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ACT

of 9 September 2004

on European companies and amendments to some acts

The National Council of the Slovak Republic has adopted this Act:

Art. I

SECTION ONE

PART ONE

Subject of the regulation

§ 1

(1) This Act arranges some issues of the status of European companies with seats within the territory of the Slovak Republic and some legal relations concerned with the establishment, modification, dissolution and management of European Companies that are not arranged in a special rule.¹⁾

(2) The status and legal relations concerning European Companies that are not arranged by a special rule¹⁾ or this Act are commensurately governed by the provisions on joint stock companies pursuant to a special rule.²⁾

(3) This Act does not affect requirements for joint stock companies trading in accordance with a special act.³⁾

§ 2

For the purposes of this Act the following are understood

- a) central office for management of the European company as a place from where the activities of the European Company is managed,
- b) seat of a European company as a seat in accordance with a special act,⁴⁾
- c) two-level system of administration and management of a European company as a system in which the administration and management of the European company are performed by a board of directors and supervisory board,
- d) one-level system of administration and management of a European company as a system in which the administration and management of the European company is performed by an administrative board,
- e) publication as publication in the Commercial Gazetteer, unless this Act arranges otherwise.

§ 3

(1) Where this Act arranges the competence of the board of directors, this is understood, in the case of a European company, which, according to its articles, has a one-level system of administration and management, as the competence of the administrative board, unless this Act states that it concerns the competence of an executive director or directors.

(2) Where this Act arranges the competence of the supervisory board, this is understood, in the case of the a European company, which, according to its articles, has a one-level system of administration and management, as the competence of the administrative board, unless this Act states that it concerns the competence of an executive director or directors.

(3) Unless this Act arranges otherwise the competence of the administrative board is governed by the provisions of a special act arranging the competence of the board of directors or supervisory board.²⁾

§ 4

A European company is a corporate body recorded in the Commercial Register in accordance with a special act.⁵⁾

§ 5

Under conditions arranged by a special rule⁶⁾ a commercial company with a head office outside the territory of a Member State of the European Community or other contracting state of the European Economic Community (hereinafter "Member State") can participate in setting up a European company with seat in the territory of the Slovak Republic.

§ 6

(1) If the articles of the European company specify a one-level system of administration and management, all members of the administrative board must submit and sign the application for recording of the European company in the Commercial Register together.

(2) For a European company having a one-level system of administration and management according to its articles the record in the Commercial Register includes, aside from the information under a special act⁷⁾, the name, surname, residence, date of birth and birth number of a natural person who is a member of the administrative board, including the date of the creation of its function and, after termination, the date of termination of its function; if it concerns a foreign national natural person,⁸⁾ its birth number is recorded, if such has been allocated.

(3) For a European company, aside from the documents under a special act⁹⁾, the following are added to the collection of instruments

- a) agreement on the involvement of employees in the European company under § 42 or decision under § 41, or written declaration by the statutory organ that the time period under § 43 par. 1 has expired without conclusion of an agreement,
- b) proposal for relocation of the seat of the European company in accordance with a special rule,¹⁰⁾
- c) draft contract on fusion or contract on a merger in accordance with a special rule,¹¹⁾
- d) draft contract on the establishment of a European holding company in accordance with a special rule,¹²⁾
- e) project proposal for change of the legal form in accordance with a special act.¹³⁾

(4) The European company comes into being on the date of its recording in the Commercial Register, though this is not the case if the European company relocates its seat in accordance with a special rule.¹⁴⁾

SECTION TWO

RELOCATION OF THE SEAT OF A EUROPEAN COMPANY

§ 7

Proposal for relocation of the seat

Aside from the information under a special legal rule¹⁰⁾ the proposal for relocation of the seat must also include the specification of an appropriate purchase price for shares that the European company is liable to buy up from a shareholder under § 8 par. 1, and specification of the period for its payment.

§ 8

Protection of minority shareholders

(1) If the European company relocates its seat in accordance with a special rule,¹⁴⁾ each shareholder of the European company who, at the general assembly that decided on the relocation of the seat, voted against the relocation of the seat and requested a record of its non-agreement in the minutes of the general assembly, has the right to demand that the European company buy up its shares at an appropriate purchase price. It must be notified of this right in the invitation to the general assembly or in the notification on the convening of the general assembly that is to decide on the proposal for relocation of the seat.

(2) The European company is liable to send or publish the draft contract for the purchase of shares from legitimate shareholders in the manner specified by the statutes for the convening of the general assembly within one month from the publishing of the record of the new seat of the European company in the commercial register of the Member State of the new seat.

(3) A legitimate shareholder must be granted a period of at least 14 days for acceptance of the draft contract for purchase of shares, starting from the date of its delivery or publication.

(4) If the purchase price is not commensurate, each shareholder that accepted the draft contract for purchase of shares has the right to compensation in the form of a supplementary payment. A plaint for commencement of proceedings can be submitted to a court no later than within one year of the publication of the record of the new seat of the European company in the Commercial Register, otherwise the right is forfeit.

(5) A decision of the court by which the shareholder is granted the right to compensation in the form of a supplementary payment is also effective vis-à-vis other shareholders who accepted the draft contract for purchase of shares; the European company is also liable to pay those shareholders for each share with an equal supplementary payment.

(6) A reason for submitting a plaint for declaration of the illegality of the resolution of the general assembly that decided on the relocation of the seat cannot be that the purchase price was not commensurate.

§ 9

Protection of creditors

(1) Creditors of a European company that has relocated its seat in accordance with a special rule¹⁴⁾ who have unpaid claims against the European company have the right, if, as a result of relocation of the seat, the recoverability of their claims is reduced, to demand, within one month of the date of publication of the notice of the deposition of the decision of the general assembly on the approval for relocation of the seat in the list of instruments, that the European company adequately secure fulfilment of the non-cleared claims. This right is not granted to a creditor whose claim is already duly secured.

(2) The right to security under subsection 1 is granted only to a creditor whose claim arose no later than by the date of the notification of the deposition of the proposal of relocation of the seat in the list of instruments.

§ 10

Verification

(1) Verification in accordance with a special rule¹⁵⁾ is issued by a notary to a European company that has decided on relocation of its seat and fulfils all conditions stipulated by a special rule¹⁶⁾ and this Act.

(2) A notary shall issue the verification under paragraph 1, providing the European company can show, in particular, that creditors fulfilling the conditions under § 9 were provided with commensurate security and providing that the statutory organ of the European company submits a statutory declaration that a plaint has not been submitted to a court for declaration of the invalidity of the resolution of the general assembly that decided on the relocation of the seat, or decided that, if such plaint was submitted, it was rejected or retracted.

§ 11

Deletion from the Commercial Register after relocation of the seat to another Member State

The registry court performs a deletion of a European company that has relocated its seat to another Member State in accordance with a special rule¹⁷⁾.

