

Full wording of Act No. 6/1993 Coll., on the Czech National Bank, as amended

Act No. 6/1993 Coll., on the Czech National Bank,

as amended by Act No. 60/1993 Coll., Act No. 15/1998 Coll., Act No. 442/2000 Coll., the Constitutional Court ruling promulgated under No. 278/2001 Coll., Act No. 482/2001 Coll., Act No. 127/2002 Coll., Act No. 257/2004 Coll., Act No. 377/2005 Coll., Act No. 57/2006 Coll., Act No. 62/2006 Coll., Act No. 230/2006 Coll., Act No. 160/2007 Coll., Act No. 36/2008 Coll., Act No. 124/2008, Act No. 254/2008 Coll., Act No. 281/2009 Coll., Act No. 285/2009 Coll., Act No. 295/2009 Coll., Act No. 145/2010 Coll., Act No. 156/2010 Coll., Act No. 41/2011 Coll., Act No. 92/2011 Coll., Act No. 136/2011 Coll. (part), Act No. 139/2011 Coll., Act No. 357/2011 Coll., Act No. 428/2011 Coll., Act No. 227/2013 Coll. and Act No. 135/2014 Coll.:

PART ONE

BASIC PROVISIONS

Article 1

(1) The Czech National Bank shall be the central bank of the Czech Republic and the authority performing financial market supervision.

(2) The Czech National Bank shall be a legal entity under public law having its registered address in Prague.

(3) The Czech National Bank shall be entrusted with the powers of an administrative authority to the extent defined in this Act and in other legal rules.¹⁾

¹⁾ e.g. Act No. 21/1992 Coll., on Banks, as amended, and Act No. 219/1995 Coll., the Foreign Exchange Act.

Article 1a

The Czech National Bank shall be part of the European System of Central Banks pursuant to the Treaty on the Functioning of the European Union²⁰⁾ and the Protocol on the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the “Statute”)²¹⁾ and shall contribute to the fulfilment of the tasks and objectives of the European System of Central Banks.

²⁰⁾ Article 282 of the Treaty on the Functioning of the European Union (consolidated version).

²¹⁾ Article 1 of Protocol (No. 4) on the Statute of the European System of Central Banks and of the European Central Bank.

Article 2

(1) The primary objective of the Czech National Bank shall be to maintain price stability. In addition, the Czech National Bank shall work to ensure financial stability and the safe and sound operation of the financial system in the Czech Republic. Without prejudice to its primary objective, the Czech National Bank shall support the general economic policies of the Government leading to sustainable economic growth and the general economic policies in the European Union with a view to contributing to the achievement of the objectives of the European Union. The Czech National Bank shall act in accordance with the principle of an open market economy.

(2) The Czech National Bank shall perform the following tasks:

- a) set monetary policy;
- b) issue banknotes and coins;
- c) manage the circulation of currency, administer payments and clearing between banks, foreign banks carrying on banking activities in the Czech Republic through a branch (hereinafter “foreign bank branch”) and credit unions, promote smooth and efficient operation thereof, and contribute to the safety, soundness and efficiency of payment and settlement systems and to the development thereof;
- d) supervise the activities of entities operating on the financial market (Article 44(1));
- e) set macroprudential policy by identifying, monitoring and assessing risks jeopardising the stability of the financial system and, in order to prevent or mitigate these risks, contribute by means of its powers to the resilience of the financial system and the maintenance of financial stability; where necessary, it shall cooperate with the relevant state authorities in setting macroprudential policy;
- f) carry on other activities pursuant to this Act and pursuant to other legal rules.¹⁾

(3) When performing its tasks, the Czech National Bank shall cooperate and negotiate agreements within the scope of its fields of competence with the central banks of other countries, with foreign authorities engaged in financial market supervision, and with international financial organisations and international organisations engaged in financial market supervision.

(4) The Czech National Bank shall consider the potential impact of decisions it wishes to issue in connection with performing supervision pursuant to paragraph 2(d) on the stability of the financial system of another Member State of the European Union, taking into account the facts available at the time of issuance thereof, in particular in cases of emergency which might affect the functioning of financial systems.

Article 2a

(1) The Czech National Bank shall be part of the European System of Financial Supervision¹⁸⁾ and cooperate with the European Systemic Risk Board¹⁹⁾ and with European Supervisory Authorities²⁰⁾.

(2) The Czech National Bank shall inform the European Systemic Risk Board about significant measures to mitigate risks that could jeopardise the stability of the financial system in the Czech Republic.

¹⁸⁾ Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board.

¹⁹⁾ Regulation (EU) No 1092/2010 of the European Parliament and of the Council.

²⁰⁾ Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC.

Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC.

Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC, as amended by Directive of the European Parliament and of the Council No 2011/61/EU.

Article 3

(1) The Czech National Bank shall submit a report on monetary development to the Chamber of Deputies of Parliament at least twice a year for review. If the Chamber of Deputies so resolves, the Czech National Bank shall submit an extraordinary report on monetary development within thirty days. The resolution of the Chamber of Deputies must state what the extraordinary report should contain.

(2) The report on monetary development shall be submitted to the Chamber of Deputies by the Governor of the Czech National Bank, who in such an event shall be entitled to attend the session of the Chamber of Deputies and must be called upon to speak.^{1c)}

(3) The Chamber of Deputies shall acknowledge the report on monetary development or shall ask for a revised report.

(4) If the Chamber of Deputies asks for a revised report, the Czech National Bank shall within six weeks submit a revised report that complies with the requirements of the Chamber of Deputies.

(5) The Czech National Bank shall inform the public on monetary development at least once every three months in a manner allowing remote access.

^{1c)} Article 52(2) of Act No. 90/1995 Coll., on the Standing Orders of the Chamber of Deputies.

Article 3a

The Czech National Bank shall submit a financial stability report to the Chamber of Deputies for information at least once a year. This report shall also contain the macroprudential policy strategy. The Czech National Bank shall also publish this report in a manner allowing remote access.

Article 3b

(1) When performing its tasks, the Czech National Bank may issue recommendations, notices or warnings addressed to the public, authorities of the Czech Republic, or individual entities or entities defined by type.

(2) If the publication of recommendations, notices or warnings could jeopardise the fulfilment of the tasks of the Czech National Bank, it shall not be possible to provide them under a legal rule governing free access to information.

PART TWO

ORGANISATION OF THE CZECH NATIONAL BANK

Article 4

The Czech National Bank shall comprise:

- a) a headquarters having its registered address at Prague;
- b) branch offices;
- c) special-purpose organisational units.

