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FINANCIAL LAW NEWS

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AMENDMENT TO ACT ON AID AND SUPPORT FROM EUROPEAN COMMUNITY FUNDS

(Act No. 57/2010 Coll. Amending and Supplementing Act No. 528/2008 Coll. on Aid and Support provided from European Community Funds as amended by Act No. 266/2009 Coll. on Amending and Supplementing of Certain Acts)

By this Amendment, provisions of the currently valid Act concerning the operational program Interact are regulated, as well as provisions concerning financial management of aid and support provision, where it increases monitoring of provided means.

This Act changes definition of auditing body that may authorise for auditing also other legal entity under fulfilment of certain qualification conditions.

Changes are concerning also provisions related to execution of the administrative inspection, the basic rules of the administrative inspection as well as basic rules of the inspection on-site.

The Act further amends the procedural rules related to provision of support for national projects, exactly specifies the terms aid, support and allowance and contains other provisions related to coordination and management of state administrative authorities in the field of aid and support provided from the funds of the European Community.

As the Amendment to the Act on Aid and Support provided from European Community Funds regulates the management and administration of support provided from the funds of European Community and regulates the activity and responsibility of the Ministry of Finance of the Slovak Republic regarding its responsibilities by provision of funds, it also amends the Act on Financial Control and Internal Audit.

This Act shall come into force on 1 April 2010.

SUBMISSION OF REPORTS BY INSURANCE COMPANY FROM ANOTHER MEMBER STATE

(Announcement of the National Bank of Slovakia No. 59/2010 Coll. on Issue of Measure No. 3/2010 on Submission of Reports by Insurance Company from Another Member State for Statistical Purposes of 16 February 2010)

This Measure has been issued on the basis of the authorizing provision of the Act on Insurance Industry and the Act on Supervision over Financial Market and it will be used for the first time in the submission of statements for the year 2009.

The purpose of this Measure is to ensure data about the operation of insurance companies from another Member State of the European Union for the National Bank of Slovakia for statistical purposes. This Measure lays down the form, scope, methodology and manner of preparing reports submitted by an insurance company from another Member State of the European Union for statistical purposes.

Pursuant to this Measure, insurance company from another Member State carrying out insurance activities in the territory of the Slovak Republic through its branch office shall submit the balance sheet and profit and loss accounts of the branch office of the insurance company from another Member State and its statements on life insurance market and general insurance market.

The Measure contains templates of the statements mentioned above and methodology for their preparation.

This Measure came into force on 1 March 2010.

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STATEMENT ON PERFORMANCE OF FINANCIAL INTERMEDIATION AND FINANCIAL ADVISORY

(Announcement of the National Bank of Slovakia No. 40/2010 Coll. on Issue of the Measure of the National Bank of Slovakia of 26 January 2010 No. 2/2010 on Content, Classification and Method of Submission of the Statement on Performance of Financial Intermediation and Financial Advisory)

This Measure has been issued by the National Bank of Slovakia on the basis of the authorizing provision of Act on Performance of Financial Intermediation and Financial Advisory and on Amendment of Certain Acts.

This Measure determines the content, classification and method of submission of the statement on performance of financial intermediation and financial advisory, templates of such statements and instructions for their execution.

This Measure has been published in the Bulletin of the National Bank of Slovakia No. 3/2010 and is accessible for inspection at all organizational units of the National Bank of Slovakia.

This Measure came into force on 15 February 2010.

LICENSE FOR PERFORMANCE OF ACTIVITY OF INDEPENDENT FINANCIAL AGENT AND INDEPENDENT FINANCIAL ADVISOR

(Announcement of the National Bank of Slovakia No. 39/2010 Coll. on Issue of the Measure of the National Bank of Slovakia of 26 January 2010 on the Method of Fulfilment of Conditions for Granting License for Performance of the Activity of Independent Financial Agent and License for Performance of the Activity of Financial Advisor)

This Measure has been issued by the National Bank of Slovakia based on the authorizing provision of the Act on Performance of Financial Intermediation and Financial Advisory.

This Measure determines the method to be used by the natural person or legal entity to prove the fulfilment of conditions for granting the license for performance of the activity of independent financial agent and license for the performance of the activity of independent financial advisor.

This Measure has been published in the Bulletin of the National Bank of Slovakia No. 3/2010 and is accessible for inspection in all organizational units of the National Bank of Slovakia.

This Measure came into force on 15 February 2010.

