act No. 276/2009 Coll. and Act No. 492/2009 Coll. The amendment implemented by Act No. 186/2009 Coll., a new law on financial intermediation and financial advisory services, modified the rules of financial intermediation for banks and branches of foreign banks. Consequently, banks and branches of foreign banks may use only independent financial agents and tied financial agents for the purpose of financial intermediation in the deposit-taking and lending sector. Act No. 276/2009 Coll. modified the procedural rules of banks, branches of foreign banks, and Národná banka Slovenska in regard to the introduction of measures to mitigate the effects of the global financial crisis on the banking sector, and it also clarified rules on the prudential conduct of banks. As for Act No. 492/2009 Coll., the main purpose of the amendment was to bring the provisions of the Banking Act into line with the new rules for the provision of payment services and with the new terms laid down in the Payment Services Act. The Banking Act was also amended by the addition of a thirteenth part regulating the provision of loans to young married couples.

Act No. 566/2001 Coll. on securities and investment services and on amendments to certain laws (the Securities Act) as amended was amended in 2009 by Act No. 160/2009 Coll., Act No. 186/2009 Coll., Act No. 276/2009 Coll., Act No. 487/2009 Coll. and Act No. 492/2009 Coll. In the case of Act No. 160/2009 Coll., the amendment concerned mainly rules for the central de-

pository's activities. As for Act No. 186/2009 Coll. on financial intermediation and advisory services, it brought the Securities Act into line with its provisions, and modified the rules of financial intermediation for investment firms. Act No. 276/2009 Coll. modified the procedural rules of investment firms and Národná banka Slovenska in regard to the introduction of possible measures to mitigate the effects of the global financial crisis on the banking sector, it also clarified provisions on the exercise of supervision by Národná banka Slovenska. The amendment implemented by Act No. 492/2009 Coll. served to bring the Securities Act into line with new rules for the provision of payment services as laid down in the Payment Services Act, and it also established that the only basis for proving trustworthiness will be a criminal record certificate.

Act No. 492/2009 Coll. on payment services and on amendments to certain laws was adopted in 2009 as a new law to regulate payment services and the provision of such services in accordance with the requirements of the European Union. This entailed establishing conditions for the single market in payments across the European Economic Area and for the abolition of internal market borders in regard to the provision of payment services. The Act does not distinguish between domestic transfers and cross-border transfers except for a provision on the shorter time limit for the execution of domestic credit transfers. This law allows payment services to be provided also by payment institutions, lays down new rules on how payment service providers are to convey information, and stipulates conditions for the establishment and operation of payment systems, conditions for the establishment and operation of electronic money institutions, and how complaints and other submissions are to be handled. It repealed Act No. 510/2002 Coll. on the payment system as amended.

Act No. 747/2004 Coll. on financial market supervision and on amendments to certain laws as amended was amended in 2009 by Act No. 186/2009 Coll., Act No. 276/2009 Coll. and Act No. 492/2009 Coll. In the case of Act No. 186/2009 Coll. on financial intermediation and financial



LEGISLATION

advisory services, the amendment brought the Financial Market Supervision Act into line with the new law's provisions, and it modified the definitions of on-site supervision and off-site supervision. The changes implemented by Act No. 492/2009 Coll. on payment services served to clarify certain rules for proceedings held before Národná banka Slovenska and provisions concerning objections on grounds of bias, and they brought the Financial Market Supervision Act into line with terms used under the new law. Those provisions of the Financial Market Supervision Act that relate to Act No. 276/2009 Coll. on measures to mitigate the effects of the global financial crisis on the banking sector were amended by the new law so as to comply with its requirements.

Act of the National Council of the Slovak Republic No. 202/1995 Coll. – the Foreign Exchange Act and act amending Act of the Slovak National Council No. 372/1990 Coll. on misdemeanours as amended – was amended in 2009 by Act No. 492/2009 Coll. By this amendment, the definitions of non-cash transactions and foreign exchange services were deleted from the Foreign Exchange Act in connection with the new rules on payment services.

Act No. 8/2008 Coll. on insurance and on amendments to certain laws as amended was amended in 2009 by Act No. 186/2009 Coll. and Act No. 276/2009 Coll. In the case of Act No. 186/2009 Coll. on financial intermediation and financial advisory services, it modified rules concerning financial intermediation in the area of insurance.