§ 12

Termination of a European company due to discrepancy between the seat and central office

If a European company with a seat in the territory of the Slovak Republic relocates its central office to the territory of another Member State, the courts shall order it, even without a plaint, within a commensurate time period specified for this purpose, to relocate its central office back to the territory of the Slovak Republic or that it relocate its seat from the Slovak Republic to the territory of the other Member State in the manner in accordance with a special rule.¹⁸⁾ If the European company does not respect the court order in the specified time period, the court shall rule on the dissolution of the European company even without a plaint. The procedure of the court is commensurately governed by the provisions of a special act.¹⁹⁾

SECTION THREE

SETTING UP A EUROPEAN COMPANY BY FUSION OR MERGER

Protection of minority shareholders

§ 13

(1) A shareholder of each company that participated in the setting up of a European company who was a shareholder of one of the fusing or merging companies at the time of the proceedings of a general assembly that decided on approval of a contract on fusion or merger of the companies, who was present at the general assembly, voted against approval of a contract on fusion or merger of the companies and requested a record of its non-agreement in the minutes of the general assembly, has the right to demand that the European company buy up its shares at a commensurate purchase price.

(2) The European company is liable to send or publish the draft contract for the purchase of shares from legitimate shareholders in the manner specified by the statutes for the convening of the general assembly within one month from the publishing of the record of the fusion or merger of the companies in the commercial register of the Member State of the new seat.

(3) A legitimate shareholder must be granted a period of at least fourteen days from the acceptance of the draft contract for purchase of shares, starting from the date of its delivery or publication.

(4) The purchase price of shares must be proportionate in relation to the value of the exchange ratio of shares of the European company for shares in the companies involved in the fusion or merger and the amount of the possible supplementary payment.

(5) If the purchase price is not commensurate, each shareholder that accepted the draft contract for purchase of shares has the right to compensation in the form of a supplementary payment. The procedure in the case that the purchase price is not commensurate is governed commensurately by the provisions of a special act.²⁰⁾

(6) A reason for submitting a plaint for declaration of the illegality of the resolution of the general assembly that decided on approval of a contract on fusion or merger of the companies cannot be that the purchase price specified in the contract on fusion or merger was not commensurate.

§ 14

(1) If the exchange ratio of shares along with the possible supplementary payment specified in the contract on fusion or contract on merger of the companies is not commensurate, each shareholder of a company that participated in the fusion or merger has the right to compensation from the European company in the form of a supplementary payment.

(2) Eligibility to exercise the right to compensation at court under paragraph 1 is granted only to shareholders who

- a) were shareholders of one of the companies participating in the fusion or merger at the time of the general assembly that decided on the approval of the contract on fusion or contract on merger,
- b) before submitting the proposal to court, did not transfer any of the shares of a company participating in the fusion or merger, of which they were shareholders, even shares of the European company, who acquired exchange for shares in the company participating in the fusion or merger,
- c) did not waive the right to compensation.

(3) The procedure when exercising this right is governed commensurately by the provisions of a special act.²¹⁾

(4) A reason for submitting a plaint for declaration of the illegality of the resolution of the general assembly that decided on approval of a contract on fusion or merger of the companies cannot be that the exchange ratio of shares and amount of the possible supplementary payment specified by the contract on fusion or contract on merger were not commensurate or that information given in the written report under a special rule²²⁾ was not in line with legal regulations.

§ 15

Protection of creditors

(1) If a European company that was established by fusion or merger will have a seat outside the territory of the Slovak Republic, creditors of the joint stock company with seat in the territory of the Slovak Republic participating in the establishment of the European company who have unpaid claims against this joint stock company have the right, if, as a result of the establishment of the European company, the recoverability of their claims is reduced, to demand, within one month of the date of publication of the notice of the deposition of the contract on fusion or merger in the list of instruments, that the joint stock company with seat in the

territory of the Slovak Republic participating in the establishment of the European company adequately secure fulfilment of their unpaid claims. This right is not granted to a creditor whose claim is already duly secured.

(2) The right to security under paragraph 1 is granted only to a creditor whose claim arose no later than by the date of the notification of the deposition of the contract on fusion or merger in the list of instruments.

§ 16

Publication

Publication of information in accordance with a special rule²³⁾ is provided by the board of directors of the company participating in the fusion or merger simultaneously with the deposition of the contract on fusion or contract on merger in the list of instruments.

§ 17

Verification

(1) Verification in accordance with a special rule²⁴⁾ is issued by a notary to a joint stock company that participates in the fusion or merger and fulfils all conditions stipulated by a special rule²⁵⁾ and this Act.

(2) The notary shall not issue verification under paragraph 1 until fulfilment of the conditions under § 10 par. 2.

SECTION FOUR

ESTABLISHMENT OF A EUROPEAN HOLDING COMPANY

Protection of minority shareholders

§ 18

(1) If the exchange ratio of shares and amount of the possible supplementary payment specified in the establishment contract is not commensurate, each shareholder or partner of the companies participating in establishment of the European holding company has the right to compensation from this company in the form of a supplementary payment.

(2) Eligibility to exercise the right to compensation at court under paragraph 1 is granted only to shareholders or partners who

- a) were shareholders or partners of one of the companies participating in the establishment of the European holding company at the time of the general assembly that decided on the approval of the contract on establishment of the European holding company,
- b) have informed the company participating in the establishment of the European holding company of which they are shareholders or partners that they are interested in investing their shares or business share in the European holding company in accordance with a special rule,²⁶⁾
- c) until submitting the plaint to court, did not transfer any of the shares of a company participating in the establishment of the European holding company, of which they are or were shareholders or partners, even shares of the European holding company, who acquired exchange for shares in the company participating in the establishment of the European holding company,
- d) did not waive the right to compensation.

(3) A shareholder or partner may waive the right to compensation. The waiver of the right is effective providing it is made in writing and delivered to the European holding company or is made in the form of a record in the minutes of the general assembly.

(4) A proposal for commencement of proceedings can be submitted no later than within one year of the recording of the European holding company in the Commercial Register, otherwise the right is forfeit.

(5) The decision of the court by which the shareholder is granted the right to compensation is also binding for the European holding company, in the specification of the recognised right, vis-à-vis other shareholders or partners who fulfil the conditions under paragraph 2, and the European holding company is liable to pay shareholders for each type of share or each partner with an equal supplementary payment.

(6) A reason for submitting a plaint for declaration of the illegality of the resolution of the general assembly that decided on the approval of the contract on establishment of the European holding company cannot be that the exchange ratio of shares and amount of the possible supplementary payment specified by the

establishment contract were not commensurate or that information given in the written report under a special rule²⁷⁾ was not in line with legal regulations.

§ 19

Publication of information in accordance with a special rule²⁸⁾ is provided by the board of directors or feasons of the company participating in the establishment of the European holding company.

SECTION FIVE

ADMINISTRATION AND MANAGEMENT OF A EUROPEAN COMPANY

Part one

Two-level system

§ 20

Board of directors

1) The statutes of a European company can specify that members of the board of directors invoke or revoke general assemblies.

(2) Delegation of a member of the supervisory board to perform the tasks of a member of the board of directors under a special rule²⁹⁾ can only be granted for a certain time, for one year at most. The delegation is void even before expiry of the time it was granted for, if the competent organ appoints a full member of the board of directors.

§ 21

Supervisory board

(1) Every member of the supervisory board can exercise the right to request information in accordance with a special rule³⁰⁾ in the name of the supervisory board.