NEW CHEMICAL ACT

(Act No. 67/2010 Coll. on Conditions of Introduction of the Chemical Substances and Chemical Preparations to the Market and on Amending and Supplementing of Certain Acts (Chemical Act))

Pursuant to the reasoning report the new Chemical Act has been adopted for the purpose of harmonisation of the national legislation with the newly adopted Regulation No. 1272/2008 of the European Parliament and Council on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending the Regulation (EC) No. 1907/2006, pursuant to which the Member States shall adopt measures for the purpose of proper application of the Regulation.

This Act determines the classification, labelling and packaging of chemical substances and chemical preparations, testing of chemical substances, card of secured data, as well as the principles of correct laboratory practice.

It also regulates the conditions for introduction of substances and preparations to the market, conditions of introduction of detergents to the market, conditions of export and import of selected dangerous substances and selected dangerous preparations, as well as rights and obligations of producers, importers, users and suppliers of substances and preparations.

Further, it regulates the scope of powers of the state administrative authorities, supervision over observance of the Act's provisions and also special regulations. Amendments are concerning also the state administration, according to which the powers of the Ministry of Health of the Slovak Republic in the area of information on

people's health are broadened. These shall be performed through the National Toxicology Information Centre. The Act contains also regulation of the scope of powers of other state administrative authorities resulting from the Regulation on classification, labelling and packaging.

This Act contains a new regulation of administrative offences and fines for breach of the provisions of the Act, Regulation on classification, labelling and packaging and other regulations in the area of chemical safety.

The Chemical Act repeals the currently valid Act No. 163/2001 Coll. on Chemical Substances and Chemical Preparations.

This Act shall come into force on 1 April 2010, except for certain provisions that shall come into force on 1 December 2010 and 1 June 2015. Certain provisions of the Act will become ineffective as of 30 November 2010, 31 May 2015 and 31 May 2017.

AMENDMENT TO ACT ON ELECTRONIC COMMUNICATIONS

(Act No. 56/2010 Coll. Amending and Supplementing the Act No. 610/2003 Coll. on Electronic Communications, as amended)

According to the reasoning report, the purpose of this Act is to objectively solve three basic areas of problems, i.e. to regulate the legal means for effective provision of grants from the state budget by the Ministry of Transport, Posts and Telecommunications of the Slovak Republic, to regulate the method of recalling the officials of the Telecommunication Office of the Slovak Republic and provide that users of public mobile communication networks travelling on the territory of the Community do not pay inadequately high charges for roaming services in comparison with the competitive national prices.

This Amendment regulates provision of grants in the area of electronic communications, namely the aid for support of research and development in the area of electronic communications. Details of requirements of the application and the purpose of the aid shall be determined by the generally binding legal regulation to be

issued by the Ministry of Transport, Posts and Telecommunications of the Slovak Republic.

In accordance with the Directive 2002/21/EC of the European Parliament and of the Council on common regulatory framework for electronic communications networks and services (Framework Directive), the national regulation authorities shall be independent. For the purpose of proper implementation of this Directive, the method of recalling the officials of the Telecommunication Office of the Slovak Republic has been amended.

By the Amendment to the Regulation (EC) No. 717/2007 of the European Parliament and of the Council on roaming on public mobile telephone networks within the Community and on amending the Directive 2002/21/EC, which purpose was decrease of the prices for roaming services on the territory of the Community, the roaming services as well as roaming SMS messages and roaming data services were regulated. Based on this amendment, fines for charging of fees contrary to the provisions of the amendment to the Regulation were included into the Act on Electronic Communications.

This Act shall come into force on 1 April 2010.

AMENDMENT TO ACT ON STATE STATISTICS

(Act No. 55/2010 Coll. Amending and Supplementing the Act No. 540/2001 Coll. on State Statistics, as amended)

This Amendment, in accordance with the Regulation of the European Parliament and Council (EC) No. 223/2009 on European statistics, strengthens the position of the Statistical Office of the Slovak Republic as a part of the European statistical system. According to this the Statistical Office of the Slovak Republic operates as the contact place for the European Commission for this system.

By this Amendment, the possibility of the reporting unit, within the statistical collection of data, to submit the requested data or information also in the electronic form has been implemented into the Act and the

obligation of the state statistic authorities to create on their website access for the purpose of submission of such forms by electronic means.

The Act regulates also a new registry of foreign business entities, in which all reporting units conducting business with goods between the Slovak Republic and other Member states of the European Union shall be registered, as well as other subjects conducting business with goods between the Slovak Republic and non-member states of the European Union according to the special regulations.

