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Act No. 465 of June 20, 2002

on Block Exemptions from the Ban of Agreements Restricting Competition and on Amendment of Some Acts

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

Clause I

Article 1

Subject of the adjustment

This Act shall adjust block exemptions of agreements restricting competition, which are not subject to the ban pursuant to the special regulation[1].

Block exemption for vertical agreements restricting competition

Article 2

(1) The ban pursuant to special regulation[1] shall not apply to agreement restricting competition between two or more undertakings each of which operates, for the purposes of the agreement restricting competition, at a different level of the production chain or distribution system, and relating to the conditions under which the undertakings may purchase, sell or resell goods or services (hereinafter only "vertical agreement").

(2) The exemption provided for in Paragraph 1 shall not apply to agreements restricting competition, which are subject to Articles 10 to 15 and Articles 16 to 23.

Article 3

Definition of terms for purpose of vertical agreements

(1) Non-compete obligation means direct or indirect obligation, which

a) binds the buyer not to manufacture, purchase, sell or resell goods or services that are interchangeable with or substitutable for the goods or services, which are subject to the vertical agreement, or

b) binds the buyer to purchase from the supplier or from another undertaking identified by the supplier more than 80% of the buyer's total purchases of the vertical contractual goods or services and goods and services, that are interchangeable with or substitutable for vertical contractual goods or services, calculated on the basis of the value of its purchases in the

[1] Article 4 of the Act No. 136/2001 Coll. on Protection of Competition and on Amendment of Act of the Slovak National Council No. 347/1990 Coll. on Organisation of Ministries and Other Central State Administrative Bodies of the Slovak Republic as amended.

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preceding calendar year and where the data for such a calendar year are not available, buyer's assumption of its requirements regarding the annual purchase value shall be used instead.

(2) Exclusive supply obligation means direct or indirect obligation binding the supplier to sell the goods or services specified in the vertical agreement only to one buyer within a defined territory for the purposes of a specific use or for resale.

(3) Selective distribution system means a distribution system where the supplier undertakes to sell the goods or services, either directly or indirectly, only to distributors selected on the basis of criteria specified in advance by the supplier and where these distributors undertake not to sell such goods or services to distributors unauthorised by the supplier,

(4) Know-how means a package of knowledge and information, resulting from creative activities and experience of the undertaking, which is not governed by special regulation[2)] and is:

a) secret; these are the knowledge and information that as a body or in the precise configuration is not generally known or easily accessible,

b) substantial; these are the knowledge and information, which is indispensable for buyer for the use, sale or resale of the goods or services, which are subject to the vertical agreement,

c) identified; these are the knowledge and information, which is described in a sufficiently comprehensive manner so as to make it possible to verify that it fulfils the criteria of secrecy and substantiality.

(5) Buyer of goods or services means an undertaking which, in its own name and on its own behalf, purchases goods or services from their producer, importer or other undertaking and resells them to other undertakings or consumers[3)]; buyer means also an undertaking which resells goods or services on behalf of another undertaking and carries certain financial or commercial risk in connection therewith.

(6) Active sales means buyer's activity comprising any active

a) searching for and approaching individual customers on the exclusive territory of any other buyer or within a group of customers exclusively assigned to any other buyer, or

b) approaching a specific group of customers exclusively assigned to another buyer or any active approaching customers located in any specific area within exclusive territories of other buyer, particularly by miscellaneous forms of promotion aimed at such a target group of customers or customers in such specific area, or by establishing a depot or a distribution outlet in the exclusive territory of any other customer;

(7) Passive sales means buyer's activity that comprises receiving unsought purchase orders from individual customers, including orders for goods or services delivery to such customers, or advertising or any other form of promotion, particularly in the mass-media or on the internet,

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[2)] For example Act No. 55/1997 Coll. on Trade Marks in the wording of the Act No. 577/2001 Coll., Act No. 383/1997 Coll. Act on Copyright and Act amending the Act on Duties in the wording of further laws in the wording of the Act No. 234/2000 Coll. (full wording No. 34/2001 Coll.).