Act No. 594/2003 Coll. on collective investment and on amendments to certain laws as amended was amended in 2009 by Act No. 186/2009 Coll. on financial intermediation and financial advisory services. The amendment modified rules concerning financial intermediation in the area of collective investment.

Act No. 43/2004 Coll. on retirement pension saving and on amendments to certain laws as amended was amended in 2009 by Act No. 137/2009 Coll. and Act No. 572/2009 Coll. In the case of Act No. 137/2009 Coll., the amendment mainly brought in new provisions on the regulation of pension fund management fees charged by pension fund management companies, and

it imposed on pension fund management companies an obligation to establish a guarantee account for pension funds. The changes implemented by Act No. 572/2009 Coll. concerned mainly savers' options for terminating participation in retirement pension schemes on grounds of their pension rights having been transferred to a pension scheme based in the European Union or run by an EU institution.

Act No. 650/2004 Coll. on supplementary pension saving and on amendments to certain laws as amended was amended in 2009 by Act No. 186/2009 Coll. and Act No. 557/2009 Coll. In the case of Act No. 186/2009 Coll. on financial intermediation and financial advisory services, the amendment brought the Supplementary Pension Saving Act into line with the new law's provisions. As for Act No. 557/2009 Coll., it clarified and modified the rules for supplementary pension saving schemes, especially in regard to the payment of contributions, the payout of a supplementary retirement pension, the payout of a supplementary long-term service pension, lump-sum settlements, termination settlements, the management fee for a supplementary pension fund, the fee for increasing the value of assets in a supplementary pension fund, the fee that a participant is charged for switching to another supplementary pension asset management company, and the termination settlement fee.

Act No. 186/2009 Coll. on financial intermediation and financial advisory services and on amendments to certain laws was adopted and entered into force in 2009, its purpose being to bring Slovak law into line with the European Union's requirements in the area of financial intermediation and financial advisory services. The law lays down what constitutes financial intermediation and financial advisory services. Under this law, entities authorized to perform financial intermediation are financial agents that may also provide financial advisory services. Financial advisory services, however, may be provided by financial advisors who are not authorized to perform financial intermediation. This law also governs the supervision of financial intermediation and financial advisory services, and it repealed Act No. 340/2005 Coll. on insurance mediation and reinsurance mediation as amended.



Act of the National Council of the Slovak Republic No. 118/1996 Coll. on deposit protection and on amendments to certain laws as amended was amended in 2009 by Act No. 276/2009 Coll. and Act No. 492/2009 Coll. Of particular significance is the amendment implemented by Act No. 492/2009 Coll., which brought the Deposit Protection Act into line with the Payment Services Act.

Act No. 530/1990 Coll. on bonds as amended was amended in 2009 by Act No. 276/2009 Coll. This short amendment clarified footnote 3f.

Act No. 429/2002 Coll. on the Stock Exchange as amended was amended in 2009 by Act No. 487/2009 Coll. This law specified in more detail the information that an issuer is required to publish.

Act of the Slovak Council No. 310/1992 Coll. on home savings as amended was amended in 2009 by Act No. 492/2009 Coll. in connection with the new rules on the provision of payment services.

DECREES ISSUED BY NÁRODNÁ BANKA SLOVENSKA IN 2009 UNDER ITS LEGISLATIVE COMPETENCES TO ISSUE IMPLEMENTING, GENERALLY BINDING LEGAL REGULATIONS