(2) The supervisory board can stipulate that its agreement is also required even for those decisions of the board of directors for which such agreement is not required by the statutes of the European company.³¹⁾

Part two

One-level system

Administrative board

§ 22

1) The administrative board is a statutory organ of the European company that governs the activities of the European company, determines the principle objectives of its commercial activities, supervises their fulfilment and acts in its name. Unless the statutes determine otherwise, each member of the administrative board is authorised to act in the name of the European company.

(2) The administrative board decides on all matters of the European company that are not delegated by special rule,¹⁾ this act or the statutes of the European company to the competence of the general assembly or executive directors. The administrative board can stipulate that its agreement is also required even for those decisions of the executive directors for which such agreement is not required by the statutes of the European company.

§ 23

(1) Each member of the administrative board is authorised to view all documents and records concerning the activities of the European company and check that accounts records are correctly administered and in correspondence with fact and whether the commercial activities of the European company are pursued in line with legal regulations, the statutes and instructions of the general assembly.

- (2) Each member of the administrative board is authorised to require from executive directors any kind of information and explanation concerning performance of its competences under paragraph 1.
- (3) The administrative board reviews the regular individual final accounts, extraordinary individual final accounts, consolidated final accounts and proposal for distribution of profit or reimbursement of losses. The administrative board presents the results of its review to the general assembly in a written report. The administrative board is liable to ensure drafting of this report so that shareholders of the European company are provided with copies of relevant documents in an equal time period and equal manner prior to the general assembly that decides on the approval of the regular individual final accounts, extraordinary individual final accounts, consolidated final accounts and proposal for distribution of profit or reimbursement of losses.
- (4) After reviewing the documents under paragraph 3 the administrative board submits them for approval to the general assembly. When performing this competence it proceeds appropriately in accordance with the provisions of a special act.²⁾
- (5) Along with the regular individual final accounts or extraordinary individual final accounts, the administrative board submits an annual report drawn up in accordance with a special rule³²⁾ to the general assembly for review. In the time periods specified by the statutes, although at least once a year, as a part of the annual report, the administrative board submits a report on the commercial activities of the company and on the state of its assets to the general assembly for review.
- (6) The administrative board is liable to inform the general assembly in writing, at least once a year, on the principle objectives of the commercial activities of the European company for the coming period, as well as the forecasted development of assets, finances and yields of the European company and, at the request of the general assembly, it also submits a report on the state of the commercial activities of the European company and on the assets of the European company in comparison with the forecast development.
- (7) A member of the administrative board specified by the administrative board represents the European company in proceedings in court and other bodies against an executive director.

§ 24

- (1) The administrative board convenes the general assembly of the European company, unless the Act arranges otherwise, in the time periods and manner specified by the statutes. If a special act arranges the liability to convene a general assembly and the administrative board does not convene one for a long time, any member of the administrative board is authorised to convene the general assembly. The procedure for convening a general assembly is governed commensurately by the provisions of a special act.³³⁾
- (2) The administrative board convenes an extraordinary general assembly if, during the course of the performance of its competences, it finds that the loss of the European company exceeds the value of one third of its basic assets or this can be expected, and it presents proposals of measures to the general assembly.
- (3) Members of the administrative board participate at the general assembly of the European company and are liable to brief the general assembly on the results of its control activities. They must be given the floor anytime they request it.
- (4) Divergent opinions of the members of the administrative board selected by employees of the European company and the viewpoint of a minority of members of the administrative board, if they request this, is notified to the general assembly along with the conclusions of the other members of the administrative board.

§ 25

- (1) The administrative board has three members, unless the statutes specify otherwise. Only natural persons can be members of the administrative board.
- (2) In a European company where an agreement on the composition of the administrative board has been concluded in accordance with § 42 par. 3, the composition of the administrative board is governed by this agreement.
- (3) In a European company where the provisions of § 53 are used the composition of the administrative board is governed by these provisions.
- (4) In a European company which does not fulfil the conditions under paragraphs 2 and 3 the administrative board is composed exclusively from persons appointed by the general assembly.

§ 26

The members of the administrative board of a European company are governed commensurately by the provisions of a special act.³⁴⁾

§ 27

(1) The chair of the administrative board convenes, organises and manages the meetings of the administrative board. The vice-chair, appointed by members of the administrative board, represents the chair at times of its absence.

(2) The administrative board meets according to requirements, at least once every three months. Each member of the administrative board or executive director can, giving reasons, request convening of the administrative board to discuss proposed matters. The chair of the administrative board is liable to convene a session of the administrative board within two weeks from the date of delivery of request for its convening.

(3) Minutes of sessions of the administrative board are taken and signed by the chair of the administrative board. The minutes include divergent opinions of the members of the administrative board selected by employees of the European company and the viewpoint of a minority of members of the administrative board, if they request this.

Executive directors

§ 28

The administrative board can delegate actions in the name of the European company to one or more executive directors.

§ 29

(1) Executive directors execute the competences of the commercial management of the European company.

(2) Decisions on the commercial management of the European company within the competencies of the executive directors require the agreement of a majority of the executive directors, unless the statutes require a higher number of votes.

§ 30

(1) Executive directors ensure due administration of the accounts of the European company and, in accordance with the statutes, draw up regular individual final accounts, extraordinary individual final accounts or consolidated final accounts and proposal for distribution of profit or reimbursement of losses, which they submit to the administrative board for review, without delay, after their drafting.

(2) Executive directors are liable, without unnecessary delay, to inform the administrative board of all facts that could fundamentally affect the development of commercial activities and state of assets of the European company, including its liquidity.

(3) If, during the course of the performance of their competences, the executive directors find that the losses of the European company exceed the value of one third of its basic assets or this can be expected, they are liable to inform the administrative board without unnecessary delay.

§ 31

(1) Executive directors are appointed and dismissed by the administrative board. A member of the administrative board can be appointed as an executive director, if the majority of members of the administrative board, even after the appointment, is made up of persons who are not executive directors.

(2) Only natural persons can be executive director of the European company.

(3) The executive directors of the European company are governed commensurately by the provisions of a special act.³⁵⁾

§ 32

If the European company does not have an appointed executive director, the competencies of the executive director are performed by the administrative board in accordance with this act.

Part three

Joint provisions for the one-level and two-level systems

§ 33

General assembly

(1) A shareholder or shareholders who have shares whose face value is at least 5 % of the basic assets, can request convening of a general assembly of a European company in accordance with a special rule³⁶⁾ and propose its agenda. The statutes of the European company can determine that this right is granted to a shareholder or shareholders having shares whose face value is less than 5 % of the basic assets.⁵⁾ The supervisory board can stipulate that its agreement also requires a decision of the board of directors, though such agreement is not required by the statutes of the European company.

(2) The shareholder or shareholders given in paragraph 1 can request inclusion of matters determined by them in the agenda of the general assembly.

