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(last update: 13 April 2023)

Act No. 15/1998 Coll. on supervision in the area of the capital market and on the amendment and addition of other laws, as amended

Amended by Acts No 30/2000 Coll., No. 362/2000 Coll., No. 370/2000 Coll., No. 308/2002 Coll., No. 257/2004 Coll., No. 626/2004 Coll., No. 381/2005 Coll., No. 56/2006 Coll., No. 57/2006 Coll., No. 70/2006 Coll., No. 224/2006 Coll., No. 342/2006 Coll., No. 296/2007 Coll., No. 104/2008 Coll., No. 227/2009 Coll., No. 230/2008 Coll., No. 250/2008 Coll., No. 254/2008 Coll., No. 230/2009 Coll., No. 281/2009 Coll., No. 160/2010 Coll., No. 139/2011 Coll., No. 188/2011 Coll., No. 428/2011 Coll., No. 37/2012 Coll., No. 89/2012 Coll., No. 273/2012 Coll., No. 241/2013 Coll., No. 303/2013 Coll., No. 131/2015 Coll., No. 375/2015 Coll., No. 377/2015 Coll., No. 148/2016 Coll., No. 183/2017 Coll., No. 204/2017 Coll., No. 204/2019 Coll., No. 119/2020 Coll., No. 261/2021 Coll. and No. 96/2022 Coll.

The Parliament passed the following law of the Czech Republic:

PART ONE

SUPERVISION IN THE FIELD OF THE CAPITAL MARKET

TITLE I

COMPETENCE AND AUTHORITIES OF THE CZECH NATIONAL BANK IN THE FIELD OF THE CAPITAL MARKET

title omitted

Section 1

Subject of modification

(1) This Act regulates the scope and powers of the Czech National Bank in exercising supervision over the capital market and establishes certain rights and obligations of entities operating

on this market.

(2) This Act incorporates the relevant regulations of the European Union³⁹⁾.

(3) This Act incorporates the relevant regulations of the European Union⁴⁰⁾ and at the same time follows directly applicable regulations of the European Union⁴¹⁾ regarding the powers of the Czech National Bank and the obligation of confidentiality.

Section 2

title omitted

In exercising supervision over the capital market, the Czech National Bank strengthens the confidence of investors and issuers of investment instruments in the capital market, in particular by contributing to the protection of investors and the development of the capital market and by promoting education in this area.

Section 3

Competence of the Czech National Bank in the field of capital market supervision

Czech National Bank in the area of the capital market

a) performs supervision to the extent established by this Act and special legal regulations governing the area of business on the capital market, the management and administration of investment funds and foreign investment funds and the offering of investments in these funds, the law of business corporations, supplementary pension savings and supplementary pension insurance¹⁾, ^{1a)}

b) decides on the rights, legally protected interests and obligations of legal and natural persons, if this law or special legal regulations governing the field of business on the capital market, management and administration of investment funds and foreign investment funds and offering investments in these funds, business rights corporations, supplementary pension savings and supplementary pension insurance¹⁾.

c) controls the fulfillment of the information obligations of persons subject to the supervision of the Czech National Bank established by this Act and special legal regulations governing the area of business on the capital market, the management and administration of investment funds and foreign investment funds and the offering of investments in these funds, the rights of commercial corporations, supplementary pension savings and supplementary pension insurance¹⁾,

d) performs other activities according to this Act.

Section 4

title omitted

(1) The Czech National Bank in accordance with the directly applicable regulation of the European Union on rating agencies³⁰⁾ and Article 68 subsection 3 of the directly applicable regulation of the European Union on OTC derivatives, central counterparties and trade data registers³⁶⁾ at the request of the European Securities and Markets Authority, will confirm its decision for the purposes of enforcement by the competent authority in the Czech Republic. Income from a monetary penalty imposed on the basis of such a decision is income for the budget of the European Union; for the purposes of the administration of their payment, these monetary sanctions are viewed as public budget revenues according to the Tax Code³¹⁾.

(2) The court competent to issue a permit to provide telephone conversations and data transmissions pursuant to Article 62, subsections 5 and 6 of the directly applicable regulation of the European Union on OTC derivatives, central counterparties and trade data registers ³⁶⁾ is the High Court in Prague.

Section 5

Basic concepts

(1) Provider of services on the capital market means a stockbroker, investment intermediary, bank carrying out transactions on its own account with investment instruments on the capital market, investment company, investment fund, insurance company, reinsurance company, pension company, depository, organizer of a regulated market, a person carrying out the settlement of transactions with securities, a central depository, a foreign person authorized to do business in the same fields on the territory of the Czech Republic through a branch, the Czech National Bank in the scope of keeping records of securities.

(2) Participant of the capital market means, in particular, a provider of services on the capital market, an investor on the capital market, issuer of securities, persons bound by these securities, owner of securities, issuer and owner of another investment instrument.

Section 6

Proceedings before the Czech National Bank

(1) Proceedings in matters governed by this Act shall be conducted in accordance with general legal regulations, ⁷⁾ unless the individual provisions of this Act or special laws provide otherwise. The provisions of the Administrative Code on the possible way of ending the dissolution proceedings ^{7a)} do not apply.

(2) An appeal may be filed against the decision of the Czech National Bank in the area of capital market supervision. The dissolution is decided by the banking board of the Czech National Bank, which also decides on the appeal against the decision of the organizer of the regulated market.

(3) In proceedings involving more than 30 persons, documents may be served by public decree.

title omitted

Section 7

Subject of capital market supervision

It is subject to the supervision of the Czech National Bank over the capital market

- a) fulfillment of the obligations established by this Act for natural or legal persons,
- b) fulfillment of obligations established by special laws ¹⁾,
- c) fulfillment of obligations and conditions stipulated in enforceable decisions of the Czech National Bank and
- d) fulfillment of obligations stipulated by directly applicable regulations of the European Union.

Section 7a

(1) The supervision of the Czech National Bank over the capital market is subject to the fulfillment of the obligations stipulated by the law governing the legal relations of commercial companies and cooperatives in, the law governing takeover bids and the law governing business on the capital market

a) in the event of a public proposal for the purchase or exchange of participating securities in accordance with the law regulating the legal relations of commercial companies and cooperatives, if these participating securities have been accepted for trading on a regulated market,

b) when acquiring or reducing the share of voting rights of companies whose shares are listed,

c) in connection with the acquisition of own shares by a joint-stock company or a person controlled by it,

d) in connection with a takeover bid.

(2) When exercising supervision pursuant to subsection 1, the Czech National Bank shall proceed in accordance with this Act and is authorized to impose measures and administrative penalties provided for by this Act and the Act Regulating Business on the Capital Market.

(3) The Czech National Bank is entitled, even without a proposal, to suspend the exercise of voting rights to a person who has not properly and timely fulfilled the obligation to notify the share of voting rights or has not made a takeover offer, although the law imposes such an obligation on him, for a period of one year from the date, in in which the decision becomes final, if it is necessary to protect the interests of other shareholders, creditors or employees of the company. An appeal against this decision has no suspensory effect. The Czech National Bank will also send an enforceable decision on the suspension of the voting rights of the company in which the voting rights of the obligated person were suspended to the central depository and publish it on its website.