- Decree No. 74/2009 Coll. of Národná banka Slovenska on the submission of reports on the exceeding of limits and compliance with limits concerning the assets of a pension fund or a supplementary pension fund.
- Decree No. 75/2009 Coll. of Národná banka Slovenska on the provision of information about the net asset value of supplementary pension funds.
- Decree No. 246/2009 Coll. of Národná banka Slovenska concerning the methods of establishing the value of assets in a pension fund and a supplementary pension fund and amending Decree of the Ministry of Finance of the Slovak Republic No. 217/2005 Coll. on the own funds of a supplementary pension asset management company and on the methods and procedures to be followed in determining the value of assets in supplementary pension funds, as amended
- Decree No. 267/2009 Coll. of Národná banka Slovenska on the reference value of a conservative pension fund and the composition of the reference value of a balanced pension fund and a growth pension fund.
- Decree No. 270/2009 Coll. of Národná banka Slovenska on the provision of information on the balance of assets in supplementary pension funds.
- Decree No. 319/2009 Coll. of Národná banka Slovenska on the charges payable by an issuer of securities and on their method of payment by a pension fund management company.
- Decree No. 545/2009 Coll. of Národná banka Slovenska on annual reports and semi-annual reports submitted by pension fund management companies.
- Decree No. 546/2009 Coll. of Národná banka Slovenska on annual reports and semi-annual reports submitted by supplementary pension fund asset management companies.
- Notification No. 177/2009 Coll. of Národná banka Slovenska on the issuance of €20 silver collector coins marking the protection of nature and landscape – Veľká Fatra National Park.
- Notification No. 254/2009 Coll. of Národná banka Slovenska on the issuance of €2 commemorative circulation coins to mark the 20th anniversary of the events of 17 November 1989.
- Decree No. 1/2009 of Národná banka Slovenska concerning the report on the results of the activities performed by the internal audit department of an insurance company, branch of a foreign insurance company, reinsurance company, and branch of a foreign reinsurance company (Notification No. 86/2009 Coll.).
- Decree No. 2/2009 of Národná banka Slovenska laying down the elements of an application for permission to issue electronic money payment instruments as defined in Section 21d of Act No. 510/2002 Coll. on the payment system and on amendments to certain laws as amended, and amending Decree No. 8/2008 of Národná banka Slovenska on fees for acts performed by Národná banka Slovenska (Notification No. 147/2009 Coll.).
- Decree No. 3/2009 of Národná banka Slovenska on how the value of assets in a mutual fund is to be determined (Notification No. 248/2009 Coll.).
- Decree No. 4/2009 of Národná banka Slovenska concerning the elements of an application for prior approval of Národná banka



LEGISLATION

- Slovenska under the Collective Investment Act (Notification no. 320/2009 Coll.).
- Decree No. 5/2009 of Národná banka Slovenska amending Decree No. 18/2008 of Národná banka Slovenska on the liquidity of banks and branches of foreign banks and the process of liquidity risk management of banks and branches of foreign banks, and on the amendment of Decree No. 11/2007 of Národná banka Slovenska concerning the submission of statements, reports and other disclosures by banks, branches of foreign banks, investment firms, and branches of foreign investment firms for supervision and statistical purposes (Notification No. 519/2009 Coll.).
 - Decree No. 6/2009 of Národná banka Slovenska concerning the submission of statements, reports and other disclosures by banks, branches of foreign banks, investment firms and branches of foreign investment firms for supervision purposes, and amending Decree No. 26/2008 of Národná banka Slovenska on the submission of statements by banks, branches of foreign banks, investment firms and branches of foreign investment firms for statistical purposes (Notification no. 520/2009 Coll.).
 - Decree No. 7/2009 of Národná banka Slovenska laying down certain details of the authorization for the activities and business conducted by payment institutions and electronic money institutions (Notification No. 531/2009 Coll.).
 - Decree No. 8/2009 of Národná banka Slovenska laying down the bank account structure and bank identifying code structure, the structure of the International Bank Account Number and disclosure procedure of bank identifying codes (Notification No. 521/2009 Coll.).
 - Decree No. 9/2009 of Národná banka Slovenska on the submission of reports by asset management companies and by depositories of mutual funds for the purposes of financial market supervision (Notification No. 552/2009 Coll.).
 - Decree No. 10/2009 of Národná banka Slovenska amending Decree No. 6/1999 of Národná banka Slovenska which lays down conditions for regulating the balance of payments of the Slovak Republic as amended (Notification No. 573/2009 Coll.).
 - Decree No. 11/2009 of Národná banka Slovenska concerning the register of financial agents, financial advisors, and financial intermediaries from other EU Member States in the insurance or reinsurance sector and of tied investment agents, and amending Decree No. 8/2008 of Národná banka Slovenska on fees for acts performed by Národná banka Slovenska (Notification No. 584/2009 Coll.).
 - Decree No. 12/2009 of Národná banka Slovenska amending Decree No. 25/2008 of Národná banka Slovenska on the solvency and minimum level of the guarantee fund of insurance companies, branches of insurance companies, reinsurance companies, and branches of foreign reinsurance companies (Notification No. 591/2009 Coll.).