[3)] Article 2 Paragraph 1 letter a) and Paragraph 2 of the Act No. 634/1992 Coll. on Protection of Consumer.

targeted to the customers in the territory exclusive to that buyer or to the group of customers exclusively assigned to that buyer, which are accessible to and may influence customers from the exclusive area of another buyer or a group of customers exclusively assigned to another buyer.

(8) Non-reciprocal vertical agreement of competing undertakings means any agreement of undertakings under which one participant to the agreement becomes a buyer of goods or services produced or distributed by the other participant to the agreement, but the other participant does not become a buyer of products or services produced or distributed by the former participant to the agreement.

(9) Total annual turnover means the sum of turnovers of the participant to the vertical agreement and its connected undertaking, achieved in the foregoing closed accounting period, excluding any turnover achieved by sales of products or services between the participant to the vertical agreement and its connected undertaking or between such connected undertakings themselves.

(10) Supplier and buyer mean also its respective connected undertaking.

(11) The production also means the provision of services.

(12) The producer also means the undertaking providing services.

(13) Competing undertaking means supplier or potential suppliers of products in the same relevant product market, which products are regarded by the buyer as interchangeable or substitutable, regardless of it being the same geographic relevant market.

(14) Connected undertaking means the undertaking

a) in which a party to the agreement restricting competition has the direct or indirect right to exercise a half or more of the voting rights, to appoint a half or more of the members of the bodies legally representing the undertaking or to manage the undertaking,

b) which has the right listed in letter a) over the undertaking of the party to the agreement restricting competition or

c) in which an undertaking referred to in letter b) has, directly or indirectly, the right listed in letter a).

Article 4

The exemption provided for in Article 2 shall also apply to vertical agreement

a) entered into between an association of undertakings and its members, or between such an association and its suppliers, if all its members are retailers of goods and if no member of the association has not separately a total annual turnover exceeding SKK 50 million and also if such a limit for the total annual turnover has not been exceeded in any two consecutive accounting periods by more than 10%, without prejudice to applicability of special regualtion[1)] to agreement

restricting competition entered into between members of the association of undertakings or to decision of associations of undertakings, or

b) containing provision, relating to intellectual property rights if these:

1. do not constitute the primary object of the vertical agreement, but merely a part of its conditions under which the participants to the vertical agreement may purchase, sell or resell goods or services,

2. are directly related to the use, sale or resale of goods or services by the buyer or its customers and

3. are not intended, nor may result in such competition restriction that falls outside the scope of the exemption provided for in this act.

Article 5

(1) The exemption provided for in Article 2 shall not apply to vertical agreement entered into between competing undertakings except for non-reciprocal vertical agreement between competing undertakings, provided that

a) buyer's total annual turnover does not exceed SKK 100 million and this total annual turnover limit has not been exceeded in two consecutive accounting periods by more than 10%,

b) the supplier is active on relevant markets of both, the product manufacture and distribution, while the buyer is active only on the relevant market of product distribution and is not active on the relevant market of manufacturing products that are interchangeable with or substitutable for products, which are subject to vertical agreement, or

c) the supplier provides services at several levels of trade, while the buyer does not provide competing services at the level of trade where it purchases the services interchangeable with or substitutable for services, which are subject to vertical agreement.

(2) Any buyer pursuant to Paragraph 1 letter b) shall not be considered as the manufacturer of a product of its own trade mark, if supplies the manufacturing supplier only with a direction and description how to manufacture a product under buyer's trade mark.

Article 6

(1) The exemption provided for in Articles 2, 4 and 5 shall apply to vertical agreement on condition that the market share held by the supplier does not exceed 30% of the relevant market on which it sells the goods or services, which are subject to vertical agreement.

(2) The exemption provided for in Articles 2, 4 and 5 shall apply to vertical agreement containing exclusive supply obligations on condition that the market share held by the buyer does not exceed 30% of the relevant market on which it purchases the goods or services, which are subject to vertical agreement.