SECTION SIX

§ 34

Notification

The Ministry of Justice of the Slovak Republic informs the Office for Official Publications of the European Communities of the recording or deletion of the European company from the Commercial Register in the case of its relocation in accordance with a special rule¹⁸⁾, within one month of its publication and at cost to the European company. The notification must contain the information given in the special rule.¹⁾

PART TWO

INVOLVEMENT OF EMPLOYEES IN A EUROPEAN COMPANY

General provisions

§ 35

(1) Employees of a European company with a seat in the territory of the Slovak Republic, employees of subsidiary companies and employees of organisational components of the European company (hereinafter only "employees of a European company ") have the right to participate in the management of the European company under the conditions specified by this act. Involvement of employees of the European company is governed by the provisions of the Employment Code to the extent arranged by this Act only.

(2) This right is exercised in the method agreed in § 37 to 43 or the method stipulated in § 44 to 53 of this part.

§ 36

(1) Involvement of employees of the European company for the purposes of this act is a procedure and mechanism on the basis of which a committee of employees or representatives of employees of the European company, or, if a committee of employees is not established, employees of the European company, in line with an agreement on the manner and extent of the involvement of employees of the European company in accordance with § 42 par. 2, influence the decision-making of the European company. Involvement of employees of the European company includes the right to information and negotiation and is arranged as such by the agreement on the manner and extent of involvement of employees of the European company in accordance with § 42 or this Act, as well as the right to elect or be elected, to nominate, to recommend or disagree with the election or nomination of a member of the administrative board of the European company or supervisory of the European company. The right to information and negotiation shall be limited to questions which concern the European company as a whole, its subsidiaries or establishments situated in the territory of another Member State or which exceed the powers of the decision-making organs in a single Member State.

(2) The committee of employees for the purposes of this Act is a body that represents employees and is managed on the basis of the agreement on the manner and extent of involvement of employees in the European company for the purposes of informing the employees of the European company and negotiations

with the employees of the European company, employees of subsidiaries and employees of establishments in relation to the board of directors of the European company or administrative board of the European company to the stipulated extent and there, where it is stipulated, also in joint decision-making in the European company.

(3) For the purposes of this Act the special negotiating body is a body established for the purposes of negotiating with competent bodies of the participating corporate bodies on agreement on the manner and extent of involvement of employees within the European company.

(4) For the purposes of this Act information means the provision of information by the board of directors of the European company or administrative board of the European company to the special negotiating body, committee of employees or representatives of employees which concern the European company as a whole and any of its subsidiaries or establishments situated in another Member State or which exceed the powers of the decision-making organs in a single Member State at a time, in a manner and with a content of information which allows the representatives of employees to undertake an in-depth assessment of the possible impact and, where appropriate, prepare consultations with the board of directors of the European company or administrative board of the European company.

Information must be provided and negotiated at a suitable time so that the special negotiating body, employee committee or representatives of employees can assess the information provided and express their point of view on the planned measures in the manner agreed in accordance with § 42 par. 2.

(5) For the purposes of this Act consultation means the dialogue and exchange of views between the special negotiating committee, committee of employees, representatives of employees and employees and the board of directors of the European company or administrative board of the European company, at a time, in a manner and with a content which allows the special negotiating committee, committee of employees, representatives of employees, on the basis of information provided, to express an opinion on measures planned by the board of directors of the European company or administrative board of the European company which may be taken into account in the decision-making process within the European company.

(6) For the purposes of this Act an employee is a natural person in employment relations.

Special negotiating body

§ 37

(1) The special negotiating body represents employees of corporate bodies directly participating in the foundation of the European company (hereinafter "participating corporate bodies"), employees of companies that are to become subsidiaries of the European company (hereinafter "corresponding subsidiaries") and employees of establishments of a company that are to become establishments of the European company (hereinafter "corresponding establishments") at negotiations on the involvement of employees of the European company. The special negotiating body is composed of representatives of employees of participating corporate bodies, representatives of employees of corresponding subsidiaries and representatives of employees of corresponding establishments.

(2) Consultations on the involvement of employees of a European company which has or will have its seat in the territory of the Slovak Republic are governed by this provisions and § 38 to 43, unless this Act arranges otherwise.

(3) Management organs of participating corporate bodies are liable, as soon as possible after publishing the draft terms of fusion or merger or draft plans for creation of a European holding company or after agreeing a plan to form a subsidiary or to transform a joint stock company into a European company (hereinafter "draft establishment of a European company"), to take necessary steps to start negotiations with the representatives of the employees of these companies on the future involvement of employees in the European company.

Management bodies of participating corporate bodies are liable, without unnecessary delay, to provide representatives of employees or all employees with information on the seat and form of all participating corporate bodies, corresponding subsidiaries and corresponding establishments, on the number of all employees on the date of publishing or approving the draft establishment of a European company, on the number of those employees who have the right to influence the composition of bodies of participating corporate bodies and on the manner and extent of this influence. The liabilities given in the first clause and in the second clause affect management bodies of participating corporate bodies with seats in the territory of the Slovak Republic and in the case that the European company will have a seat in the territory of another Member State.

§ 38

Composition of the special negotiating body

(1) The number of places in the special negotiating body is determined so that for each, including the first, 10 % employees of participating corporate bodies, employees of corresponding subsidiaries and employees of corresponding establishments employed in the given Member State, calculated from the total number of employees of participating corporate bodies, employees of corresponding subsidiaries and employees of corresponding establishments in all Member States, there is one member of the special negotiating body. It is based on the number of employees on the day of publication of the draft establishment of the European company.

(2) Nomination or election of members of the special negotiating body representing employees of participating corporate bodies, employees of corresponding subsidiaries and employees of corresponding establishments with a seat in the territory of the Slovak Republic is governed by a special act³⁷⁾, regardless of in which Member State the European company has or will have its seat. Positions in the special negotiating body falling to employees from another Member State than the Slovak Republic are filled in a manner stipulated by the legal code of that Member State.

(3) If the European company is established by fusion or merger and the positions in the special negotiating body will not, in accordance with this Act or in accordance with the legal code of the given Member State, be filled in such a way so that the employees of each participating corporate body that is to expire as a result of the fusion or merger are represented in the special negotiating body by at least one member of those employees, or employees elected or nominated directly or indirectly by those employees (hereinafter "direct representative"), the number of members of the special negotiating body is increased so that the employees of each participating corporate body are represented by means of a direct representative in the special negotiating body.

(4) If the number of members of the special negotiating body, filled in accordance with paragraph 3, in all Member States exceeds the number of members of the special negotiating body stipulated in paragraph 1 by more than 20 %, the number of members of the special negotiating body is increased only by 20 % whereby additional positions are divided up into single positions for the direct representatives of employees of participating corporate bodies in an order according to the number of their employees in individual Member States.

(5) Positions in the special negotiating body intended for representatives of employees of participating corporate bodies, employees of corresponding subsidiaries and employees of corresponding establishments with a seat in the territory of the Slovak Republic are filled so that employees of each participating corporate body, employees of each corresponding subsidiary and employees of each corresponding establishment in the territory of the Slovak Republic are represented by at least one direct representative.

(6) If the European company is established by fusion or merger and it is not possible to proceed under paragraph 5, positions in the special negotiating body are filled so that employees of each participating corporate body with a seat in the territory of the Slovak Republic that is to expire as a result of the fusion or merger are represented in the special negotiating body by one direct representative. The remaining positions in the special negotiating body are divided between representatives of the other employees from the Slovak Republic appropriately in accordance with the principles stipulated in paragraph 8; if positions determined as such do not remain, the members of the special negotiating body elected or nominated according to the first clause will represent in the special negotiating body the other employees from the Slovak Republic, each by equal share.