Section 8

title omitted

(1) The Czech National Bank is authorized to supervise the capital market

(a) require information from anyone, including auditors; this also applies to data from the subscriber database from providers of publicly available telephone services,

b) require clarification of the facts from everyone; the provisions of the special legal regulation governing administrative proceedings on the summoning, presentation and questioning of a witness apply similarly,

c) require the submission of records, reports or related data transmitted via the electronic communications network ^{9b)} from a person who is subject to their supervision of the capital market and who has legally acquired them,

d) require a legal or natural person providing a public communication network or providing a publicly available electronic communications service to provide operational and location data in accordance with a special legal regulation ³⁵⁾, after the prior written permission of the chairman of the senate of the high court responsible for the seat of the Czech National Bank, if possible reasonably assume that the provided data can contribute to the clarification of facts important for the detection of an offense in the area of business or trading on the capital market according to the law governing business on the capital market, including its perpetrator, and if the intended purpose cannot be achieved otherwise, or only with the expenditure of disproportionate effort,

e) to carry out an on-site inspection according to a special law at a person who is subject to its supervision of the capital market; The Czech National Bank may invite an auditor in accordance with the Act regulating the activities of auditors or an expert to carry out the inspection,

f) require publication of mandatory published information according to the law governing business on the capital market; the Czech National Bank will make this information available to the public, unless the obligated person does so,

g) request the issuer of the investment instrument according to the directly applicable regulation of the European Union regulating market abuse⁴²⁾ to submit an updated list of insiders according to Article 18 subsection 1 letter c) Regulation of the European Parliament and the Council (EU) No. 596/2014.

(2) The Czech National Bank may exercise the authorization pursuant to subsection 1 if it is necessary to obtain information requested by a foreign financial market supervisory authority, on the condition that it is necessary for the performance of its tasks in the area of financial market supervision, that this information can be provided to him in accordance with Section 26 and that he can exercise comparable powers on the territory of his state in the event of a similar request from the Czech National Bank.

(3) A person from whom the Czech National Bank is authorized to request information, documents, clarification of facts, records, reports or related data pursuant to subsection 1 or 2 is obliged to provide such information, documents, clarification of facts, records, reports or the data associated with them without unnecessary delay or within the deadline set by the Czech National Bank.

person authorized by it is authorized to inspect persons who are reasonably suspected of carrying out activities that require the permission or consent of the Czech National Bank without the relevant permission or consent of the Czech National Bank in accordance with the control regulations to the extent, which is needed to establish the facts regarding such activity.

(5) The Czech National Bank is authorized to inspect a person who has been authorized by a securities dealer or who has been authorized by a pension company to carry out certain activities in accordance with the Act governing business on the capital market or supplementary pension savings in accordance with the inspection regulations to the extent to which this person was authorized performance of the activity.

(6) The Czech National Bank shall determine by decree the details, deadline, form and method of fulfilling the information obligation pursuant to Section 8 subsection 1 letter g).

Section 8a

Information obligation in relation to the Czech National Bank in connection with the issuance of these bonds or similar securities representing the right to repayment of the amount owed and similar securities A person with a registered office or residence in the Czech Republic who issues these bonds or similar securities representing the right to repayment amount owed abroad or which issues similar securities representing the right to repayment of the amount owed according to the law of a foreign state, shall provide the Czech National Bank with information on the volume of their issue, the place of their issue, no later than the date of issue of these bonds or similar securities representing the right to repayment of the amount owed to the Czech National Bank, as well as their form, form, yield and maturity.

Section 9

Corrective action

(1) In the event that the Czech National Bank supervises the capital market pursuant to this Act,

it is authorized to take the following corrective measures:

- a) order the person subject to this supervision to seek redress within the period specified in the measure and to submit a report on the measures taken within the specified period,
- b) determine how the person subject to this supervision is obliged to eliminate the deficiency.

(2) The Czech National Bank may impose a public warning instead of a fine. At the same time, the Czech National Bank will decide, depending on the circumstances, on the scope, form and method of publishing the warning, at the expense of the person to whom the public warning is imposed.

Section 9a

cancelled

Section 9b

Misdemeanors

(1) A natural, legal or entrepreneurial natural person commits an offense by

- a) as an inspected person according to the inspection regulations, fails to fulfill any of the obligations under Section 10, subsection 2 of the inspection regulations,
- b) as a person liable according to the control regulations, fails to fulfill the obligation according to Section 10, subsection 3 of the control regulations,
- c) violates the obligation according to Section 8 subsection 3,
- d) does not provide information according to Section 8a,
- e) violates the obligation according to Section 7a subsection 1 letter a) or c), or
- f) in violation of Section 27, uses the information according to Section 26, subsection 1, for a purpose other than the specified one.

(2) A natural person may be charged for an offense under subsection 1 letter a) to d) impose a fine of up to 5,000,000 CZK and for an offense according to subsection 1 letter e) or f) a fine of up to 25,000,000 CZK.

(3) A legal entity and a natural person running a business may, for an offense according to subsection 1 letter a) to d) impose a fine of up to 10,000,000 CZK and for an offense according to subsection 1 letter e) or f) a fine of up to 50,000,000 CZK.

Section 9c

cancelled

Section 9d

Common provisions on offences

(1) Offenses under this Act are discussed by the Czech National Bank.

(2) Income from fines imposed on securities traders is the income of the Securities Traders Guarantee Fund; for the purposes of managing their payment, these revenues are viewed as resources of the public budget. Fines imposed on securities traders are collected and enforced by the customs office.

Section 10

Remedial action proceedings

(1) Administrative proceedings in which remedial measures are imposed pursuant to this Act may be initiated within one year from the date on which the Czech National Bank became aware of the facts decisive for their imposition, but no later than ten years from the date on which the obligation, for which they are charged, was last violated.

(2) If there is a risk of delay or irreparable interference with the rights of other persons, proceedings in which the Czech National Bank imposes remedial measures and administrative penalties pursuant to this Act or special laws may also be initiated by delivery of a decision of the Czech National Bank on a preliminary measure.

(3) The Czech National Bank is authorized to initiate administrative proceedings also by delivery by public decree, if at least one of the conditions according to subsection 2 is met and if the decision was not delivered and the circumstances further indicate that the person concerned will avoid delivery of the decision, and a delay in the emergence of legal effects of delivery could make it substantially more difficult or impossible to implement remedial measures or administrative punishment. In this case, the decision of the Czech National Bank is delivered when the decree is posted on the official board of the Czech National Bank.

(4) When imposing remedial measures pursuant to this Act, the Czech National Bank is based in particular on the nature, seriousness, manner, duration and consequences of the illegal act. When deciding on the selection of remedial measures pursuant to this Act, the Czech National Bank is also obliged to take into account the nature of the business and other gainful activity performed by the person to whom the remedial measure or administrative penalty is imposed.

(5) A person authorized to keep records of investment instruments is bound by the decision of the Czech National Bank concerning the records kept by him, as soon as it has been delivered to him, unless otherwise stated in the decision. The organizer of the regulated market is bound by the decision of the Czech National Bank on the suspension of trading in securities and by the decision of the Czech National Bank on a preliminary measure concerning the securities, as soon as it has been delivered to him, unless otherwise stated in the decision.

Section 11

Preliminary measures

(1) In addition to the cases where a preliminary measure can be imposed in accordance with the general regulations on administrative proceedings, the Czech National Bank is authorized to impose a preliminary measure when exercising supervision over the capital market also if it is necessary to ensure the protection of the rights and legally protected interests of persons who they are not parties to the administrative proceedings, or if the execution of the final decision would be thwarted or seriously threatened. The Czech National Bank is entitled to impose a preliminary measure according to subsection 2 even if it is requested by the supervisory authority of another member state of the European Union or the European Economic Area (hereinafter referred to as the "member state").

(2) The Czech National Bank may impose a preliminary measure

- a) the person who maintains a securities account for the person against whom remedial measures or an administrative penalty is being taken, fails to register any transfer of securities from this account to any other account of the same or another person or to register a contractual lien,
- b) to the person who keeps the securities account, not to act in a manner leading to the transfer of securities from this account to any other account of the same or another person or the registration of a contractual lien, if it is an account to which they were transferred by a person against whom take remedial measures or sanctions, or by other parties to the proceedings, securities from their accounts,
- c) to the person who has the securities of the person against whom remedial measures or sanctions are being taken, or of another party to the proceedings, not to act in a manner aimed at transferring these securities to another,
- d) a bank, a branch of a foreign bank or a savings and credit cooperative, which leads to a current, deposit or other account for the person against whom remedial measures or sanctions are being taken, or for another party to the proceedings, so that they do not pay out funds from this account, did not transfer to they were taken into account and did not deal with them in any other way,
- e) to a bank, a branch of a foreign bank or a savings and credit cooperative that maintains a current, deposit or other account, not to pay out funds from this account, not to offset them and not to deal with them in any other way, if it is an account to which they were funds transferred from their accounts by the person against whom remedial measures or sanctions are being taken, or by another party to the proceedings.