Article 5

(1) The supreme governing body of the Czech National Bank shall be the Bank Board of the Czech National Bank (hereinafter referred to as the “Bank Board”). The Bank Board shall set monetary and macroprudential policy and the instruments for implementing these policies. It shall decide upon the fundamental monetary and macroprudential policy measures of the Czech National Bank and measures in the area of financial market supervision.

(2) Furthermore, the Bank Board shall, in particular:

- a) set forth the principles for the activities and transactions of the Czech National Bank;
- b) approve the budget of the Czech National Bank;

- c) set forth the organisational structure and fields of competence of the organisational units of the Czech National Bank;
- d) define the types, amounts and uses of the funds of the Czech National Bank;
- e) execute the rights and duties arising from labour-law relations in respect of the staff of the Czech National Bank; the Bank Board may delegate these activities to other members of staff;
- f) grant its consent to the entrepreneurial activities of the staff of the CNB.
- g) fix the salary and other emoluments of the Governor; the salaries and other emoluments of Vice-Governors and other members of the Bank Board shall be fixed by the Governor;
- h) decide on appeals against the decisions of the Czech National Bank in the first instance.

Article 6

(1) The Bank Board shall consist of seven members, comprising the Governor of the Czech National Bank, two Vice-Governors of the Czech National Bank and four other members of the Bank Board of the Czech National Bank.

(2) The Governor, Vice-Governors and other members shall be appointed and relieved from office by the President of the Republic.

(3) No person shall be allowed to hold the position of member of the Bank Board more than twice.

(4) The members of the Bank Board shall be appointed for a term of six years.

(5) Membership of the Bank Board shall be incompatible with the position of member of a legislative body, member of the Government and membership of the governing, supervisory or inspection bodies of other banks or commercial undertakings, and the performance of any independent gainful occupation, except for scientific, literary, journalistic, artistic and pedagogical activities and except for management of own assets. Membership of the Bank Board shall be incompatible with any activity which might cause any conflict of interest between the performance of this activity and membership of the Bank Board.

(6) Any citizen of the Czech Republic who:

- a) is fully competent to perform legal acts,
- b) has completed a university education,
- c) is of integrity,
- d) is a person of recognised standing and professional experience in monetary matters or in the area of the financial market, may be appointed a member of the Bank Board.

(7) For the purposes of this Act, “of integrity” shall refer to a natural person who has not been lawfully convicted of a criminal offence.

(8) The members of the Bank Board shall be staff of the Czech National Bank.

(9) The performance of duties of a Bank Board member shall terminate:

- a) with the expiration of his term of office,
- b) on the day immediately following the day on which written notice of relief from office or of written notice of resignation from office is delivered, or at some later date given in the notice of relief or resignation from office.

(10) A Bank Board member may be relieved from office only if he no longer fulfils the conditions required for the performance of his duties or if he has been guilty of serious misconduct.²²⁾ The decision to relieve the Governor from office shall also be delivered to the Governing Council of the European Central Bank.

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(11) If the office of Governor is unoccupied, the Bank Board shall authorise one of the Vice-Governors to perform the duties of the Governor until a new Governor is appointed. The authorised Vice-Governor shall perform the duties of the Governor to the full extent of his powers and responsibilities.

²²⁾ Article 14.2 of the Protocol (No. 4) to the Statute of the European System of Central Banks and of the European Central Bank.

Article 7

(1) The Governor, or, in his absence, a Vice-Governor nominated by him, shall chair the meetings of the Bank Board. The Bank Board shall act by a simple majority of the votes cast. The Bank Board shall have a quorum if the Governor, or his nominee, and at least three other members of the Bank Board are present. In the event of a tie, the chairperson shall have the casting vote.

(2) The Bank Board shall approve the Rules of Procedure of the Bank Board.

Article 8

The Governor shall represent the Czech National Bank externally and shall also sign legal rules and acts issued by the Czech National Bank and promulgated in the Collection of Laws. A Vice-Governor nominated by the Governor shall act on his behalf to the full extent of his powers and responsibilities.

PART THREE

RELATIONSHIP TO THE GOVERNMENT AND TO OTHER BODIES

Article 9

(1) When carrying out the primary objective of the Czech National Bank and when exercising the powers and carrying out the tasks and duties conferred upon them by the Treaty on European Union, the Treaty on the Functioning of the European Union and the Statute and when performing other activities, neither the Czech National Bank, nor the Bank Board, nor any member of the Bank Board shall seek or take instructions from the President of the Republic, from Parliament, from the Government, from administrative authorities of the Czech Republic, from the bodies, institutions or other entities of the European Union, from governments of Member States of the European Union or from any other body.²³⁾

(2) The Czech National Bank and the Government shall inform each other on matters concerning the principles and measures of monetary, macroprudential and economic policy.

²³⁾ Article 130 of the Treaty on the Functioning of the European Union (consolidated version).
Article 7 of the Protocol (No. 4) on the Statute of the European System of Central Banks and of the European Central Bank.

Article 10

(1) The Czech National Bank shall take a position on proposals presented to the Government for consideration that concern the fields of competence of the Czech National Bank.

(2) The Czech National Bank shall act in an advisory capacity vis-à-vis the Government in matters of monetary and macroprudential policy and the financial market.

Article 11

(1) The Minister of Finance or another nominated member of the Government may attend the meetings of the Bank Board in an advisory capacity and may submit motions for discussion.

(2) The Governor of the Czech National Bank or a Vice-Governor nominated by him may attend the meetings of the Government in an advisory capacity.

PART FOUR

ISSUANCE OF BANKNOTES AND COINS

Article 12

The Czech National Bank shall have the exclusive right to issue banknotes and coins, including commemorative coins (hereinafter referred to as “banknotes and coins”).

Article 13

The monetary unit in the Czech Republic shall be the Czech koruna (crown), abbreviated as “Kč”. The Czech koruna shall be divided into one hundred hellers.

Article 14

The Czech National Bank shall manage the stocks of banknotes and coins, and shall organise the delivery of banknotes and coins from the manufacturers in keeping with the requirements for the circulation of money.

Article 15

The Czech National Bank shall organise the printing of banknotes and the minting of coins, and shall see to the protection and security of banknotes and coins that have not been released into circulation and to the safekeeping and destruction of printing plates, dies and invalid and withdrawn banknotes and coins.

Article 16

(1) Valid banknotes and coins issued by the Czech National Bank shall be legal tender at their par value in respect of all payments made within the territory of the Czech Republic.

(2) Coins made from precious metals, commemorative coins and special coins intended for collection may be sold at prices other than their par value.