(7) If the number of positions in the special negotiating body determined for representatives of employees from the Slovak Republic does not reach the number of participating corporate bodies with seats in the territory of the Slovak Republic that are to expire as a result of the fusion or merger, even after possible increase of the number of members of the special negotiating body under paragraphs 3 and 4, possibly according to the legal order of the state where the European company is to have its seat, the positions are divided up so that direct representatives represent the employees of participating corporate bodies that are to expire as a result of the fusion or merger, in order according to the number of their employees. These representatives will also represent other employees from the Slovak Republic in the special negotiating body, each in an equal share.

(8) If the European company is established in another way than fusion or merger and the number of participating corporate bodies, corresponding subsidiaries and corresponding establishments with seats in the territory of the Slovak Republic exceeds the total number of positions in the special negotiating body determined for representatives of employees from the Slovak Republic, these positions are filled so that direct representatives in the special negotiating body progressively represent participating corporate bodies, corresponding subsidiaries and corresponding establishments, always in the order according to the number of their employees in the territory of the Slovak Republic. Members of the special negotiating body elected or

nominated according to the preceding clause will also represent other employees from the Slovak Republic in the special negotiating body, each in an equal share.

(9) Employees from the Slovak Republic can be represented in the special negotiating body by a natural person who is not an employee of a participating corporate body, employee of a corresponding subsidiary or employee of a corresponding establishment, if empowered or authorised by representatives of employees.

(10) Division of positions in the special negotiating body is performed in a manner showing how many employees each member of the special negotiating body represents. A member of the special negotiating body notifies the special negotiating body, without unnecessary delay after its appointment, how many employees it represents, in which Member State and in which participating corporate bodies, corresponding subsidiaries or corresponding establishments these employees are employed.

(11) If, in the course of consultations on the involvement of employees in the European company, there is a change in the composition of participating corporate bodies, corresponding subsidiaries or corresponding establishments, or in the number of employees in them, which would result in a substantial deviation from the rules given in paragraphs 1 to 4 in the composition of the special negotiating body, a new division of positions in the special negotiating body shall be carried out without delay. The new division of positions in the special negotiating body is performed in order to disrupt the composition of the special negotiating body as little as possible, particularly in order to maintain the mandates of the greatest number of remaining members of the special negotiating body.

§ 39

(1) Management bodies of participating corporate bodies are liable to inform the special negotiating body without delay after its determination of the draft establishment of the European company, all information on the process of its establishment by the date of recording in the Commercial Register, on the number of employees of the participating corporate bodies, number of employees of the corresponding subsidiaries or number of employees of the corresponding establishments and begin negotiations with the aim of reaching agreement on the manner and extent of involvement of employees in the European company; this is also the case for participating corporate bodies with seat in the Slovak Republic, when the European company will have a seat in another Member State.

(2) The special negotiating body can invite expert advisors to consultations. Regardless of the number of invited expert advisors the participating corporate bodies reimburse the costs of only one expert advisor for a given area.

(3) Participating corporate bodies are liable to provide the special negotiating body and its members with adequate financial resources, material resources and organisational prerequisites for the due performance of their activities. Members of the special negotiating body have a right particularly to reimbursement of costs expended on performance of activities; they are not entitled to a commission for performance of activities in the special negotiating body. Participating corporate bodies are liable in earmark in advance a corresponding volume of financial resources within a budgetary framework for payment of necessary expenditure, particularly for the organisational provision of the negotiations of the special negotiating body, translation and interpret, translation and interpreting, travel, board, lodgings and costs for expert advisors; this is also the case for participating corporate bodies with seats within the Slovak Republic if the European company will have a seat within another Member State.

(4) The special negotiating body can decide to inform other organisations and associations on the start of negotiations. The liabilities stipulated in § 54 and 55 will equally affect the other organisations and associations.

§ 40

Decisions of the special negotiating body

(1) The special negotiating body decides by resolutions adopted by an absolute majority of votes of all members, if these members represent an absolute majority of employees of all participating corporate bodies, employees of corresponding subsidiaries or employees of corresponding establishments, unless this Act arranges otherwise.

Each member of the special negotiating body has one vote.

(2) An agreement on the manner and extent of involvement of employees in the European company that would lead to a reduction in the rights of employees to influence the composition of the European company compared with a state which would occur if the agreement on the manner and extent of involvement of employees in the European company is not concluded, must be approved by at least two-thirds of the majority of votes of all members, if these members simultaneously represent at least two-thirds of all

employees of all participating corporate bodies, employees of corresponding subsidiaries or employees of corresponding establishments, from at least two various Member States; this is not valid if the right to influence the composition of bodies in existing participating corporate bodies is granted to

- a) less than 25% of the total amount of employees of the participating legal bodies, if the European company is founded by fusion or merger or
- b) less than 50% of the total amount of employees of the participating legal bodies, if a European holding company or European subsidiary company is founded.

§ 41

Decision on conclusion of negotiation

(1) By a majority of votes given in § 40 par. 2 the special negotiating body can decide not to open negotiations on the involvement of the employees in the European company or to terminate negotiations and thereby limit the involvement of the employees in the European company to the right to information and consultation of employees to the extent stipulated by the legal code of the Member State where the European company has employees. The provisions of § 44 to 55 do not affect the procedure given in the first clause; in this case the legal arrangement of access to international information and consultation in accordance with the Employment Code shall be in force appropriately, providing the set conditions are fulfilled.

(2) The special negotiating body shall be reconvened by the European company on the written request of at least 10 % of the employees of the European company, employees of its corresponding subsidiaries and employees of its establishments, or their representatives, at the earliest two years after the acceptance of the provision under paragraph 1, unless earlier reconvening of negotiations is agreed. If the special negotiating body agrees to reconvene negotiations and the agreement on the manner and extent of involvement of employees in the European company has not been concluded, the provisions of § 44 to 55 do not affect the procedure given in the first clause.

(3) If the European company is to be or was established by a change in legal form from a joint stock company whose employees have or, up to the date of the change of legal form, had the right to influence the composition of bodies of the company, the European company is not subject to the provisions of paragraphs 1 and 2.

Agreement on the manner and extent of involvement of employees in a European company

§ 42

(1) An agreement on the manner and extent of involvement of employees in a European company is concluded by the special negotiating body with the competent management bodies of the participating companies (hereinafter "parties"). The agreement on the manner and extent of involvement of employees in a European company must be made in writing and include particularly

- a) the extent of the force of the agreement on the manner and extent of involvement of employees in the European company,
- b) the composition of the employee committee, number of members and division of positions on the employee committee,
- c) authorisation of the employee committee to the board of directors of the European company or administrative board of the European company and procedure for providing information and consultation of the board of directors of the European company or administrative board of the European company with the employee committee ,
- d) the number of sessions of the employee committee per year and the manner of convening negotiations of the employee committee,
- e) financial resources, material resources and organisational prerequisites earmarked for the employee committee for the performance of its activities,
- f) the date of effectiveness of the agreement on the manner and extent of involvement of employees in the European company and its duration,
- g) cases when it is necessary to commence new negotiations on the involvement of employees in the European company and the procedure for these negotiations.