(3) The decision on the preliminary measure is delivered to the participants in this proceeding and to the persons who are subject to the obligation according to subsection 2 letter a) to e); an appeal filed against this decision has no suspensive effect. A party to the proceedings on a preliminary measure pursuant to subsection 2 is not a person who, by a decision on a preliminary measure, imposes an obligation pursuant to subsection 2 letter a) to e).

(4) The preliminary measure expires five days after its issuance. If the reasons for which it was ordered do not disappear, the Czech National Bank will file a motion against the participants in court to impose the obligations according to subsection 2, which were stated in the decision on preliminary measures. The motion must be filed with the court within five days of the order of the preliminary injunction; in such a case, the preliminary measure will cease to exist on the day of the enforceability of the court resolution that decided on this proposal.

(5) The decision on a preliminary measure must also contain instructions on when and under what conditions the preliminary measure expires. If the Czech National Bank submits a proposal to the court in accordance with subsection 4 of the third sentence, it will notify the affected participants on the same day.

(6) The same obligation that can be imposed in a decision on a preliminary measure pursuant to this Act, the Czech National Bank may impose when exercising supervision over the capital market as a corrective measure pursuant to this Act or special legal regulations referred to in Section 3. Dissolution filed against the decision according to the first sentence does not have a suspensory effect. In the decision, the Czech National Bank may specify the duration of the imposed obligation or condition, upon fulfillment of which the effectiveness of the decision ceases. This condition can be the delivery of the Czech National Bank's notice of revocation of the rectification measure to the liable person.

Section 12

cancelled

title omitted

Keeping lists and documentation and publishing them

Section 13

(1) The Czech National Bank maintains lists

- a) securities traders,
- b) organizers of the regulated market,
- c) operators of settlement systems with irrevocable settlement,
- d) insurance companies,
- e) investment intermediaries,
- f) settlement systems with irrevocability of settlement and their participants,
- g) participants in foreign settlement systems with irrevocable settlement who have their residence or registered office in the Czech Republic,
- h) participants of the central depository,
- i) credit assessment agencies,
- j) persons authorized to keep separate records of investment instruments,
- k) foreign markets similar to a regulated market based in a state that is not a member state,
- l) security prospectuses approved by the Czech National Bank, including an electronic link to the security prospectus published on the website of the issuer or regulated market organizer for at least 12 months after approval,
- m) a certificate of approval of a security prospectus or prospectus supplement approved by the supervisory authority of another member state, which was provided to it by this authority, including an electronic link to the approval certificate published on the website of this supervisory authority, the issuer or the organizer of the regulated market for at least 12 months from the date of issue of the approval certificate,
- n) foreign persons who provide investment services in the territory of the Czech Republic, with details of any branch of the business located in the territory of the Czech Republic,
- o) bonded representatives of pension companies,
- p) bonded representatives according to the law regulating business on the capital market,
- q) accredited persons,
- r) markets of small and medium-sized enterprises,
- s) systematic internalizers,
- t) shares pursuant to Article 14, subsection 6 of Regulation (EU) No. 600/2014 of the European

Parliament and of the Council on markets in financial instruments,

u) operators of the data reporting service with headquarters or real headquarters in the Czech Republic,

v) pension companies,

w) depositories of participating funds and transformed funds,

x) international financial institutions whose debts are guaranteed by the states that are its members, and

y) renowned rating agencies.

(2) The lists referred to in subsection 1 are not public lists or public registers according to the law governing public registers of legal entities and natural persons.

(3) Do lists according to subsection 1 shall be entered at least

a) in the case of a legal entity, the business name or name, seat and identification number of the person, if assigned, subject of activity and, where appropriate, other activity registered or authorized by the Czech National Bank and

b) in the case of a natural person, business name or name and surname, residential address or registered office and personal identification number, if assigned, subject of activity and, where applicable, other activity registered or authorized by the Czech National Bank, and

c) information on the final decision to withdraw the permit of the person entered in the list, including the reason for the withdrawal of the permit; this information will be published for a period of 5 years from the date of acquisition of legal force of the decision.

(4) The Czech National Bank publishes the lists referred to in subsections 1 on its website and updates them without undue delay.

(5) The Czech National Bank publishes and regularly updates on its website in Czech and English a list of legal regulations governing the area of doing business on the capital market, the law of business corporations, supplementary pension savings and supplementary pension insurance, and official communications of the Czech National Bank to them.

Section 13a

cancelled

title omitted

Section 14

(1) The Czech National Bank publishes on its website final or enforceable decisions issued pursuant to this Act or special legal regulations in the area of the capital market ¹⁾, always with anonymized data of third parties and in such a way that the information is not made available, on to which the law governing the protection of classified information applies.

(2) The decision pursuant to subsection 1 may be published without specifying the identification data of the person concerned (hereinafter referred to as "the person concerned"), if the publication would

a) it was clearly disproportionate to the person concerned based on a previous assessment,

- b) caused disproportionate and serious harm to the person concerned,
- c) threatened the stability of the financial market, or
- d) jeopardized ongoing criminal or administrative proceedings.

(3) In the case of the procedure according to subsection 2, the identification data of the person concerned may be published after the reasons according to subsection 2 have passed. If the procedure according to subsection 2 is not sufficient, the publication of the decision can be postponed until the reasons according to subsection 2 disappear.

(4) The decision pursuant to subsection 1 to impose an administrative penalty for a misdemeanor, remedial measure or other measure must be published for at least 5 years. According to the law governing the protection of personal data concerning the person concerned, personal data contained in such a decision may be published for a maximum period of 5 years.

(5) If a lawsuit is filed against the published decision, the Czech National Bank will publish this fact on its website. The Czech National Bank will also publish information about the outcome of the judicial review in the same way.

title omitted

Section 15

Reporting mechanism

(1) The Czech National Bank shall establish, maintain and apply an effective reporting mechanism that enables the notification of violations or imminent violations of this Act, the legal regulation governing business and the capital market, the legal regulation regulating investment companies and investment funds, the legal regulations implementing them and directly applicable of the regulation of the European Union in the field of activities on financial markets⁴³⁾ (hereinafter referred to as "notification of violation") and the evaluation of this notification of violation.

(2) The reporting mechanism according to subsection 1 will also allow reporting of violations anonymously.

(3) The Czech National Bank shall publish transparent, comprehensible and reliable information on the reporting mechanism pursuant to subsection 1 on its website in a separate, easy-to-find section, so that everyone can make an informed decision whether, how and when to report a breach.

(4) The information according to subsection 3 contains at least

- a) the ways in which the breach notification can be made, and the ways in which the Czech National Bank contacts the person who made the breach notification, together with the
 - 1. telephone numbers to which infringement notices can be made, including information on whether calls are recorded,
 - 2. electronic and postal addresses to which notification of infringement can be made and which are secure and ensure confidentiality,
- b) a description of the procedures relating to notification of infringement, together with an indication
 - 1. information that notification of infringement can be made anonymously,
 - 2. the way in which the Czech National Bank can request additions to the notice of violation or its clarification,
 - 3. the type, content and time frame for feedback on the results of the notification of a violation, which the Czech National Bank will provide to the person who made the notification of the violation (hereinafter referred to as the "notifier"),

c) the regime for the protection of information contained in the breach notification, including a detailed description of the circumstances under which confidential data about the notifier may be made available to another person pursuant to Article 27, 28 or 29 of Regulation of the European Parliament and Council No. 596/2014 and pursuant to Section 26,

d) description of the procedures for the protection of whistleblowers, in particular employees of persons subject to the supervision of the Czech National Bank, pursuant to Section 18a and

e) a statement that the notification of the breach does not constitute a violation of any restriction on the disclosure of information that results from a contract or legal regulation, and that the notifier does not incur any liability of any kind in connection with this disclosure of information.