Article 16a

(1) No person shall be allowed to produce, import, offer, sell or otherwise distribute medals, tokens or similar items whose appearance may mislead their holder to believe that they are coins or commemorative coins of a certain par value issued by the Czech National Bank.

(2) No person shall be allowed to use the word “coin” when referring to or describing a token, medal or similar item in connection with the offer, sale or other distribution thereof.

Article 17

Cancelled

Article 18

Cancelled

Article 19

(1) The Czech National Bank may declare invalid and withdraw from circulation any banknotes and coins it has issued. It shall refund their par value by exchanging them for other,

newly issued banknotes and coins. The period over which such exchange may take place shall not be less than five years, save as otherwise provided in another legislative act.

(2) At the end of the exchange period, the sum total of the banknotes and coins that have been declared invalid but have not been presented for exchange shall be deducted from the amount of money in circulation that appears in the accounts of the Czech National Bank. This sum shall be income to the Czech National Bank.

Article 20
Cancelled

Article 21
Cancelled

Article 22

The Czech National Bank shall set forth by decree:

- a) the par values, dimensions, weight, material, appearance and other attributes of banknotes and coins and the manner of their issuance into circulation;
- b) the manner of terminating the validity of banknotes and coins and the manner and period of their exchange for other banknotes and coins.

PART FIVE

INSTRUMENTS OF MONETARY CONTROL OF THE CZECH NATIONAL BANK

Article 23

The Czech National Bank shall set the interest rates, structures, maturities and other terms and conditions for the transactions it performs pursuant to this Act and other legislative acts.¹⁾

Article 24

(1) Banks, foreign bank branches and credit unions shall hold a prescribed part of their funds on accounts with the Czech National Bank as required minimum reserves. The required minimum reserves shall be held in Czech koruna and may bear interest.

(2) The required minimum reserves may not exceed 30% of the total liabilities of the entity required to hold required minimum reserves (hereinafter the “obliged entity”), net of its liabilities to other obliged entities. Where the monetary policy of the Czech National Bank so requires, the required minimum reserves may be set differently for obliged entities defined by type.

Article 25

Where an obliged entity fails to maintain the required minimum reserves, the Czech National Bank may charge it interest at double the average of the Lombard rate in the period in

which it should have maintained the required minimum reserves on the amount of the required minimum reserves which the bank fails to provide.

Article 26

In a decree, the Czech National Bank may stipulate

- a) the amount of the required minimum reserves,
- b) the day from which the obliged entity is required to maintain the required minimum reserves at the stipulated amount,
- c) the period for which the required minimum reserves are maintained,
- d) the set of liabilities on which the required minimum reserves are maintained and the sources of data on such liabilities,
- e) the procedure for determining the required minimum reserves if an obliged entity fails to submit to the Czech National Bank data from which the amount of the required minimum reserves is determined.

PART SIX

TRANSACTIONS OF THE CZECH NATIONAL BANK

Transactions with Banks

Article 27

The Czech National Bank shall keep the accounts of banks and accept their deposits.

Article 28

The Czech National Bank may purchase from banks or sell to them:

- a) bills of exchange maturing within six months of the date of their purchase by the Czech National Bank and bearing at least two signatures, of which at least one shall be on behalf of the bank;
- b) government bonds or other securities underwritten by the Government.

Article 29

(1) The Czech National Bank may grant to banks for a maximum of three months credits guaranteed by the securities referred to in Article 28 or by government bonds or other securities underwritten by the Government, or by stock lists of bulk goods fully insured against loss and damage, or by other assets.

(2) In the interests of maintaining a bank's liquidity, the Czech National Bank may exceptionally provide short-term credit for a period of up to three months. When providing such credit, the Czech National Bank shall require adequate collateral.

Article 29a

Transactions conducted by the Czech National Bank pursuant to Part Six with banks may also be conducted with foreign bank branches and credit unions in a similar manner.

Transactions with the Czech Republic

Article 30

The Czech National Bank shall keep accounts in accordance with the budgetary rules.²⁴⁾

²⁴⁾ Act No. 218/2000 Coll., on Budgetary Rules and on the Amendment of Some Related Acts (The Budgetary Rules), as amended.

Article 31

The Czech National Bank shall offer government bonds for sale pursuant to a legislative act governing the issuance of bonds³⁾ and by agreement with the Ministry of Finance may perform on its behalf and for an agreed remuneration activities relating to the management, redemption and transfer of government bonds, the payment of interest on such bonds and other activities as required.

³⁾ Articles 25 and 26 of Act No. 190/2004 Coll., on Bonds, as amended by Act No. 56/2006 Coll.

Article 31a

The Czech National Bank may, by agreement with the Ministry of Finance pursuant to the budgetary rules²⁴⁾, conclude transactions in investment instruments^{3b)} or other transactions or carry on activities which the Ministry of Finance is entitled to carry on through the Czech National Bank pursuant to the budgetary rules.²⁴⁾ This shall be without prejudice to the provisions of Article 31.

^{3b)} Act No. 256/2004 Coll., on Capital Market Undertakings.

Other transactions of the Czech National Bank

Article 32

Save as otherwise provided in this Act, the Czech National Bank may purchase and sell securities in order to regulate the money market.

Article 33

(1) The Czech National Bank may issue, and trade in, securities.

(2) The Czech National Bank shall be entitled to maintain a register of securities representing a right to receive repayment of an outstanding amount, issued by

- a) the Czech Republic,
- b) the Czech National Bank,
- c) other issuers.

(3) The Czech National Bank shall be entitled to maintain records linked to the central register of securities maintained by the central depository.²⁵⁾

(4) The Czech National Bank shall be entitled to operate a settlement system with settlement finality pursuant to a legislative act governing capital market undertakings.²⁶⁾

²⁵⁾ Article 100 et seq. of Act No. 256/2004 Coll.

²⁶⁾ Article 82 et seq. of Act No. 256/2004 Coll.

Article 34

(1) The Czech National Bank may, under terms and conditions customary in the banking sector, keep the accounts of its staff and provide other banking services to them. It may also keep accounts and provide banking services for legal entities. The Czech National Bank shall publish a list of these legal entities in its annual financial report.

(2) A legislative act governing the activities of banks⁴⁾ shall apply mutatis mutandis to the carrying-on of the activities referred to in paragraph 1.

⁴⁾ Act No. 21/1992 Coll., on Banks, as amended.