(2) If the parties agree on rules of information and consultation without setting up an employee committee, these rules must be described in detail in the agreement on the manner and extent of involvement of employees in the European company; the provisions of paragraph 1 letters b) to e) are not enforced in this case.

Persons by means of which, on the basis of the agreement on the manner and extent of involvement of employees in the European company under the first clause, employees of the European company can execute the right to information and consultation in place of an employee committee, are governed commensurately by the provisions of § 39 par. 3 and § 54 to 55.

(3) If the parties agree that employees of the European company will have the right to affect the composition of bodies of the European company, the agreement on the manner and extent of involvement of employees in the European company must specify in detail the manner and extent of this influence, particularly specify the number of members of the administrative board of the European company or number of members of the supervisory board of the European company that the employees of the European company have the right to elect, nominate or recommend, or with whose election or nomination they need not agree and the manner in which this right can be exercised.

(4) Unless stipulated otherwise in the agreement on the manner and extent of involvement of employees in a European company, the provisions of § 44 to 55 do not affect the agreement.

(5) The agreement on the manner and extent of involvement of employees in a European company that is to be or was established by a change in legal form from a joint stock company must secure a minimum equal level of all forms of involvement of employees in the European company in the management of the European company that exist in the joint stock company where the change in legal form is to occur or has occurred.

§ 43

(1) The length of negotiations on the involvement of employees in the European company must not exceed six months from the constitution of the special negotiating body.

The parties may agree to one further extension of the time limit by a further six months.

(2) If the parties do not conclude a written agreement on the manner and extent of involvement of employees in the European company in the time period given in paragraph 1, or the special negotiating body does not accept a resolution in accordance with § 41 par. 1 within that period, and the management body of each participating corporate body expresses its agreement with the use of the provisions of § 44 to 55, § 45 to 51 shall affect involvement of employees in the European company and, if the conditions stipulated in paragraphs 3 to 5 are fulfilled, § 53 shall affect involvement of employees in the European company.

(3) If the European company was established by a change in legal form from a joint stock company, § 53 shall affect involvement of employees in the European company in the case that employees of the joint stock company have the right to influence the composition of its bodies up to the date of the change of legal form.

(4) If the European company is established by fusion or merger, § 53 shall affect involvement of employees in the European company in the case that at least 25 % of the total number of employees of all participating corporate bodies had the right to influence the composition of the bodies of one or more all participating corporate bodies up to the date of the establishment of the European company.

(5) § 53 shall affect a European holding company or European subsidiary company in the case that at least 50 % of the total number of employees of all participating corporate bodies had the right to influence the composition of the bodies of one or more all participating corporate bodies up to the date of the establishment of the European company.

(6) The special negotiating body can decide to not to take account of the condition given in paragraph 4 for the purposes of paragraph 2.

(7) If the manner of exercising the right to affect the composition of bodies of individual participating corporate bodies by employees under paragraph 4 or paragraph 5 differs fundamentally, the special negotiating body shall decide on the manner of exercising in the European company; it shall inform the management bodies of the participating corporate bodies of the decision.

§ 44

Involvement of employees in a European company through an employees committee

(1) This provision and § 45 to 55 affect the involvement of employees in a European company, if the agreement on the manner and extent of involvement of employees in a European company or this Act arrange such.

(2) Employees in a European company have the right to information and right to consultation to the extent specified by this Act. They can exercise this right through the employee committee or in another manner specified in the agreement on the manner and extent of involvement of employees in the European company in accordance with § 42 par. 2.

(3) The number of members of the employee committee, the method of election and authorisation of the employee committee in relation to the board of directors of the European company or administrative board of the European company are arranged by the statutes of the European company on the basis of results of negotiations on the involvement of employees in the European company.

(4) Members of the employee committee, who are to be elected or nominated from employees of a European company with seat within the Slovak Republic, nominate representatives of employees at joint sessions. If there are no employee representatives active in the European company, corresponding subsidiary or corresponding establishment, the employees can elect themselves a representative to participate at the joint session. Division of votes at the joint session is determined proportionately according to the number of represented employees. The procedure according to the first clause to third clause is valid for a European company even at the time when the European company does not have a seat within the Slovak Republic.

(5) The provisions of § 39 par. 2 and 3 and § 54 and 55 affect members of the employee committee and its expert advisors in relation to the European company commensurately.

Supporting provisions

§ 45

Composition of the committee of employees

(1) The employee committee is composed of employees of the European company elected or nominated by representatives of employees of the European company, or employees of the European company. The term of office of members of the employee committee is five years.

(2) The number of positions in the employee committee is determined so that for each, including the first, 10 % of employees of the European company, if they are employed in the given Member State, calculated from the total number of employees of the European company in all Member States, there is one member of the employee committee. The number of members of the employee committee corresponds to the total number of positions specified in the manner given in the first sentence.

(3) If, in the course of the functional period of the employee committee, the number of employees of the European company increases in a certain Member State so that, under paragraph 2, they should be allotted more positions, the required number of new positions is determined for representatives of the employees from that Member State. New positions in the employee committee are filled so that the elected or nominated member of the employee committee represents those employees by which the number of employees of the European company increased in the given Member State. The term of office of subsequently elected or nominated members of the employee committee ends with the term of office of the employee committee.

(4) If, in the course of the functional period of the employee committee, the number of employees of the European company decreases in a certain Member State so that, under paragraph 2, they should be allotted less positions, the mandate of the corresponding number of members of the employee committee who represent the employees from that Member States is terminated. The selection of the mandate for termination of the given members of the employee committee elected or nominated in the Member State is made by drawing lots.

(5) The employee committee shall inform the board of directors of the European company or administrative board of the European company on its composition and on each change without unnecessary delay.

§ 46

(2) The method of nomination or election of members of the employee committee who will represent employees of the European company from other Member State than the Slovak Republic is governed by the legal code or conventions used in that Member State; this is also the case for representation of employees from the Slovak Republic in the employee committee of the European company that has or will have its seat in another Member State. Negotiations of the committee of employees

§ 47

(1) The committee of employees adopts a negotiating code at the first session.

(2) If justified, in view of the number of members of the employee committee, the employee committee shall stipulate a subcommittee and elect its members. A subcommittee can have at most three members.

Members of the subcommittee coordinate the activities of the employee committee and act on behalf of the employee committee in line with its resolutions.

§ 48

(1) The competence of the employee committee exclusively includes questions which concern the European company as a whole, its corresponding subsidiaries or corresponding establishments situated in the territory of another Member State or which exceed the powers of the decision-making organs in a single Member State.

(2) After four years have expired since the establishment of the employee committee, the employee committee decides whether negotiations on the involvement of employees in the European company should be reconvened with the aim of reaching agreement on the manner and extent of involvement of employees in the European company or whether to proceed in accordance with provisions § 44 to 55.

(3) If the employee committee decides to commence negotiations on the involvement of employees in the European company, the provisions of § 41, § 42 and § 43 par.1 shall be enforced appropriately, whereby negotiations are held by the employee committee with the competent management body of the European company.