(5) The Czech National Bank shall provide the potential whistleblower with information pursuant to subsections 3 and 4 before or at the time of receipt of the breach notification.

title omitted

Section 16

Means of communication for receiving infringement notices

(1) The Czech National Bank shall establish, maintain and use user-friendly, independent, separate and secure means of communication for receiving notifications of violations and for communicating follow-up measures, which ensure the confidentiality of information.

(2) Means of communication according to subsection 1 are considered independent and separate if

a) are separated from other means of communication used by the Czech National Bank,

b) are designed, created and used in a way that ensures completeness, integrity and confidentiality of information and prevents access by unauthorized persons, and

c) enable long-term storage of information.

(3) The means of communication according to subsection 1 will make it possible to receive notifications of violations at least

a) in writing in electronic and paper form,

b) verbally by telephone (hereinafter referred to as "telephone form") with or without a recording of the call a

c) a personal meeting with one of the employees designated according to Section 17.

Section 17

Designated employees

(1) The Czech National Bank shall designate employees who receive and process infringement notices (hereinafter referred to as "designated employees"). Designated employees must be sufficiently trained to perform the tasks according to subsection 2.

(2) Designated employees

- a) provide, upon request, information on the procedures for making a breach notification,
- b) receive and process notification of infringement a
- c) maintain contact with the informant if he has provided his contact details.

Section 18

Procedure of the Czech National Bank after receipt of a breach notification

(1) If the Czech National Bank receives a notice of violation in a way other than through the means of communication pursuant to Section 16, it shall immediately and without change forward this notice of violation to designated employees through the means of communication pursuant to Section 16.

(2) The Czech National Bank keeps a record of every notification of violation received.

(3) The Czech National Bank will confirm receipt of a written notice of violation to the electronic or postal address provided by the notifier, unless he requested another method of confirmation. The Czech National Bank will not confirm receipt of this notification if the protection of personal data of the notifier would be endangered.

(4) The Czech National Bank is authorized to record such a notification by telephone after receiving a notification of a violation by telephone with a recording of the call

- a) audio recording in permanent and traceable form, or
- b) a full and accurate transcript of such call; The Czech National Bank will allow the notifier to check, correct and approve this call transcript with his signature.

(5) The Czech National Bank is authorized to record such a notification in the form of an accurate record of such a call after receiving a notification of a violation by telephone without recording the call. The Czech National Bank will allow the notifier to check, correct and approve the recording of the call with his signature.

(6) In the event that notification of a violation is to occur during a personal meeting with a designated employee, the Czech National Bank shall ensure a complete and accurate record of this meeting in a permanent and searchable form in the form

- a) audio recording, or
- b) detailed record; in that case, he will allow the notifier to check and correct the entry and confirm his consent with his signature.

only employees of the Czech National Bank who need this data to perform their work duties have access to data from this system.

(8) The Czech National Bank shall implement appropriate procedures for transferring the personal data of the whistleblower and the person who is allegedly responsible for a violation or threatened violation of a directly applicable regulation of the European Union governing market abuse (hereinafter referred to as the "reported person") within the Czech National Bank and to other authorities or other persons.

(9) The Czech National Bank shall ensure that the identity of the whistleblower or the reported

person is not disclosed by transferring data relating to the notification of a violation within the Czech National Bank or to other authorities or other persons, unless such transfer of personal data is in accordance with Section 26.

Section 18a

Protection of whistleblowers and reported persons

(1) The Czech National Bank shall establish, maintain and apply procedures for

a) protection of the whistleblower and the reported person, if it is an employee of a person subject to the supervision of the Czech National Bank, at least from retaliation, discrimination or other types of unfair treatment that could occur as a result of the notification of a violation or in connection with it, and

b) protection of personal data of the whistleblower and the reported person in accordance with Section 18 subsection 9 and Section 26.

(2) A person who knowingly provides a false notification is not considered a whistleblower for the purposes of subsection 1.

(3) If the identity of the reported person is not publicly known, the Czech National Bank will ensure the protection of their personal data comparable to the protection of persons against whom the Czech National Bank has initiated administrative proceedings. For the protection of the personal data of the reported person, the procedures according to Section 18, subsection 7 are used.

Section 18b

Cooperation with the State Office of Labor Inspection

(1) The Czech National Bank cooperates with the State Labor Inspection Office in ensuring the protection of the whistleblower and the reported person against retaliation, discrimination or other types of unfair treatment that could occur as a result of or in connection with the notification of a violation.

(2) As part of the cooperation pursuant to subsection 1, the Czech National Bank and the State Office of Labor Inspection shall ensure that the whistleblower has access to

a) comprehensive information and advice on

1. measures and procedures for the protection of persons against unfair treatment and
2. procedures for claiming monetary compensation for damage or harm caused in connection with a submitted notice of infringement, and

b) effective assistance of the Czech National Bank in relation to the State Office of Labor Inspection, including confirmation of the whistleblower's status in the event of labor law disputes.

Section 18c

Review of the procedures of the Czech National Bank

The Czech National Bank will regularly, at least once every 2 years, review its procedures for receiving and handling infringement notices, taking into account its experience and that of the capital market supervisory authorities in another European Union member state in this area, and adjust these procedures in accordance with market and technology development.

Section 19

Cooperation with the Chamber of Auditors of the Czech Republic

The Czech National Bank cooperates with the Chamber of Auditors of the Czech Republic, especially in the introduction of internationally recognized auditing procedures in relation to capital market service providers and issuers and streamlining the activities of auditors when applying these procedures.

Section 20

cancelled

title omitted

Section 21

cancelled

Section 22

cancelled

Section 23

cancelled

Section 24

cancelled

Section 25

cancelled

Section 26

Duty of confidentiality and international cooperation

(1) Employees of the Czech National Bank performing supervision in the area of the capital market and persons whose services the Czech National Bank uses in the exercise of supervision over the capital market, and their employees and members of the advisory bodies of the Czech National Bank for the area of the capital market are obliged to maintain confidentiality of all information obtained in connection with the performance of their activity, function or their employment in the field of capital market supervision. The information according to the first sentence may be used by a person who is under an obligation of confidentiality only in the manner and to the extent necessary for the performance of tasks or the performance of a function in the area of capital market supervision or in court proceedings conducted in connection with a decision or exercise of capital market supervision or in a similar international management. This information may be used for other purposes than according to the second sentence, if the person who provided the information expresses his consent. It is not a breach of confidentiality to provide information to a third party in aggregate form in such a way that it is not possible to identify the specific subject to which the information relates. The obligation of confidentiality continues even after the end of the activity, employment or position that established this obligation.

(2) A breach of confidentiality pursuant to subsection 1 and Article 27 of Regulation (EU) No.