Article 34a

Prohibition on Monetary financing

(1) In accordance with the Treaty on the Functioning of the European Union²⁷⁾ and the directly applicable implementing legislative act of the European Union,²⁸⁾ the Czech National Bank shall be prohibited from providing overdraft facilities or any other type of credit facility to the bodies, institutions or other entities of the European Union, central governments, regional or local authorities or other bodies governed by public law, other entities governed by public law or public undertakings²⁹⁾ of the Member States of the European Union; direct purchase of their debt instruments by the Czech National Bank shall also be prohibited.

(2) Paragraph 1 shall not apply to publicly owned banks, foreign banks and credit unions, which, in the context of the supply of reserves, shall be given the same treatment by the Czech National Bank as privately owned banks, foreign banks and credit unions.²⁷⁾

²⁷⁾ Article 123 of the Treaty on the Functioning of the European Union (consolidated version).

²⁸⁾ Council Regulation (EC) No 3603/93 of 13 December 1993 specifying definitions for the application of the prohibitions referred to in Articles 104 and 104b(1) of the Treaty.

²⁹⁾ Article 8 of Council Regulation (EC) No 3603/93.

PART SEVEN
**POWERS OF THE CZECH NATIONAL BANK IN RESPECT OF FOREIGN
EXCHANGE MANAGEMENT**

Article 35

The Czech National Bank shall:

- a) after discussion with the Government stipulate the exchange rate regime of the Czech currency vis-à-vis foreign currencies, with the proviso that the primary objective of the Czech National Bank must not be jeopardised;
- b) declare the exchange rate of the Czech currency vis-à-vis foreign currencies;
- c) manage international reserves in gold and foreign exchange.

Article 36

The Czech National Bank shall be authorised

- a) to trade in gold and foreign exchange and carry out all types of banking transactions in the financial market;
- b) conduct payments with other countries.

PART EIGHT
OTHER ACTIVITIES AND POWERS OF THE CZECH NATIONAL BANK

Article 37

The Czech National Bank, together with the Ministry of Finance, shall prepare and submit to the Government draft legislation on the currency and the circulation of money, and draft legislation concerning the status, competence, organisation and activities of the CNB, save for financial market supervision, the payment system and electronic money issuance.

(2) The Czech National Bank shall cooperate with the Ministry of Finance in preparing draft legislation in the areas of the financial market, the payment system, electronic money issuance, foreign exchange management and the adoption of the single currency, the euro, in the Czech Republic.

Article 38

(1) The Czech National Bank shall be authorised to operate payment systems. The conditions for payment system operation shall be set forth in an act governing the payment system.

(2) The Czech National Bank shall assign a payment system code to a payment service provider which intends to use account numbers pursuant to the international standardisation rules (IBAN) for the accounts it maintains.

(3) The Czech National Bank shall set forth by decree the rules for creating account numbers pursuant to the international standardisation rules (IBAN).

(4) The Czech National Bank shall maintain a list of payment system codes and payment service providers to which it has assigned these codes; it shall publish the list in a manner allowing remote access.

Article 38a

In order to undertake its tasks arising under Article 2(2)(c), the Czech National Bank shall be entitled to require from a payment system operator, settlement system operator, payment services provider and electronic money issuer information pertaining to the operation of such systems and information pertaining to the provision of payment services and the issuance of electronic money, and these entities shall be obliged to provide such information to the Czech National Bank.

Article 39

The Czech National Bank shall register the representative offices of foreign banks and financial institutions carrying on banking activities⁷⁾ where such offices are active within the territory of the Czech Republic. The foreign bank or financial institution shall register its representative office prior to commencing its activities. The representative office shall not transact business and shall not be incorporated in the Companies Register.

⁷⁾ Article 1(1)(b) and Article 1(3) of Act No. 21/1992 Coll., on Banks, as amended.

Article 40

The Czech National Bank shall be entitled to engage in investment and commercial activities insofar as is necessary to provide for its own operations.

PART NINE REPORTING AND STATISTICS

HEADING I REPORTING

Article 41

(1) In order to undertake its tasks, the Czech National Bank shall be entitled to require pursuant to this Act or other legal rules the necessary information and documents in the form of

statistical statements and statements for supervisory purposes and additional information or reports (hereinafter “statements”) from reporting entities, which shall include

- a) persons subject to its supervision and foreign persons with similar objects of business operating in the Czech Republic on the basis of the single licence,
- b) other persons which are part of the financial corporations sector pursuant to a directly applicable legislative act of the European Union governing the system of national and regional accounts in the European Union,³⁰⁾
- c) persons having information needed to compile statistics on the balance of payments, the international investment position and foreign debt service which the Czech National Bank notifies of inclusion in the list of statistically significant reporting agents; for this purpose, the Czech National Bank shall be entitled to require information necessary to assess statistical significance.

(2) The Czech National Bank may use the statements referred to in paragraph 1 to carry out any of its tasks, unless stipulated otherwise in a legislative act.

(3) Reporting agents shall prepare and submit to the Czech National Bank statements whose content, form, time-limits and manner of compilation for individual groups of reporting agents shall be stipulated by the Czech National Bank in a decree.

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(4) If the submitted statements do not comply with the requirements set pursuant to paragraph 3, or if reasonable doubts arise about their correctness or completeness, the Czech National Bank shall be entitled to require correction, clarification or explanation.

³⁰⁾ Council Regulation (EC) No 2223/96 of 25 June 1996, on the European system of national and regional accounts in the Community, as amended.

HEADING II STATISTICS

Article 42

(1) In order to undertake its tasks laid down in directly applicable legislative acts of the European Union,³¹⁾ the Czech National Bank shall

- a) ensure statistical reporting, including the collection of data for statistical purposes,
- b) process and generate statistical information and compile, maintain and publish statistics,
- c) participate in the creation of the statistics of the European System of Central Bank and the European Central Bank³²⁾ and contribute to the compilation of the statistics of the European Union.³³⁾

(2) In order to undertake its tasks under paragraph 1, the Czech National Bank shall transmit statistical information and individual data in the required structure and detailed breakdown to the European Central Bank and Eurostat.

(3) In order to undertake its tasks under paragraph 1, the Czech National Bank shall provide methodology for statistical surveys and their processing and use and define the content of the required data, including a description of their structure.

(4) In order to undertake its tasks under paragraph 1, the Czech National Bank shall be entitled to require and use for statistical purposes data and information which are necessary to compile the statistics of the European System of Central Banks, the European Central Bank or the European Union and which are collected by ministries and other administrative authorities on the basis of other legal rules, where such data and information are processed by ministries and other administrative authorities and available in their information systems. At its request, ministries and other administrative authorities shall provide the data to the Czech National Bank free of charge.