Data concerning business between the Slovak Republic and other Member states of the European Union shall be provided by the reporting units within the Programme on State Statistical Survey by electronic means in the form of reports to Intrastat system.

The subject of the Amendment to the Act on State Statistics is the harmonisation of its provisions with the Act on Introduction of the Euro Currency in the Slovak Republic as amended, pursuant to which the amounts of fines that are still mentioned in Slovak crowns are converted into euro currency.

This Act shall come into force on 1 April 2010.

DECLARATION OF ELECTIONS INTO SLOVAK PARLIAMENT

(Decision of the Chairman of the National Council of the Slovak Republic No. 36/2010 Coll. on Declaration of Elections into the National Council of the Slovak Republic of 1 February 2010)

Based on the authorisation provision in the Constitution of the Slovak Republic and in the Act on Elections into the National Council of the Slovak Republic (i.e. Slovak Parliament), the Chairman of the National Council of the Slovak Republic issued this decision, by which he notifies that the elections into the National Council of the Slovak Republic will take place on 12 June 2010.

This Decision came into force on 4 February 2010.

TREATY ON PREVENTION OF DOUBLE TAXATION AND TAX AVOIDANCE WITH THE SYRIAN ARAB REPUBLIC

(Notification of the Ministry of Foreign Affairs of the Slovak Republic No. 35/2010 Coll. on Conclusion of Treaty Between the Government of the Slovak Republic and the Government of the Syrian Arab Republic on Prevention of Double Taxation and Prevention of Tax Avoidance in the Area of Income Taxes)

This international Treaty applies to the income taxes imposed on behalf of the contractual state or its local authorities regardless to the method of their collection, whereas it shall apply to the persons residing in one or both contractual states.

Pursuant to this Treaty the income taxes are in general all taxes collected from total income or parts of the total income, including profit tax received from sale of movable or immovable property, taxes from total salaries or wages paid by companies, as well as taxes from property income.

At the same time the Treaty specifies the current taxes in the Syrian Arab Republic and in the Slovak Republic, to which this international Treaty shall apply.

The Treaty further determines its application to identical or similar taxes that will be imposed from the date of signing of this Treaty alongside with the current taxes.

The Treaty regulates taxation of company's profit, including taxation of profit of interconnected companies, dividends, interests and license fees as well as other incomes.

It regulates the method of elimination of double taxation, the principle of equal treatment as well as information exchange. Based on this regulation the contracting parties are obliged to notify all relevant changes in the respective tax regulations.

Pursuant to the Decision of the National Council of the Slovak Republic, which approved this Treaty on 24 July 2009, this Treaty is an international treaty according to

the Article 7 para. 5 of the Constitution of the Slovak Republic that has priority to acts. The President of the Slovak Republic ratified the Treaty on 31 July 2009.

This Treaty came into force on 27 February 2010.

Other significant legal regulations, published in the Collection of Laws in the month of February 2010, are as follows:

- Regulation of the Government of the Slovak Republic No. 68/2010 Coll., Amending and Supplementing the Regulation of the Government of the Slovak Republic No. 120/2009 Coll., Laying Down Analytical Norms, Toxicological-Pharmaceutical Norms, Clinical Norms and Protocols Related to the Documentation on Results of Pharmaceutical Tests, Toxicological-Pharmaceutical Tests Performed for the Purpose of Medicine Registration,
- Notification of the Ministry of Foreign Affairs of the Slovak Republic No. 66/2010 Coll. on Adoption of Changes to the Implementing Regulation to the Convention on the Grant of European Patents (European Patent Convention),
- Notification of the Ministry of Foreign Affairs of the Slovak Republic No. 65/2010 Coll. Adoption of Changes to the Implementing Regulation to the Convention on the Grant of European Patents (European Patent Convention),
- Notification of the Ministry of Foreign Affairs of the Slovak Republic No. 64/2010 Coll. on Adoption of Changes to the System of Fees of the Convention on the Grant of European Patents (European Patent Convention),
- Notification of the Ministry of Foreign Affairs of the Slovak Republic No. 63/2010 Coll. on Changes to the System of Fees of the Convention on the Grant of European Patents (European Patent Convention),
- Decree of the Ministry of Transport, Posts and Telecommunications of the Slovak Republic No. 61/2010 Coll. amending Decree of the Ministry of Transport, Posts and Telecommunications of the Slovak Republic No. 529/2009 Coll. Specifying the Highways Sections, Motorways and I. Class Roads with Electronic Tool System,
- Act No. 60/2010 Coll. Amending Act No. 57/1998 Coll. on Railway Police as amended and on Amending and Supplementing of Certain Acts,
- Act No. 58/2010 Coll. on Amending and Supplementing of Act No. 333/2004 Coll. on Elections to the National Council of the Slovak Republic as amended and on Amending and Supplementing of Act No. 331/2003 Coll. on Elections to the European Parliament as amended,
- Act No. 52/2010 Coll. on Amending and Supplementing of Act No. 5/2004 Coll. on Employment Services and on Amending and Supplementing of Certain Acts as amended and on Amending and Supplementing of Certain Acts,
- Notification of the Ministry of Foreign Affairs No. 49/2010 Coll. on Conclusion of the Agreement on Development Cooperation Between the Government of the Slovak Republic and the Government of the Republic of Serbia,
- Notification of the Ministry of Transport, Posts and Telecommunications of the Slovak Republic No. 48/2010 Coll. on Issuing of the Ordinance Laying Down Details on Technical Capability and Operational Capability of Vessels, Subject to Registration and Non-Subject to Obligatory Classification,
- Decree of the Ministry of Labour, Social Affairs and Family of the Slovak Republic No. 46/2010 Coll. Laying Down Details on Provision of Safety and Protection of Health by Forestry Activity and on Details of Professional Qualifications of Certain Activities and Operation of Certain Technical Machines,
- Decree of the Ministry of Labour, Social Affairs and Family of the Slovak Republic No. 45/2010 Coll. Laying Down Details on Provision for Safety and Health Protection in Farming,
- Decree of the Ministry of Labour, Social Affairs and Family of the Slovak Republic No. 44/2010 Coll. on Conclusion of the Treaty on Scientific-Technical Cooperation Between the Government of the Slovak Republic and the Government of Romania,

- Notification of the Ministry of Foreign Affairs No. 43/2010 Coll. on Termination of the Treaty on Mutual Relations and Principles of Cooperation in Farming, Food Industry, Forestry and Water Farming in the Conditions of Customs Union between the Government of the Slovak Republic and Government of Czech Republic,
- Act No. 38/2010 Coll. Amending the Act No. 92/1991 Coll. on Conditions of Transfer of State Assets to other Persons as amended and Amending Act of the National Council of the Slovak Republic No. 350/1996 Coll. on Rules of Procedure of the National Council of the Slovak Republic as amended,
- Act No. 37/2010 Coll. on Amending and Supplementing of the Act No. 575/2001 Coll. on Organization of Activities of the Government and the Organization of Central State Administration as amended,
- Regulation of the Government of the Slovak Republic No. 34/2010 Coll. on Technical Requirements of Vehicles with Regard to their Repeated Utility, Recyclability and Exploitability,
- Regulation of the Government of the Slovak Republic No. 33/2010 Coll. on Amending and Supplementing of the Regulation of the Government of the

Slovak Republic No. 329/2007 Coll. on Issue of the List of Active Substances Meeting the Requirements for Classification as Biocidal Products as amended.

JUDICIAL DECISIONS

In this part are stated quotations from opinions of selected judicial decisions and statements in civil and business matters, which were recently published in From Court Practice journal (in Slovak: Zo súdnej praxe):

INVALIDITY OF LEGAL ACT DUE TO ERROR

(Decision of the Supreme Court of the Slovak Republic No. 3 Cdo 192/2008, published in the Journal from Court Practice No. 1/2010, No. 1)

The legal act is invalid due to error pursuant Sec. 49a of the Civil Code only provided the acting person acted in error arising from the fact decisive respectively substantial for the legal act and the person to whom the legal act was addressed, induced such error or knew about the error at the time of performance of the legal act. The person that claims on error is obliged to provide for objective information on circumstances decisive for realisation of the respective legal act in accordance with the circumstances of the specific case.

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Advokátska kancelária Čechová & Partners

Združenie advokátov: JUDr. Katarína Čechová (evidenčné číslo v zozname advokátov vedenom Slovenskou advokátskou komorou: 0339/317 831 63) poverená vedením účtovníctva združenia pod IČ DPH SK1020333083, JUDr. Simona Haláková (5503/318 195 41), Mgr. Ing. Michaela Jurková (4286/307 989 57), Mgr. Tomáš Mareta (1601/318 172 11), Mgr. Tomáš Rybár (3988/307 967 76).

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