596/2014 of the European Parliament and the Council is not the provision of information

- a) to employees of the Czech National Bank who cooperate in the supervision of the financial market in the Czech Republic and in the resolution of the crisis in accordance with the law regulating recovery procedures and crisis resolution in the financial market,
- b) an authority in a member state that operates in the exercise of financial market supervision,
- c) a person with a seat or permanent residence in the Czech Republic or a member state who is
 1. a liquidator, a forced administrator, a temporary administrator, a person performing administration for crisis resolution in accordance with the law regulating recovery procedures and crisis resolution on the financial market, an insolvency administrator or a person with a similar function performed in an entity operating on the financial market and subject to supervision,
 2. by an auditor of the statutory financial statements of an entity operating on the financial market and subject to supervision,
 3. by the operator of a securities trading settlement system providing settlement services for the organizer of a regulated market in the Czech Republic, if the provision of information is necessary to ensure the proper performance of this person's functions in the event of non-fulfillment or threatened non-fulfillment of debts by a participant or participants of a regulated market to whom this person provides services,
 4. by the operator of the compensation system for investors or the deposit insurance system,
- d) an authority in the Czech Republic or in a member state, which operates in the exercise of supervision over persons according to letter c) points 1 and 2; The Czech National Bank will also provide information to the authority in the Czech Republic or in a member state that is involved in the supervision of settlement and payment systems and compliance with the law of commercial corporations,
- e) legislative departments of central administrative offices dealing with legislation in the area of the financial market,
- f) authorities in the Czech Republic or a member state involved in criminal proceedings or dealing with the fight against the legalization of criminal proceeds or the implementation of international sanctions for the purpose of maintaining international peace and security, protecting basic human rights and fighting terrorism; information can also be provided to an international organization operating in the field of combating criminal activity or legalizing the proceeds of criminal activity,
- g) a court in connection with insolvency proceedings or similar foreign proceedings conducted in the event of the bankruptcy of a person subject to the supervision of the Czech National Bank; however, data relating to third parties cannot be provided,
- h) To the public defender of rights in connection with an investigation under a special law,
- i) European supervisory authorities (the European Banking Authority, the European Securities and Markets Authority and the European Insurance and Occupational Pensions Authority)³³⁾ and the European Systemic Risk Board ³⁴⁾,
- j) The Energy Regulatory Office and the Office for the Protection of Economic Competition according to the legal regulations governing business in the energy sectors ³⁷⁾,
- k) to other persons or bodies, if it is necessary to solve the crisis and if it is not a breach of confidentiality according to the law regulating recovery procedures and crisis resolution in the financial market,
- l) supervisory authorities of payment and settlement systems.

(3) Furthermore, provision of information to the European Central Bank and the central bank of a member state is not a breach of confidentiality pursuant to subsection 1 and Article 27 of Regulation (EU) No. 596/2014 of the European Parliament and Council. Furthermore, the provision of information to the European Commission and the European System of Central Banks, if this information is related to the exercise of their powers, is not a violation of the obligation of confidentiality according to subsection 1.

(4) Information is provided to subjects and authorities under subsection 2 in the manner and to the extent necessary for the performance of their tasks or the performance of their functions and if a regime of confidentiality is established for them at least to the extent comparable to the scope under this Act. When providing information, the Czech National Bank may indicate how such information is to be handled, and may also limit the further provision of such information.

(5) Information obtained in connection with the exercise of supervision over the capital market may also be provided to the authorities of the European Union, if it is necessary for the fulfillment of an international agreement to which the Czech Republic is bound and which was duly announced.

(6) Information provided to the Czech National Bank by a foreign authority acting in the exercise of financial market supervision may not be used for a purpose other than that for which it was provided, and may not be provided to anyone else without the consent of the provider.

(7) Information obtained by the Czech National Bank as part of an inspection on the territory of a foreign country may not be provided to anyone else without the consent of the financial market supervisory authority of that state.

(8) An authority that operates in the exercise of supervision over the financial market in a state that is not a member state may be provided with information for the purposes of fulfilling its tasks only on the basis of an agreement and only if a confidentiality regime at least comparable to the under this Act. The obligations established by the Personal Data Protection Act are not affected by this²⁶⁾.

(9) If a confidentiality regime is in place for them at least comparable to the regime under this Act, information can also be provided for the purpose of fulfilling their tasks on the basis of an agreement

a) persons with permanent residence or domicile in a state that is not a member state, who perform a function similar in content and character to liquidator, receiver, insolvency administrator, preliminary insolvency administrator or auditor in an entity operating on the financial market and subject to supervision,

b) the office with its seat in a state that is not a member state, to the person supervising the person according to letter a),

c) a person with a seat or permanent residence in a state that is not a member state, operating a guarantee system for the protection of investors,

d) a law enforcement agency based in a state that is not a member state,

e) an authority based in a state that is not a member state dealing with the fight against money laundering or the implementation of international sanctions for the purpose of maintaining international peace and security, protecting fundamental human rights and fighting terrorism; the obligations established by the Personal Data Protection Act are not affected by this²⁶⁾,

f) to the body supervising persons active in the markets with emission allowances in order to ensure a consolidated overview of the financial and spot markets and

g) to the body supervising persons active in the markets with agricultural commodity derivatives in order to ensure a consolidated overview of the financial and spot markets.

(10) The Czech National Bank shall inform the European Supervisory Authority (European Securities and Markets Authority) of the conclusion of the agreement pursuant to subsections 8 and 9.

Section 27

Handling of information

Persons other than the Czech National Bank who obtain information pursuant to Section 26, subsection 1, shall use this information only for the purposes expressly stated by the Czech National Bank or another body, or for purposes resulting from special legal regulations.

TITLE III

cancelled

Section 28

cancelled

TITLE IV

PROVISIONS TRANSITIONAL

Section 29

(1) Proceedings initiated by the Ministry pursuant to special laws before April 1, 1998 shall be continued before the Commission pursuant to this Act.

(2) The model of the certificate of state supervision over the capital market shall be established by the Commission by legal regulation.

PART TWO

AMENDMENT OF CZECH NATIONAL COUNCIL ACT No. 2/1969 COLL., ON THE ESTABLISHMENT OF MINISTRIES AND OTHER CENTRAL BODIES OF THE STATE ADMINISTRATION OF THE CZECH REPUBLIC, IN THE WORDING OF SUBSEQUENT REGULATIONS

Section 30

Act of the Czech National Council No. 2/1969 Coll., on the establishment of ministries and other central bodies of the state administration of the Czech Republic, as amended by Act of the Czech National Council No. 34/1970 Coll., Act of the Czech National Council No. 147/1970 Coll., Act of the Czech National Council No. 125/1973 Coll., Act of the Czech National Council No. 25/1976 Coll., Act of the Czech National Council No. 118/1983 Coll., Act of the Czech National Council No. 60/1988 Coll., Act of the Czech National Council No. 173/1989 Coll., legal measure of the Presidium of the Czech National Council No. 9/1990 Coll., Act of the Czech National Council No. 93/1990 Coll., Act of the Czech National Council No. 126/1990 Coll., Act of the Czech National Council No. 203/1990 Coll., Act of the Czech National Council No. 288/1990 Coll., legal measure of the Presidium of the Czech National Council No. 305/1990 Coll., Act of the Czech National Council No. 575/1990 Coll., Act of the

Czech National Council No. 173/1991 Coll., Act of the Czech National Council No. 283/1991 Coll., Act of the Czech National Council No. 19/1992 Coll., Act of the Czech National Council No. 23/1992 Coll., Act of the Czech National Council No. 103/1992 Coll., Act of the Czech National Council No. 167/1992 Coll., Act of the Czech National Council No. 239/1992 Coll., legal measure of the Presidium of the Czech National Council No. 350/1992 Coll., Act of the Czech National Council No. 358/1992 Coll., Act of the Czech National Council No. 359/1992 Coll., Act of the Czech National Council No. 474/1992 Coll., Act of the Czech National Council No. 548/1992 Coll., Act of the Czech National Council No. 21/1993 Coll., Act No. 166/1993 Coll., Act No. 285/1993 Coll., Act No. 47/1994 Coll., Act No. 89/1995 Coll., Act No. 289/1995 Coll., Act No. 135/1996 Coll., Act No. 272/1996 Coll. and Act No. 152/1997 Coll., is amended as follows:

1. In Section 2, subsection 1, the period after point 8 is replaced by a comma and point 9 is added, which reads:

"9. Securities and Exchange Commission."

2. In Section 2, subsection 3, the following sentence is inserted after the first sentence: "The President and the members of the Presidium of the Securities Commission are appointed and recalled by the President of the Republic at the proposal of the Government."

3. In Section 4, subsection 1, the following words are inserted after the words "financial market": "with the exception of the supervision of the capital market within the scope of the Securities Commission's competence".