³¹⁾ Article 5 of the Protocol (No. 4) on the Statute of the European System of Central Banks and of the European Central Bank.

Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank, as amended by Council Regulation (EC) No 951/2009.

Council Regulation (EC) No 2223/96.

³²⁾ For example, Regulation (EC) No 25/2009 of the European Central Bank of 19 December 2008 concerning the balance sheet of the monetary financial institutions sector (recast) (ECB/2008/32), as amended by Regulation (EU) No 883/2011 of the European Central Bank. Regulation (EC) No 63/2002 of the European Central Bank of 20 December 2001 concerning statistics on interest rates applied by monetary financial institutions to deposits and loans vis-à-vis households and non-financial corporations (ECB/2001/18), as amended.

Regulation (EC) No 958/2007 of the European Central Bank of 27 July 2007 concerning statistics on the assets and liabilities of investment funds (ECB/2001/8).

Regulation (EC) No 24/2009 of the European Central Bank of 19 December 2008 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions (ECB/2008/30).

³³⁾ For example, Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment, as amended.

Regulation (EC) No 716/2007 of the European Parliament and of the Council of 20 June 2007 on Community statistics on the structure and activity of foreign affiliates, as amended by Commission Regulation (EC) No 747/2008,

Commission Regulation (EC) No 601/2006 of 18 April 2006 implementing Regulation (EC) No 184/2005 of the European Parliament and of the Council as regards the format and the procedure for the transmission of data.

Commission Regulation (EC) No 602/2006 of 18 April 2006 adapting Regulation (EC) No 184/2005 of the European Parliament and of the Council through the updating of data requirements.

In order to reduce the burden on reporting agents pursuant to Article 41, the Czech National Bank shall, in connection with directly applicable legislative acts of the European Union and in conformity with the Guidelines of the European Central Bank, apply the criterion of statistical significance and for that purpose may do the following in a decree:

- a) stipulate the scope of reporting for a group of reporting agents or for a type of data to be included in the statement,
- b) define a group of statistically significant reporting agents.

Article 43a

(1) The Czech National Bank shall compile, maintain and publish monetary statistics, balance of payments statistics, quarterly financial accounts statistics, financial market statistics, securities statistics and other statistics in its area of competence.

(2) The Czech National Bank shall maintain a list of monetary financial institutions³⁴⁾ in the Czech Republic and other similar lists for statistical purposes, which it shall publish in a manner allowing remote access.

³⁴⁾ Council Regulation (EC) No 2533/98.

Regulation (EC) No 25/2009 of the European Central Bank.

Article 43b

When collecting and using data and compiling statistics, the Czech National Bank shall cooperate with the Czech Statistical Office, with which it shall exchange for statistical purposes the individual data and statistical information necessary to undertake their tasks.

Article 43c

(1) The application of the right of verification and compulsory collection of statistical information by the Czech National Bank shall be governed by a directly applicable legislative act of the European Union.³⁵⁾

(2) In the verification of statistical data or compulsory collection thereof by way of on-site examination, the provisions of a legal rule governing inspection shall apply to the relationships between the Czech National Bank and the reporting agent.

³⁵⁾ Article 6 of Council Regulation (EC) No 2533/98.

Article 43d

In accordance with obligations which are binding on the Czech Republic and which arise from its membership of international organisations, the Czech National Bank shall provide statistical information to the International Monetary Fund, the Organisation for Economic Cooperation and Development, the World Bank and other international institutions.

Article 43e

The Czech National Bank shall ensure ongoing protection of confidential statistical information³⁶⁾ obtained on the basis of this Act so that it cannot be unlawfully changed, destroyed, lost, transmitted or otherwise used, and so that such information is used for statistical purposes only. Such protection shall also apply to joint data for more than one reporting agent from which it is possible to directly determine or identify or indirectly infer an individual reporting agent without expending excessive time or effort.

³⁶⁾ Article 8 of Council Regulation (EC) No 2533/98, as amended by Council Regulation (EC) No 951/2009.

Article 43f

(1) The Czech National Bank may provide confidential statistical information only

- a) to the European Central Bank in order to fulfil the statistical reporting requirements for the purposes of creation of the statistics of the European System of Central Banks,
- b) to Eurostat for the purposes of creation of the statistics of the European Union,
- c) to another member of the European System of Central Banks or a member of the European Statistical System where necessary for the effective development, production or dissemination of the statistics or to enhance their quality.
- d) to the Czech Statistical Office pursuant to Article 43b,
- e) for the purposes of scientific research on the basis of a contract stipulating the conditions of protection of such information and the exact manner of use thereof in accordance with European Union law and to legal entities whose primary mission is scientific research; the information shall be provided in a form that does not allow direct identification of the reporting agent to which the said information relates, or
- f) where the agent to which the said information relates has given its consent to the provision thereof and where letters a) to e) do not apply; the confidential statistical information concerned and the purpose for which, and to whom, it is to be provided must be clear from the consent of the said agent.

(2) The Czech National Bank may publish statistical information if it originates by aggregation of individual data for at least three reporting agents. Where this condition is not met, the Czech National Bank may provide statistical information only as confidential statistical information under paragraph 1. It shall proceed in the same way where the individual reporting agent can be identified indirectly from the statistical information.

(3) The provision of confidential statistical information under the conditions laid down in paragraphs 1 and 2 shall not constitute a breach of confidentiality pursuant to this Act.

Article 43g

The Czech National Bank shall inform the public with the results of statistical surveys in a manner allowing remote access.

PART TEN

SUPERVISION

Article 44

(1) The Czech National Bank shall perform supervision of:

- a) banks, foreign bank branches, credit unions, electronic money institutions, branches of foreign electronic money institutions, foreign electronic money institutions operating in the Czech Republic through a branch, small-scale electronic money issuers, payment institutions, foreign payment institutions operating in the Czech Republic through a branch, small-scale payment service providers, operators of payment systems with settlement finality and of the sound operation of the banking system;
- b) investment firms, securities issuers, the central depository, other entities keeping a register of investment instruments, investment companies, investment funds, operators of settlement systems with settlement finality, organisers of investment instrument markets and other persons specified in other legal rules governing capital market undertakings;
- c) insurance corporations, reinsurance corporations, pension funds, pension corporations and other entities active in insurance, supplementary pension savings, pension savings and private pension schemes pursuant to legislative acts governing insurance, the activities of insurance intermediaries, private pension schemes^{9c)}, supplementary pension savings and pension savings;
- d) entities handling domestic banknotes and domestic coins pursuant to a legislative act governing the circulation of banknotes and coins;
- e) the activities of other entities, where another legal rule so provides.