If, during the period under § 43 par. 1, an agreement on the manner and extent of involvement of employees in the European company is not concluded, the legal code of the given Member State shall govern the involvement of employees.

§ 49

(1) Members of the employee committee have the right to leave of absence with payment of salary for unavoidably necessary time for participation in training necessary for their activities on the employee committee.

(2) The management bodies of the European company are liable to ensure that the employee committee can, at any time, meet in closed session without the presence of members of the management bodies of the European company. The employee committee can invite expert advisors to negotiations with management bodies of the European company. Regardless of the number of invited expert advisors the European company shall reimburse the costs connected with the participation of one expert advisor for a given area.

(3) The European company is liable to provide the employee committee and its members with adequate financial resources, material resources and organisational prerequisites for the due performance of their activities. Members of the employee committee have a right to reimbursement of costs expended during performance of activities; they are not entitled to a commission for performance of activities on the employee committee. The European company shall earmark in advance a corresponding volume of financial resources within a budgetary framework for payment of necessary expenditure, particularly for the organisational provision of the negotiations of the employee committee, translation and interpreting, travel and board and lodgings.

§ 50

Right to information

(1) The board of directors of the European company or administrative board of the European company are liable, regularly and at least once a year, to submit a report on the development of commercial activities of the European company to the employee committee.

(2) The board of directors of the European company or administrative board of the European company are liable, in advance and without unnecessary delay, to provide the employee committee with a draft agenda for each session of the board of directors, supervisory board of administrative board of the European company and copy of documents submitted to the general assembly of the European company.

(3) The board of directors of the European company or administrative board of the European company are liable, without unnecessary delay, to inform the employee committee of all extraordinary facts that could significantly affect the interests of employees of the European company, particularly concerning the relocation or dissolution of business premises or corresponding establishments or collective redundancies.

(4) The employee committee regularly briefs representatives of employees or employees of the European company with information that it acquired while performing its functions from the board of directors of the European company or administrative board of the European company and with the results of negotiations that it took part in; the provisions of § 44 par. 5 are unaffected by this.

§ 51

Right to consultation

(1) The board of directors of the European company or administrative board of the European company are liable, within an appropriate time limit, to consult with the employee committee on the report given in § 50 par. 1, particularly from the point of view of the structure of the European company, its economic and financial situation, the forecast development of commercial activities, production and sales, the situation and probable trend of employment and investments, substantial changes concerning organisation, introduction of new working methods or production processes, transfers of production, fusions or mergers, organisational changes or closures of business premises, establishments or important parts thereof and collective redundancies.

(2) If the facts given in § 50 par. 3 occur, the board of directors of the European company or administrative board of the European company, or chair of the administrative board of the European company are liable, without unnecessary delay, to accommodate the demands of the employee committee or, in urgent cases, the subcommittee, and convene joint sessions with the aim of providing information and consultation matters that could significantly affect the interests of employees of the European company.

(3) If the board of directors of the European company or administrative board of the European company, or chair of the administrative board of the European company decide to act in contradiction to the standpoint of the employee committee or subcommittee declared at the joint session under paragraph 2, they are liable prior to carrying out this decision to accommodate a new demand from the employee committee or subcommittee on further joint negotiations with the aim of reaching agreement.

(4) If the subcommittee acts for the employee committee in the cases given in paragraphs 2 and 3, members of the employee committee who represent employees of the European company who are directly affected by the subject of a joint session have a right to participate in such a session; in this case members of the employee committee have the right to participate in all closed sessions of the subcommittee.

Involvement of employees in a European company in the form of influencing the composition of its bodies

§ 52

Under the conditions stipulated by this Act, employees of a European company have the right to affect the composition of bodies of the European company in the manner and to the extent stipulated in the statutes of the European company on the basis of the results of negotiations on the participation of employees of the European company. If the agreement on the manner and extent of involvement of employees in the European company or this Act so stipulate, § 53 shall govern the involvement of employees in the European company.

§ 53

(1) If the European company was established by a change in legal form from a joint stock company, the employees of the European company have the right to influence the composition of its bodies in the same manner as in the joint stock company according to the legal code in force up to the date of the change of legal form.

(2) If the European company was established otherwise than by a change in legal form from a joint stock company, the employees of the European company have the right to influence the composition of its bodies to an extent corresponding to the most favourable extent of this influence in any one of the participating corporate bodies up to the date of the establishment of the European company. If employees had no right to influence the composition of bodies in any of the participating legal bodies, the employees of the European company do not have this right either.

(3) The employee committee decides on the division of the positions in the administrative board of the European company or supervisory council of the European company that fall to representatives of the employees of the European company under paragraph 1 or 2, between these representatives from individual Member States or on the manner by which the employees of the European company from individual Member States or their representatives will recommended members of the administrative board of the European company or supervisory council of the European company for election or nomination or disagree with their election or nomination. The employee committee decides on the basis of the share of employees of the European company in individual Member States from the total number of employees of the European company in all Member States. If this method of division leads to a situation where the employees of the European company from one or more Member States will not be represented on the administrative board of the European company or supervisory council of the European company, the employee committee

will nominate one of its members from those Member States, preferentially from the Member State where the European company has its seat.

(4) The method of filling positions on the administrative board of the European company or supervisory council of the European company that, on the basis of a decision of the employee committee under paragraph 3, fall to representatives of employees of the European company from another Member State than the Slovak Republic is governed by the legal order of that Member State.

(5) The election or nomination of representatives of employees of the European company who are employed within the Slovak Republic to the administrative board of the European company or supervisory board of the European company, regardless of where the European company has its seat, is governed by a special act³⁸) on the election of members of the supervisory board of a joint stock company by its employees only if the legal code of the Member State where the European Company has its seat rules out the use of the legal code of the Slovak Republic. If employees of several participating corporate bodies or corresponding establishments participate in the election given in the first clause, the provisions of § 44 par. 4 govern the election commensurately.

(6) Members of the administrative board of the European company or supervisory board of the European company, who were nominated to the function, elected or recommended by employees of the European company or their representatives, have equal rights and liabilities as members of these bodies elected or nominated by the general assembly, unless this Act stipulates otherwise.

Joint provisions

§ 54

The liability to maintain confidentiality and confidential information

(1) Members of the special negotiating body, their expert advisors and members of employee committee are liable to maintain confidentiality on all information that they come into contact with in connection with negotiations and which is marked as confidential when provided. The liability under the first clause lasts until after conclusion of the term of office and negotiations and is enforced for all participants regardless of which state the represented employees come from.

(2) The management body of the participating corporate body can withhold information the character of which is such that, according to objective criteria, its communication could seriously damage the functioning of the European company or its corresponding subsidiaries or corresponding establishments, or can mark certain information provided in connection with negotiations as confidential. The special negotiating body and employee committee can demand that the supervisory body of this corporate body or a court determine that the information was marked as confidential without adequate reason; for participating corporate bodies with seats in the territory of the Slovak Republic this is valid even in the case that the European company will have a seat in the territory of another Member State.

The special negotiating body and employee committee are competent to be parties to proceedings for the purposes given in paragraph 2, even in the case that the European company has its seat in a different Member State, if the participating corporate body or corresponding establishment that representation concerns has its seat in the territory of the Slovak Republic.