PART THREE

cancelled

Section 31

cancelled

Section 32

cancelled

PART FOUR

cancelled

Section 33

cancelled

Section 34

cancelled

PART FIVE

cancelled

Section 35

cancelled

PART SIX

cancelled

Section 36

cancelled

PART SEVEN

SUPPLEMENT TO ACT No. 455/1991 SB., ON COMMERCIAL BUSINESS (COMMERCIAL ACT), IN THE WORDING OF LATER REGULATIONS

Section 37

Act No. 455/1991 Coll., on trade (Trade Act), as amended by Act No. 231/1992 Coll., Act of the Czech National Council No. 591/1992 Coll., Act No. 600/1992 Coll., Act No. 273/1993 Coll., Act No. 303/1993 Coll., Act No. 38/1994 Coll., Act No. 42/1994 Coll., Act No. 136/1994 Coll., Act No. 200/1994 Coll., Act No. 237/1995 Coll., Act No. 286/1995 Coll., Act No. 94/1996 Coll., Act No. 95/1996 Coll., Act No. 147/1996 Coll., Act No. 19/1997 Coll., Act No. 49/1997 Coll., Act No. 61/1997 Coll., Act No. 79/1997 Coll., Act No. 217/1997 Coll. and Act No. 280/1997 Coll., is added as follows:

In Section 3 subsection 3 letter a) the following words are inserted after the words "management of collective property holdings ¹³⁾": "and activities of persons carrying out the settlement of transactions with securities ^{13a)}".

Note No. 13a) reads:

"13a) Section 70b of the CNR Act No. 591/1992 Coll. "

PART EIGHT

cancelled

Section 38

cancelled

Section 39

cancelled

PART NINE

AMENDMENT OF ACT No. 42/1994 SB., ON SUPPLEMENTARY PENSION INSURANCE WITH STATE CONTRIBUTION AND ON CHANGES TO SOME LAWS RELATED TO ITS IMPLEMENTATION, IN THE WORDING OF ACT No. 61/1996 SB.

Section 40

Act No. 42/1994 Coll., on supplementary pension insurance with state contribution and on changes to some laws related to its introduction, as amended by Act No. 61/1996 Coll., is amended as follows:

1. In Section 5, subsection 1, second sentence, after the words "Ministry of Labor and Social Affairs", the following words are inserted: "and the Securities Commission".

2. In Section 8, subsection 2, the following words are inserted after the word "by the Ministry": "in agreement with the Securities Commission".

3. In Section 9, subsection 2, the following sentence is added at the end: "The change of the statute is approved by the Ministry in agreement with the Securities Commission."

4. In Section 34, subsection 5, the following words are inserted after the word "Ministry": "and the Securities Commission".

5. In Section 36, subsection 3, the following words are inserted after the word "Ministry": "and the Securities Commission".

6. In Section 39, subsection 4, the following words are inserted after the word "Ministry": "upon agreement with the Securities Commission".

7. In Section 42, subsection 1, the following words are inserted after the word "ministry": "and the Securities Commission (Section 45a)".

8. A new Section 45a is inserted after Section 45, which reads:

"Section 45a

(1) The activity of the pension fund pursuant to this Act is subject to the state supervision of the Securities Commission to the extent of its obligations set forth in this Act in the placement of pension fund funds pursuant to Section 33. The provisions of Section 42 para. 2, 4 and 5 and Section 43 para. 1 letter a), b) and c). The decision to suspend the authorization of the board of directors pursuant to Section 43 subsection 1 letter c) accepted by the Securities Commission in agreement with the Ministry.

(2) The activities of the depository pursuant to this Act are subject to state supervision by the Securities Commission to the extent of its obligations to control the placement of pension fund funds pursuant to Section 33. The provisions of Section 43 subsection 1 letter of a) and b)".

PART TEN

SUPPLEMENT TO ACT OF THE CZECH NATIONAL COUNCIL No. 6/1993 SB., ON THE CZECH NATIONAL BANK, AS AMENDED BY ACT No. 60/1993 SB.

Section 41

Act of the Czech National Council No. 6/1993 Coll., on the Czech National Bank, as amended by Act No. 60/1993 Coll., is added as follows:

1. Section 3 is supplemented by subsections 3, 4 and 5, which, including notes No. 17), 18) and 19) read:

"(3) The Czech National Bank is obliged to send the Securities Commission a copy or copy of the decision pursuant to a special law¹⁷⁾

(4) According to special law¹⁸⁾, the Czech National Bank is obliged to inform the Securities Commission about trades in investment instruments and, if requested, to carry out an inspection of monetary transactions connected with these trades.

(5) According to special law¹⁹⁾, the Czech National Bank is obliged to inform the Securities Commission and the Ministry of Finance about the initiation of proceedings and their progress, the subject of which is the imposition of remedial measures and sanctions.

¹⁷⁾ Section 16 subsection 2 of Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws.

¹⁸⁾ Section 17 subsection 1 of Act No. 15/1998 Coll.

¹⁹⁾ Section 16 subsection 1 letter c) Act No. 15/1998 Coll. "

2. A new Section 60a is inserted after Section 60, which, including note no. 20), reads:

"Section 60a

The Czech National Bank, in cooperation with the Ministry of Finance and the Securities Commission, will develop a system of mutual cooperation in the area of the capital market no later than three months after the entry into force of the Special Act ²⁰⁾.

²⁰⁾ Act No. 15/1998 Coll. "

PART ELEVEN

cancelled

Section 42

cancelled

PART TWELVE

AMENDMENT OF ACT No. 99/1963 SB., CIVIL PROCEDURE, AS AMENDED BY SUBSEQUENT REGULATIONS

Section 43

Act No. 99/1963 Coll., Civil Procedure Code, as amended by Act No. 36/1967 Coll., Act No. 158/1969 Coll., Act No. 49/1973 Coll., Act No. 20/1975 Coll., Act No. 133/1982 Coll., Act No. 180/1990 Coll., Act No. 328/1991 Coll., Act No. 519/1991 Coll., Act No. 263/1992 Coll., Act of the Czech National Council No. 24/1993 Coll., Act No. 171/1993 Coll., Act No. 117/1994 Coll., Act No. 152/1994 Coll., Act No. 216/1994 Coll., Act No. 84/1995 Coll., Act No. 118/1995 Coll., Act No. 160/1995 Coll., Act No. 238/1995 Coll., Act No. 247/1995 Coll., decision of the Constitutional Court

No. 31/1996 Coll., Act No. 142/1996 Coll., decision of the Constitutional Court No. 269/1996 Coll., Act No. 202/1997 Coll. and Act No. 227/1997 Coll., is amended as follows:

1. In Section 9 subsection 3 letter b) point qq), the semicolon at the end is replaced by a comma and a new point ss) is added, which, including note No. 13a), reads:

"ss) in matters of the capital market according to a special law; ^{13a)}
^{13a)} Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws."

2. Section 75 is supplemented by subsection 4, which reads:

"(4) A decision on a motion for a preliminary measure pursuant to special law ^{13a)} must be made no later than five days after it was filed."

PART THIRTEEN

Section 44

Efficiency

This Act becomes effective on April 1, 1998, with the exception of Section 2, Section 21 to 28 and Section 30 points 1 and 2, which become effective on the day of promulgation.

Zeman m.p.

Havel m.p.

Tošovský m.p.

Selected provisions of the amendments

Article II of Act No. 308/2002 Coll.

Transitional provision

Proceedings initiated before the date of entry into force of this Act shall be completed in accordance with existing legal regulations.

Article V of Act 257/2004 Coll.