(2) Supervision shall include:

- a) decisions on licence, permit and registration applications and approvals pursuant to other legal rules;
- b) inspection of adherence to the conditions stipulated in licences and permits;
- c) inspection of adherence to laws and directly applicable EU regulations, insofar as the Czech National Bank has the power to conduct such inspections under this Act or other legal rules, and inspection of adherence to the decrees issued by the Czech National Bank;
- d) collection of the information needed to perform supervision pursuant to other legal rules and its enforcement, and verification of whether it is true, complete and up-to-date;
- e) the imposition of remedial measures and penalties pursuant to this Act or other legal rules;

f) proceedings regarding administrative offences.

(3) The Czech National Bank shall also perform supervision of the entities specified in paragraph 1 on a consolidated or group basis as well as supplementary supervision of such entities in financial conglomerates to the extent set forth in legislative acts governing financial conglomerates, the activities of banks and insurance activities.^{9f)}

^{9c)} Act No. 277/2009 Coll.

Act No. 42/1994 Coll., as amended.

Act No. 38/2004 Coll., on Insurance Intermediaries and Independent Loss Adjusters and on the Amendment of the Trades Licensing Act (Act on Insurance Intermediaries and Independent Loss Adjusters), as amended.

^{9f)} Act No. 377/2005, on Supplementary Supervision of Banks, Credit Unions, Electronic Money Institutions, Insurance Corporations and Securities Dealers in Financial Conglomerates and on the Amendment of Certain Other Acts (Act on Financial Conglomerates).

Act No. 21/1992 Coll., as amended.

Act No. 277/2007 Coll.

Article 44a

(1) The Czech National Bank shall perform supervision of compliance with the obligations set out in the Civil Code as regards the remote conclusion of financial services agreements, supervision of observance of the prohibition of unfair business practices^{9k)} and supervision of compliance with the obligations as regards the conclusion of consumer credit agreements^{9m)} by persons referred to in Article 44(1) in the performance of the activities pursued by these persons under authorisation, licence or registration obtained from the Czech National Bank. In performing supervision, the Czech National Bank shall be entitled to require any necessary information and documents from these persons.

(2) In the case of cross-border cooperation, the Czech National Bank shall perform supervision under paragraph 1, proceeding in accordance with the relevant legal rule of the European Union.^{9h)}

(3) If the Czech National Bank detects an infringement of an obligation or reasonably suspects that the collective interests of consumers⁹ⁱ⁾ may be infringed by a person supervised under paragraph 1 which has committed unlawful conduct in a Member State of the European Union or another state of the European Economic Area, it shall prohibit that person from carrying on the unlawful conduct.

(4) The Czech National Bank shall be entitled to impose remedial measures to eliminate identified shortcomings commensurate with the nature and gravity of the violation on a person referred to in Article 44(1) who violates this Act or a legal rule referred to in paragraph 1; it shall specify a reasonable time limit to eliminate the shortcomings.

(5) A person on whom a remedial measure has been imposed pursuant to paragraph 4 shall inform the Czech National Bank that the shortcoming has been eliminated without undue delay after the elimination of the shortcoming and within ten days of the lapse of the specified time limit.

- ^{9k)} Articles 4 to 5a, Article 6 and Article 12 of Act No. 634/1992 Coll., on Consumer Protection, as amended by Act No. 36/2008 Coll.
- ^{9m)} Act No. 145/2010 Coll., on Consumer Credit and on the Amendment of Certain Other Acts.
- ^{9h)} Regulation (EC) No 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws (the Regulation on consumer protection cooperation).
- ⁹ⁱ⁾ Article 3(k) of Regulation (EC) No 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws (the Regulation on consumer protection cooperation).

Article 44aa

The Czech National Bank shall ensure that the performance of supervision pursuant to other legal rules⁴⁰⁾ and pursuant to the directly applicable legislative act of the European Union governing prudential requirements⁴¹⁾ and also all activities relating to the performance of supervision are separate from and independent of the performance of activities relating to the resolution of entities subject to its supervision under Article 44(1)(a)–(c) and (e) and Article 44(3). The Czech National Bank shall inform the European Commission and the European Banking Authority about the separation of the performance of supervision and the performance of activities relating to resolution of such entities and state the manner of the distribution of duties and responsibilities. This shall be without prejudice to the provisions of Article 5(1).

Article 44b

(1) For the discharge of the responsibilities laid down in Part Ten hereof, the Ministry of the Interior or the Police of the Czech Republic shall provide the Czech National Bank with

- a) reference data from the basic population register,
- b) data from the population registration information system,
- c) data from the foreign nationals information system.

⁴⁰⁾ For example Act No. 21/1992 Coll., on Banks, as amended, Act No. 256/2004 Coll., the Capital Market Undertakings Act, as amended, Act No. 87/1995 Coll., on Credit Unions and Certain Related Measures and on the Amendment of Czech National Council Act No. 586/1992 Coll., on Income Taxes, as amended, and Act No. 96/1993 Coll., on Building Savings Schemes and State Support for Building Savings Schemes and on the Amendment of Czech National Council Act No. 586/1992 Coll., on Income Taxes, as amended by Czech National Council Act No. 35/1993 Coll., as amended.

⁴¹⁾ Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No. 648/2012.

(2) The data provided pursuant to paragraph (1)(a) shall comprise

- a) surname,
- d) first name(s),
- c) date, place and district of birth, or for a data entity born abroad, date, place and country of birth,
- d) address of residence,
- e) citizenship(s).

(3) The data provided pursuant to paragraph (1)(b) shall comprise

- a) first name(s), surname, maiden name,
- b) date, place and district of birth, or for a citizen born abroad, place and country of birth,
- c) gender,
- d) birth certificate number,
- e) address of permanent residence,
- f) citizenship(s).

(4) The data provided pursuant to paragraph (1)(c) shall comprise

- a) first name(s), surname, maiden name,
- b) date of birth,
- c) citizenship(s),
- d) type and address of residence,
- e) start (end) of residence.

(5) Of the data provided, only such data as is necessary to perform the particular task may be used in a particular case.

(6) The data kept as reference data in the basic population register shall be used from the agenda information system of population registration or the agenda information system of foreign nationals only if they are in a form preceding the current situation.

(7) In order to prove integrity or credibility by the Czech National Bank, the Czech National Bank shall require an extract from the Criminal Register pursuant to another legal rule or, in cases stipulated by another legal rule, a copy from the Criminal Register. The application

for an extract or copy from the Criminal Register and the extract or copy from the Criminal Register shall be submitted in electronic form in a manner allowing remote access. In order to prove integrity or credibility in cases stipulated by a special legal rule, the Czech National Bank shall also be entitled to require the birth certificate number from persons whose integrity or credibility is being assessed.