§ 55

Protection of representatives of employees

(1) Members of the special negotiating body, members of the employee committee, any representatives of employees having the right to participate in matters of the European company and any representatives of employees on the supervisory body or administrative body of the European company who are employees of corresponding subsidiaries or corresponding establishments, or of a corporate bodies shall, in the exercise of their functions, enjoy the same protection and guarantees provided for representatives of employees in accordance with the legal order of the Member State where they are employed.

(2) Protection of employee representatives relates particularly to participation at sessions of the special negotiating body, sessions of the employee committee, any other session under § 42 par. 2 and any session of the administrative body or supervisory body.

A member of the special negotiating body and member of the employee committee has, to the extent stipulated by the Employment Code, a right to protection against discrimination and to leave of absence with payment of salary.

Leave of absence with payment of salary is provided by a participating corporate body with seat in the territory of the Slovak Republic, even though the European company has or will have a seat in the territory of another Member State.

§ 56

Concluding provisions

This Act adopts the legal acts of the European Community given in the annex.

Art. II

Act No 323/1992 Coll. on notaries and notarial activities (Notarial Code), as amended by Act No 63/1993 Coll., Act No 232/1995 Coll., Act No 397/2000 Coll., Act No 561/2001 Coll., Act No 526/2002 Coll., Act No 527/2002 Coll., Act No 357/2003 Coll., Act No 514/2003 Coll. and Act No 420/2004 Coll., is amended as follows:

1. In § 56 paragraph 1 letter g) is followed by a new letter h), which reads:
"h) on fulfilment of the conditions stipulated by a special rule,". The existing letter h) is denoted as letter i).
2. After § 63, §63a is added, which, including the title, reads:

"§ 63a

Attestation of fulfilment of the conditions stipulated by a special rule

The notary, in the form of notarial record on the basis of the submitted documents, attests fulfilment of the conditions stipulated by a special rule;6baa) in the notarial record the notary indicates fulfilment of which conditions it attested and the manner in which their fulfilment was demonstrated and adds a notary's statement to the effect that it can find no impediment to the procedure of the participant in accordance with a special rule. 6baa)".

The footnote to reference 6baa reads:

"6baa) For example Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (Official Journal L 294 of 10 November 2001), Act No 562/2004 Coll. on European companies and amendments to some acts and Act No 40/1964 Coll., the Civil Code, as amended."

Art. III

Act No 530/2003 Coll. on the Commercial Register and amendments to some acts, as amended by Act No 432/2004 Coll., is amended as follows:

In § 7 paragraphs 6, 7 and 8 are added, which read:

"(6) Prior to the recording of a European company formed as result of fusion or prior to the recording of a European company that is the acquiring company in a merger in the Commercial Register, the Registry Court, aside from the facts under §6 from the submitted documents, also verifies whether,

- a) the merging or merged companies approved the draft conditions of the fusion or merger in identical wording,
- b) the conditions in accordance with a special act^{14c)} are fulfilled.

(7) Prior to the recording of a European company established as a European holding company in the Commercial Register, the Registry Court, aside from the facts under § 6 from the submitted documents, also verifies whether conditions under a special rule 14d) are fulfilled.

(8) Prior to the recording of a European company established as a subsidiary company in the Commercial Register, the Registry Court, aside from the facts under § 6 from the submitted documents, also verifies whether the founders of the European company fulfil the conditions under a special rule.14e)".

The existing paragraphs 6 and 7 are denoted as paragraphs 9 to 11."

The footnotes to references 14c to 14e read:

"14c) Art. 12 (2) Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (Official Journal L 294 of 10 November 2001)."

"14d) Art. 32 and 33 Council Regulation (EC) No 2157/2001."

"14e) Art. 3 (2) Council Regulation (EC) No 2157/2001."

Art. IV.

This act comes into force on 1 November 2004.

Ivan Gašparovič, own hand

Pavol Hrušovský, own hand

Mikuláš Dzurinda, own hand

- (1) Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (Official Journal L 294 of 10 November 2001).
- 2) Commercial Code.
- 3) For example, Act No 438/2001 Coll. on banks and amendments to some acts, as amended, Act No 566/2001 Coll. on securities and investment services and amendments to some acts (the Securities Act), as amended, Act No 95/2002 Coll. on insurance companies and amendments to some acts, as amended, Act No 594/2003 Coll. on collective investment and amendments to some acts.
- 4) § 2 par. 3 of the Commercial Code.
- 5) § 27 par. 2 of the Commercial Code.
- 6) Art. 2 Council Regulation (EC) No 2157/2001.
- 7) § 2 of Act No 530/2003 Coll. on the Commercial Register and amendments to some acts.
- 8) § 21 of the Commercial Code.
- 9) § 3 par. 1 letter o) of Act No 530/2003 Coll., as amended by Act No 432/2004 Coll.
- 10) Art. 8 (2) Council Regulation (EC) No 2157/2001.
- 11) Art. 20 (1) Council Regulation (EC) No 2157/2001.
- 12) Art. 32 (2) Council Regulation (EC) No 2157/2001.
- 13) Art. 37 (4) Council Regulation (EC) No 2157/2001.
- 14) Art. 8 (1) Council Regulation (EC) No 2157/2001.
- 15) Art. 8 (8) Council Regulation (EC) No 2157/2001.
- 16) Art. 8 (2), (3), (4), (6) and (7) Council Regulation (EC) No 2157/2001.
- 17) Art. 8 (11) Council Regulation (EC) No 2157/2001.
- 18) Art. 8 Council Regulation (EC) No 2157/2001.
- 19) § 68 par. 8 and 9 of the Commercial Code.
- 20) § 218j of the Commercial Code.
- 21) § 218i par. 3 to 6 of the Commercial Code.
- 22) § 218i par. 3 of the Commercial Code.
- 23) Art. 21 Council Regulation (EC) No 2157/2001.
- 24) Art. 25 (2) Council Regulation (EC) No 2157/2001.
- 25) Art. 20, 21, 22, 23 and 24 Council Regulation (EC) No 2157/2001.
- 26) Art. 33 (1) and (3) of Council Regulation (EC) No 2157/2001.
- 27) Art. 32 (4) Council Regulation (EC) No 2157/2001.
- 28) Art. 33 (3) Council Regulation (EC) No 2157/2001.
- 29) Art. 39 (3) Council Regulation (EC) No 2157/2001.
- 30) Art. 41 (3) Council Regulation (EC) No 2157/2001.
- 31) Art. 48 (1) Council Regulation (EC) No 2157/2001.
- 32) Act No 431/2002 Coll., on accounting, as amended by Act No 526/2003 Coll.
- 33) § 184 of the Commercial Code.
- 34) § 194 par. 5 to 8, § 196 and § 196a of the Commercial Code.
- 35) § 135a and 136 of the Commercial Code.
- 36) Art. 55 Council Regulation (EC) No 2157/2001.
- 37) § 244 of Act No 311/2001 Coll., the Employment Code, as amended.
- 38) § 200 of the Commercial Code.

List of adopted legal acts of the European Communities

Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees (Official Journal L 294, 10/11/2001).