Temporary provisions

Until the day when the central depository takes over the records of book-entry securities maintained by the Securities Center pursuant to Act No. 591/1992 Coll., on securities, as amended by Act No. 89/1993 Coll., Act No. 331/1993 Coll., Act No. 259/1994 Coll., Act No. 61/1996 Coll., Act No. 152/1996 Coll., Act No. 15/1998 Coll., Act No. 70/2000 Coll., Act No. 307/2000 Coll., Act No. 362/2000 Coll., Act No. 239/2001 Coll., Act No. 259/2001 Coll., Act No. 501/2001 Coll., Act No. 308/2002 Coll., decision of the Constitutional Court announced under No. 476/2002 Coll. and Act No. 88/2003 Coll., the Commission maintains a list of persons authorized to keep part of the records of the Securities Center, as well as the performance of its other activities pursuant to this Act.

Article III of Act No. 57/2006 Coll.

Temporary provisions

1. On the date of entry into force of this Act, the Securities Commission (hereinafter referred to as "the Commission") shall cease to exist and the term of office of the Chairman and members of the Commission's presidium shall end. The current powers of the Commission arising from laws and other legal regulations shall pass from the Commission to the Czech National Bank on the date of entry into force of this law.

2. Decisions in administrative proceedings issued by the Commission pursuant to Act No. 513/1991 Coll., Commercial Code, Act No. 61/1996 Coll., on certain measures against the legalization of proceeds from criminal activity and on the amendment and addition of related laws, Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws, Act No. 189/2004 Coll., on collective investment, Act No. 190/2004 Coll., on bonds, or Act No. 256/2004 Coll., on doing business on the capital market, in the versions effective until the date of entry into force of this Act, are considered to be decisions issued by the Czech National Bank and the rights and obligations arising on the basis of these decisions are not affected. If such a decision imposed a fine that has not yet been paid, its collection and enforcement shall be carried out in accordance with these laws as amended from the date of entry into force of this law. If the Commission's decision was annulled before the date of entry into force of this Act and the matter was returned for a new hearing, the Czech National Bank is responsible for it, which proceeds according to the current legislation.

3. Proceedings conducted by the Commission and initiated before the effective date of this Act pursuant to Act No. 513/1991 Coll., Commercial Code, Act No. 61/1996 Coll., on certain measures against the legalization of proceeds from criminal activity and on the amendment and addition of related laws, Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws, Act No. 189/2004 Coll., on collective investment, Act No. 190/2004 Coll., on bonds or Act No. 256/2004 Coll., on doing business on the capital market, in the versions effective until the date of entry into force of this law, will be completed by the Czech National Bank in accordance with the existing legislation. If a fine is imposed in such proceedings, its collection and enforcement shall be carried out in accordance with these laws as amended from the date of entry into force of this law.

Commission pursuant to Act No. 513/1991 Coll. was issued before the effective date of this Act, Commercial Code, Act No. 61/1996 Coll., on certain measures against the legalization of proceeds from criminal activity and on the amendment and addition of related laws, Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws, Act No. 189/2004 Coll., on collective investment, Act No. 190/2004 Coll., on bonds, or Act No. 256/2004 Coll., on doing business on the capital market, in the versions effective until the date of entry into force of this Act, and if an appeal was filed against this decision, the banking board of the Czech National Bank will decide on it in accordance with the existing legislation. If the Bank Board cancels such a decision and returns the matter for a new hearing, the Czech National Bank is responsible for this new hearing, which will decide according to the current legislation. The Czech National Bank decides on the renewal of the proceedings and in the review proceedings regarding these decisions in accordance with the existing legislation.

5. Employees of the Commission shall become employees of the Czech National Bank on the date of entry into force of this Act. The rights and obligations arising from the labor relations of these employees are transferred from the Commission to the Czech National Bank. The rights and obligations from the labor relations of those employees whose employment relationship with the Commission ended before the date of entry into force of this Act shall be settled by the Ministry of Finance.

6. The right to manage property owned by the Czech Republic, with the exception of real estate, which the Commission was responsible for managing on the date of entry into force of this Act and which is required for the supervision of the Czech National Bank pursuant to Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws, as amended from the date of entry into force of this Act, expires on the date of entry into force of this Act. This property becomes

the property of the Czech National Bank on the date of entry into force of this Act, and liabilities related to this property become liabilities of the Czech National Bank on the date of entry into force of this Act. Other assets that the Commission was responsible for managing and other liabilities will be settled by the Ministry of Finance. The details are set out in an agreement between the Czech National Bank and the Ministry of Finance. 7. Funds in the amount of the balance of the reserve fund and the Commission's cultural and social needs fund and any claims and liabilities related to performance from the Commission's cultural and social needs fund shall be transferred to the Czech National Bank on the date of entry into force of this Act.

8. On the date of entry into force of this Act, the Czech National Bank becomes a party to proceedings instead of the Commission or the state in which it acts as a party to the Commission or in which the Commission acts on behalf of the state. The state will pay the financial obligations that the Czech National Bank incurs on the basis of such proceedings. This also applies to obligations that the Czech National Bank incurs as a result of proceedings initiated from the date of entry into force of this Act and relating to the activities of the Commission according to the existing legislation.

9. Powers of attorney granted by the Commission shall expire on the date of entry into force of this Act.

10. Obligation of persons to maintain confidentiality pursuant to Section 26 of Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws, in the wording effective until the date of entry into force of this law, is not affected by this law.

11. Time limits that began to run before the date of entry into force of this Act according to the current legislation are not affected by this Act.

12. The report on the situation on the Czech capital market submitted by the Commission for the year 2005 pursuant to Section 4 of Act No. 15/1998 Coll., on the Securities Commission and on the amendment and addition of other laws, in the version effective until the date of entry into force of this Act, will be completed and submitted to the Government and the Chamber of Deputies by the Czech National Bank by September 30, 2006, unless it is submitted by the Commission before the date of entry into force of this Act.

Article IV of Act No. 148/2016 Coll.

Temporary provisions

1. Administrative offenses committed before the date of entry into force of this Act shall, from the date of entry into force of this Act, be regarded as administrative offenses pursuant to Act No. 15/1998 Coll., as amended from the date of entry into force of this Act. Liability for these administrative offenses shall be assessed according to existing legal regulations, if the conduct establishing liability for the existing administrative offense took place before the date of entry into force of this Act; according to Act No. 15/1998 Coll., as amended from the date of entry into force of this Act, shall be assessed only if it is more favorable for the offender.

2. Proceedings on an administrative offense initiated before the date of entry into force of this Act, and not legally concluded on that date, shall be completed in accordance with Act No. 15/1998 Coll., in the version effective before the date of entry into force of this Act.

3. Section 14 of Act No. 15/1998 Coll., in the wording effective from the date of entry into force of this Act, shall not apply and proceed according to existing legal regulations.

¹⁾ Act No. 42/1994 Coll., on supplementary pension insurance with state contribution and on changes to some laws related to its introduction, as amended.

Act No. 190/2004 Coll., on bonds, as amended.

Act No. 256/2004 Coll., on doing business on the capital market, as amended.

Act No. 426/2011 Coll., on pension savings, as amended.

Act No. 427/2011 Coll., on supplementary pension savings, as amended.

Act No. 90/2012 Coll. on commercial companies and cooperatives.

Act No. 240/2013 Coll., on investment companies and funds, as amended.

^{1a)} Regulation of the European Parliament and of the Council (EC) No. 1060/2009 of September 16, 2009 on rating agencies.

⁷⁾ Act No. 71/1967 Coll., on administrative proceedings (administrative code).

^{7a)} Section 152 subsection 5 of the Administrative Code.

^{9b)} Section 2 letter h) Act No. 127/2005 Coll., on electronic communications.

¹¹⁾ Section 6 of Act No. 256/2004 Coll., about doing business on the capital market.

¹²⁾ Section 14 of Act No. 256/2004 Coll., as amended.

¹⁴⁾ Section 83 of Act No. 256/2004 Coll., as amended.

¹⁵⁾ Section 45 of Act No. 256/2004 Coll., as amended.

^{20d)} Act No. 133/2000 Coll., on the registration of residents and birth numbers and on the amendment of some laws (Act on Registration of Residents), as amended.