(8) For the purpose of accessing the register referred to in (1)(a) in cases stipulated by a special legal rule, the Czech National Bank shall be entitled to require the identity card number or a similar identification card number from the entity being registered pursuant to special other legal rules.

Article 44c

Where the Czech National Bank carries on an activity pursuant to this Act that under another legal rule requires a licence, authorisation or registration from the Czech National Bank or is subject to its supervision, the Czech National Bank shall not require a licence, authorisation or registration to carry on such activity and the activity shall not be subject to its supervision.

Article 45

(1) In the performance of supervision by way of on-site inspection, the relations between the Czech National Bank and the supervised entities shall be governed by the Inspection Code with the exception of the provisions on cooperation in the area of inspection¹¹⁾. Consultation of the inspection file pursuant to Article 44(2)(b) to (d) shall not be possible.

(2) An employee of the Czech National Bank may not perform supervision in the form of an on-site inspection if he or she is a person close^{11a)} to the supervised entity or to an entity which has a position in the supervised entity that enables it to influence the activity of the employee.

¹¹⁾ Article 25 of Act No. 255/2012 Coll., on Inspection (Inspection Code)

^{11a)} Article 116 of the Civil Code.

Article 45a Cancelled

Article 45b Cancelled

Article 45c Cancelled

Article 45d

Report on the performance of financial market supervision

(1) The Czech National Bank shall each year compile and submit for information to the Chamber of Deputies, the Senate and the Government a report on the performance of financial market supervision. This report shall be submitted by 30 June of the following year.

(2) The Czech National Bank shall publish the report on the performance of financial market supervision in a manner allowing remote access.

PART ELEVEN

ADMINISTRATIVE OFFENCES

Article 46 Offences

(1) A natural person shall be deemed to have committed an offence if it

- a) produces, imports, offers, sells or otherwise distributes in contravention of Article 16a(1) medals, tokens or similar items that may be mistaken for coins or commemorative coins issued by the Czech National Bank, or
- b) uses the word coin in contravention of Article 16a(2) when referring to or describing a medal, token or similar item in connection with the offer, sale or distribution thereof.

(2) A fine of up to CZK 1,000,000 may be imposed for an offence under paragraph 1.

Article 46a Administrative offences of legal entities and natural persons carrying on business activities

(1) A legal entity or a natural person carrying on business activities shall be deemed to have committed an administrative offence if it

- a) produces, imports, offers, sells or otherwise distributes in contravention of Article 16a(1) medals, tokens or similar items that may be mistaken for coins or commemorative coins issued by the Czech National Bank,
- b) uses the word coin in contravention of Article 16a(2) when referring to or describing a medal, token or similar item in connection with the offer, sale or distribution thereof,
- c) fails to provide necessary information or documents pursuant to Article 44a(1),
- d) fails to comply with an obligation imposed by a remedial measure pursuant to Article 44a(4), or
- e) fails to inform the Czech National Bank that a shortcoming has been eliminated pursuant to Article 44a(5).

(2) As an entity listed in Article 41(1)(a), (b) or (c), a legal entity or a natural person carrying on business activities shall be deemed to have committed an administrative offence if it

- a) fails to prepare or submit a statement pursuant to Article 41(3), or
- b) in contravention of Article 41(4), it fails to ensure correction, clarification or explanation regarding a statement.

(3) The following fines shall be imposed for an administrative offence:

- a) up to CZK 10,000,000 in the event of administrative offences under paragraph 1(a) or (b),
- b) up to CZK 5,000,000 in the event of an administrative offence under paragraph 1(d),
- c) up to CZK 1,000,000 in the event of an administrative offence under paragraph (1)(c) or (e) or paragraph 2(a) or (b).

Article 46b

Joint provisions on administrative offences

(1) A legal entity shall not be liable for an administrative offence if it proves that it made every effort that could possibly have been required to prevent the breach of its legal duty.

(2) The gravity of the administrative offence, particularly the manner in which it was committed and its consequences and circumstances, shall be taken into account when determining the amount of the fine to be imposed on a legal entity.

(3) A legal entity shall cease to be liable for an administrative offence if an administrative authority fails to open proceedings on the administrative offence within one year of the day on which the offence came to its knowledge, but no later than five years from the day on which the offence was committed.

(4) Administrative offences under this Act shall be heard in the first instance by the Czech National Bank.

(5) Liability for actions which occurred during or directly in connection with the business activities of a natural person shall be subject to the provisions of this Act on liability and punishment of a legal entity.

(6) Fines for administrative offences imposed by the Czech National Bank shall be collected and enforced by the customs authority having territorial competence. Revenue from fines imposed by the Czech National Bank pursuant to this Act shall constitute a state budget revenue.

PART TWELVE

ADMINISTRATIVE PROCEEDINGS

Article 46c

Special provisions on appeals

The provisions of the Administrative Procedure Code on appeals³⁷⁾ shall be applied to terminate proceedings on an appeal filed against a decision of the Czech National Bank pursuant to this Act or any other act.

Article 46d
Administrative fees

Administrative fees for acts made by the Czech National Bank pursuant to another legal rule³⁸⁾ shall constitute income to the Czech National Bank.

³⁷⁾ Article 90 of Act No. 500/2004 Coll., the Administrative Procedure Code.

³⁸⁾ Act No. 634/2004 Coll., on Administrative Fees, as amended.

Article 46e
Responsibility of a legal successor of a supervised legal entity for an administrative offence

(1) The responsibility of a legal entity for an administrative offence to be heard by the Czech National Bank pursuant to this Act or any other act shall be transferred to its legal successor.

(2) If responsibility under paragraph 1 has been transferred to more than one legal successor of the legal entity, the decision on the type and extent of the sanction shall also take into account to what extent the revenue, benefits and other advantages arising from the unlawful activity were transferred to each legal successor, or to what extent any of them continues to perform such activity.

(3) Where the legal entity which committed the administrative offence is dissolved after the decision imposing a fine for the administrative offence becomes final, the obligation to pay the fine shall be transferred to the legal successor of the dissolved legal entity. Where more than one legal successor exists, the legal successors shall be obliged to pay the fine jointly and severally.

PART THIRTEEN
FINANCIAL MANAGEMENT OF THE CZECH NATIONAL BANK

Article 47

(1) The Czech National Bank shall manage its finances in compliance with a budget broken down so as to show clearly the operating and investment expenditure of the Czech National Bank.