^{20e)} Section 1 of Act No. 133/2000 Coll., as amended by Act No. 53/2004 Coll.

^{20f)} Act No. 40/1993 Coll., on acquiring and losing citizenship of the Czech Republic, as amended.

²³⁾ E.g. Section 38 of Act No. 21/1992 Coll., on banks, as amended by Act No. 84/1995 Coll., Section 7 of Act No. 61/1996 Coll., on some measures against the legalization of proceeds from criminal activity and on changes and additions to related laws.

^{24a)} For example, Section 37d of Act No. 248/1992 Coll., as amended.

^{24b)} Section 91 of Act No. 591/1992 Coll., as amended.

^{24c)} For example Section 45, 45a, 49, 50, 70a, 70b of Act No. 591/1992 Coll., as amended, Section 8 of Act No. 248/1992 Coll., as amended, Section 2 of Act No. 214/1992 Coll., on the stock exchange, as amended.

^{24d)} Section 22 subsection 2 letter a) of Act No. 530/1990 Coll., on bonds, as amended.

²⁵⁾ Act No. 236/1995 Coll., on the salary and other requirements connected with the performance of the function of representatives of state power and some state bodies, as amended.

Regulation of the Government of the Czech Republic No. 253/1992 Coll., on salary conditions for employees of state administration bodies, some other bodies and municipalities, as amended.

²⁶⁾ Section 27 of Act No. 101/2002 Coll., on the protection of personal data, as amended by Act No. 439/2004 Coll.

³⁰⁾ Art. 36d subsection 2a of Regulation (EC) No. 1060/2009 of the European Parliament and Council, as amended by Regulation (EU) No. 531/2011 of the European Parliament and Council.

³¹⁾ Section 2 subsection 2 of Act No. 280/2009 Coll., Tax Regulations.

³³⁾ Regulation of the European Parliament and of the Council (EU) No. 1093/2010 of 24 November 2010 on the establishment of the European Supervisory Authority (European Banking Authority), on the amendment of Decision No. 716/2009/EC and on the repeal of Commission Decision 2009/78/ES, as amended.

Regulation of the European Parliament and of the Council (EU) No. 1094/2010 of 24 November 2010 on the establishment of a European Supervisory Authority (European Insurance and Occupational Pensions Authority), on the amendment of Decision No. 716/2009/EC and on the repeal of Commission Decision 2009/79/EC, as amended.

Regulation (EU) No. 1095/2010 of the European Parliament and of the Council of 24 November 2010 on the establishment of a European Supervisory Authority (European Securities and Markets Authority), on the amendment of Decision No. 716/2009/EC and on the repeal of Commission Decision 2009/77/EC, as amended.

³⁴⁾ Regulation (EU) No. 1092/2010 of the European Parliament and of the Council of 24 November 2010 on macro-prudential supervision of the financial system at the level of the European Union and on the establishment of the European Council for Systemic Risks.

³⁵⁾ Section 97 of Act No. 127/2005 Coll., on electronic communications and on the amendment of some related laws (Electronic Communications Act), as amended by Act No. 290/2005 Coll., Act No. 177/2008 Coll., Act No. 247/2008 Coll., Act No. 153/2010 Coll., decision of the Constitutional Court announced under No. 94/2011 Coll. and Act No. 273/2012 Coll.

³⁶⁾ Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade data registries.

³⁷⁾ Regulation (EU) No. 1227/2011 of the European Parliament and of the Council of 25 October 2011 on the integrity and transparency of the wholesale energy market.

Act No. 458/2000 Coll., on the conditions of business and on the performance of state administration in the energy sector and on the amendment of some laws (energy law), as amended.

³⁹⁾ Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on Regulation (EU) No. 596/2014 of the European Parliament and of the Council, as regards the notification of actual or potential violations of this Regulation to the competent authorities.

⁴⁰⁾ Art. 105 subsection 2 and Article 107 of Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the acceptance of securities for listing on the stock exchange and on the information to be published about them, as amended by the directives of the European Parliament and Councils 2003/6/EC, 2003/71/EC, 2004/109/EC and 2005/1/EC.

Art. 21 subsections 3 and 4 and article 22 of Directive 2003/71/EC of the European Parliament and of

the Council of November 4, 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, and on the amendment of Directive 2001/34/EC, as amended by European Parliament and Council directives 2008/11/EC, 2010/73/EU, 2010/78/EU, 2013/50/EU and 2014/51/EU.

Art. 24 subsections 4 and 4a and article 25 subsections 1, 3 and 4 of Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonization of transparency requirements regarding information on issuers whose securities are accepted to trading on a regulated market, and to the amendment of Directive 2001/34/EC, as amended by European Parliament and Council Directives 2008/22/EC, 2010/73/EU, 2010/78/EU and 2013/50/EU.

Art. 98 and 102 of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of legal and administrative regulations relating to undertakings for collective investment in transferable securities (UCITS), as amended by Directives of the European Parliament and of the Council 2010/78/EU and 2013/14/EU.

Art. 46 and 47 subsection 2 of Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on managers of alternative investment funds and on the amendment of Directives 2003/41/EC and 2009/65/EC and Regulation (EC) No. 1060/2009 and (EU) No. 1095/2010, as amended by Directive 2013/14/EU of the European Parliament and of the Council.

Art. 69 and 76 of Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EU, as amended by Regulation of the European Parliament and of the Council (EU) no. 909/2014 and Directive 2016/1034 of the European Parliament and of the Council.

Art. 22 subsection 1 of Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms and on the amendment of Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU.

⁴¹⁾ Art. 32 Regulation of the European Parliament and Council (EC) No. 1060/2009 of 16 September 2009 on rating agencies, as amended by Regulation (EU) No. 513/2011 and No. 462/2013 of the European Parliament and Council and as amended by the directives of the European of the Parliament and of the Council 2011/61/EU and 2014/51/EU.

Art. 33 and 34 of Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps, as amended by Regulation (EU) of the European Parliament and of the Council No. 909/2014.

Art. 22 subsection 2 and Article 83 of Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade data repositories, as amended by Directive 2014/59/EU of the European Parliament and of the Council, as amended by Commission Delegated Regulation (EU) No. 1002/2013 and as amended by European Parliament and Council Regulation (EU) No. 575/2013 and No. 600/2014.

Art. 19 and 23 of Regulation (EU) No. 345/2013 of the European Parliament and of the Council of 17 April 2013 on European venture capital funds.

Art. 20 and 24 of Regulation (EU) No. 346/2013 of the European Parliament and of the Council of 17 April 2013 on European social entrepreneurship funds.

Art. 23 and 27 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Regulation on Market Abuse) and on the repeal of Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

Art. 11 subsection 3 of Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving the settlement of securities transactions in the European Union and central securities depositories and on amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No. 236/2012.

Art. 16 subsection 2 and Article 18 of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on the transparency of transactions ensuring financing and reuse and on the amendment of Regulation (EU) No. 648/2012.

Art. 41 and 48 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices that are used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and on the amendment of Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014.

Art. 41 and 42 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or accepted for trading on a regulated market, and on the repeal of Directive 2003/71/EC.

Art. 30, 35 and 42 of Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for businesses and amending Regulation (EU) 2017/1129 and Directive 2019/1937.

⁴²⁾ Regulation of the European Parliament and the Council (EU) No. 596/2014.

⁴³⁾ Regulation of the European Parliament and the Council (EU) No. 575/2013.

Regulation (EU) No. 596/2014 of the European Parliament and of the Council.

Regulation (EU) No. 600/2014 of the European Parliament and of the Council.

Regulation (EU) No. 909/2014 of the European Parliament and of the Council.

Regulation (EU) 2017/1129 of the European Parliament and of the Council.

Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on prudential requirements for investment firms and amending Regulation (EU) No. 1093/2010, (EU) No. 575/2013, (EU) No. 600/2014 and (EU) No. 806/2014.