(2) The Czech National Bank shall defray the costs of its operations from its income. The profit it generates shall be used to replenish its reserve fund and other funds created from profits and for other purposes in the budgeted amount. It shall transfer the remaining profit to the state budget.

(3) Within three months of the end of the calendar year, the Czech National Bank shall submit its annual financial report to the Chamber of Deputies for review. This report shall include information on the wages of the members of the Bank Board of the Czech National Bank.

(4) The Chamber of Deputies may either:

- a) approve,
- b) acknowledge, or
- c) reject the annual financial report of the Czech National Bank.

(5) If the Chamber of Deputies rejects the financial report of the Czech National Bank, the Czech National Bank shall within six weeks submit a revised report that complies with the requirements of the Chamber of Deputies.

(6) The Czech National Bank shall publish its annual financial report in a manner allowing remote access.

Article 47a

The Czech National Bank shall manage its assets, including the international reserves, with due diligence.

Article 48

(1) The Czech National Bank shall keep accounts in accordance with a ~~special~~ ^{12a)} another legal rule.

(2) The annual accounts of the Czech National Bank shall be audited by one or more auditors appointed by agreement between the Bank Board and the Minister of Finance.

(3) As soon as the annual accounts are approved and audited, the Bank Board shall submit them to the Chamber of Deputies and publish them.

(4) The Czech National Bank shall publish an annual report containing basic information on monetary development.

(5) The Czech National Bank shall produce and publish every ten days a report on its financial position.

^{12a)} Act No. 563/1991 Coll., on Accounting, as amended.

PART FOURTEEN GENERAL PROVISIONS

Article 49

All banking operations of the Czech National Bank, including balances on the accounts it keeps, shall be subject to banking secrecy.

Article 49a

(1) The Czech National Bank shall publish in a manner allowing remote access the Bulletin of the Czech National Bank (hereinafter the “Bulletin”).

(2) The Bulletin shall be issued in sequentially numbered Volumes marked with serial numbers, with the series terminating at the end of each calendar year.

(3) The Czech National Bank shall issue official information documents of the Czech National Bank, in which it shall provide information, in particular, on the Bank Board's interest rate decisions, interpretative opinions of the Czech National Bank, the conditions for the transactions of the Czech National Bank and facts important to persons operating in the financial market.

(4) The official information documents of the Czech National Bank shall be signed by a Bank Board member.

(5) The official information documents of the Czech National Bank shall be promulgated in the Bulletin.

Article 50

(1) The staff of the Czech National Bank shall maintain confidentiality in the performance of their duties. This obligation shall remain in effect even after the termination of their employment or any similar relation to the Czech National Bank. The obligation of confidentiality in matters encountered in the performance of their duties shall also apply to the members of advisory bodies and to auditors.

(2) Persons subject to the obligations referred to paragraph 1 may be exempted from the confidentiality obligation by the Czech National Bank in cases specified by other legislative acts, in the public interest or where necessary to protect the interests of the Czech National Bank. This shall be without prejudice to the confidentiality obligation laid down in the Statute³⁹⁾.

(3) The staff of the Czech National Bank may not engage in entrepreneurial activities, participate in the entrepreneurial activities of other persons or hold offices in the statutory or other bodies of any corporation without the prior approval of the Bank Board. This provision shall not apply to the management of own assets and scientific, literary, journalistic, artistic and pedagogical activities. In all these activities, the staff of the Czech National Bank shall be obliged to prevent any conflict of interest or abuse of information acquired while performing their duties in the Czech National Bank.

(4) The staff of the Czech National Bank shall be obliged to follow the principles of professional ethics set forth in the Code of Ethics of the Czech National Bank, which shall be approved by the Bank Board.

³⁹⁾ Article 37 of the Protocol (No. 4) on the Statute of the European System of Central Banks and of the European Central Bank.

PART FIFTEEN

TRANSITIONAL AND FINAL PROVISIONS

Article 51

The Czech National Bank shall be established by the division of the State Bank of Czechoslovakia.¹³⁾

13) Article 14 of Constitutional Act No. 143/1968 Coll., on the Czechoslovak Federation, as amended.

Article 52

A limit of seven per cent of the revenues of the state budget in the previous year shall be set exceptionally for 1993 for the total stock of credits granted to the Czech Republic pursuant to Article 30(2).

Article 53

The rights and duties arising from the employment relations of the State Bank of Czechoslovakia with staff working within the territory of the Czech Republic shall be transferred to the Czech National Bank.

Article 54

The property of the State Bank of Czechoslovakia shall be transferred to the Czech National Bank to the extent set forth in a special legislative act.¹⁴⁾

¹⁴⁾ Constitutional Act No. 541/1992, on the Division of the Property of the Czech and Slovak Federal Republic between the Czech Republic and the Slovak Republic and on its Transfer to the Czech Republic and the Slovak Republic.

Article 55

(1) Where the State Bank of Czechoslovakia is named in legal regulations issued prior to the date this Act takes effect and accepted into the legal order of the Czech Republic and in provisions, this shall be taken to mean the Czech National Bank as from the date this Act takes effect.

(2) Provisions issued by the State Bank of Czechoslovakia in force as of the date this Act takes effect shall be deemed provisions issued by the Czech National Bank.

(3) Legal acts performed by the State Bank of Czechoslovakia vis-à-vis persons having their registered address or permanent residence within the territory of the Czech Republic shall be deemed, as from the date this Act takes effect, legal acts performed by the Czech National Bank.

Article 56 Cancelled

Article 57

Accounts kept by the State Bank of Czechoslovakia within the territory of the Czech Republic as of the date of dissolution of the State Bank of Czechoslovakia shall be deemed accounts kept by the Czech National Bank in compliance with this Act.

Article 58

(1) The present senior officers of the State Bank of Czechoslovakia appointed to their posts by the President of the Czech and Slovak Federal Republic from among the citizens of the Czech Republic pursuant to Article 6 of Act No. 22/1992 Coll., on the State Bank of Czechoslovakia, shall perform their duties as members of the Bank Board of the Czech National Bank until the day the members of the Bank Board of the Czech National Bank are appointed pursuant to Article 6(2) and (3).

(2) The Bank Board may allow a derogation from the provisions of Article 6(5) for 1993.

Article 59

Cancelled

Article 60

Act No. 22/1992 Coll., on the State Bank of Czechoslovakia, is hereby repealed.

Article 60a

Cancelled

Article 61

This Act shall take effect on 1 January 1993.