(3) The exemption provided for in Articles 2, 4 and 5 shall apply to vertical agreement participants to which are several undertakings active at different levels of the production chain or distribution system on condition that their market share does not exceed 30% of the relevant market at all such levels.

(4) The share of the relevant market pursuant to Paragraphs 1 to 3 will be calculated on the basis of data relating to the preceding calendar year. In the case that the data relating to the preceding calendar year are not available, the data for the year before that shall be used.

(5) The exemption provided for in Articles 2, 4 and 5 shall apply to the vertical agreement, on condition that the market share referred to in Paragraphs 1 or 2 subsequently rises without exceeding 35%, for a period of two consecutive calendar years following the year in which the 30% share of the relevant market was first exceeded.

(6) The exemption provided for in Articles 2, 4 and 5 shall apply to the vertical agreements on condition that the market share referred to in Paragraphs 1 or 2 subsequently rises above 35%, for one calendar year following the year in which the level of 35% share of the relevant market was first exceeded.

(7) The benefit of Paragraphs 5 and 6 may not be combined by undertakings so as to exceed a period of two calendar years.

(8) The share of the relevant market pursuant to Paragraphs 1 to 3 and 5 and 6 shall be calculated on the basis of the market sale or purchase value of the goods or services, which are subject to vertical agreement and other goods or services sold by the supplier, which are regarded by the buyer as interchangeable with or substitutable for the goods or services, which are subject to vertical agreement. Where the said data are not available, other data may be used for the purposes of the calculation, particularly sales or purchase volume data relating to goods or services concerned.

Article 7

The exemption provided for in Articles 2, 4 and 5 shall not apply to vertical agreement as a body, which directly or indirectly, in isolation or in combination with other factors under the control of the participants to the vertical agreement, has as its object:

a) the restriction of the buyer's ability to fix the sale price of its goods or services, without prejudice to the possibility of the supplier's recommending a sale price of its goods or services, provided that the application of such recommended price does not have the same effect on the competition as direct or indirect imposing of prices,

b) the restriction of the territory into which, or of the customers to whom, the buyer may resell the goods or services, which are subject to vertical agreement, except the restriction

1. of active sales into the exclusive territory or to an exclusive customer group reserved to the supplier or reserved by the supplier to another buyer, where such a restriction does not limit sales by the customers of the buyer,

2. of sales of goods and services to end users by a buyer operating at the wholesale level of trade,
3. of members of a selective distribution system to sell goods or services to distributors that are not members of such a selective distribution system,

4. of the buyer's ability to sell components, supplied for the purposes of further processing, to customers who would use them to manufacture the same type of goods as those produced by the supplier,

c) the restriction of active or passive sales to end users by members of a selective distribution system operating at the retail level of trade, without prejudice to the possibility of prohibiting a member of the selective distribution system from selling at a place of establishment other than previously agreed,

d) the restriction of cross-supplies between distributors within a selective distribution system, including between distributors operating at different levels of distribution system, or

e) the restriction of a supplier of components, based on the agreement between the supplier of components and a buyer who incorporates those components into a final product, which limits the supplier to selling the components as spare parts to end-users, repairers or other service providers, provided maintenance or repair services, that they were not entrusted by the buyer with realizing the maintenance or repair of its goods.

Article 8

The exemption provided for in Articles 2, 4 and 5 shall not apply to any of the following obligations contained in vertical agreement

a) any non-compete obligation, the duration of which is indefinite or agreed to exceed five years; a non-compete obligation, which is tacitly renewable beyond a period of five years, is to be deemed to have been concluded for an indefinite duration. However, the time limitation of five years shall not apply where the goods or services, which are subject to vertical agreement are sold by the buyer from premises and land owned by the supplier or leased by the supplier from third parties not connected with the buyer, provided that the duration of the non-compete obligation does not exceed the period of occupancy of the premises and land by the buyer,

b) direct or indirect obligation causing the buyer, after termination of the vertical agreement, not to manufacture, purchase, sell or resell goods or services, unless such obligation

1. relates to goods or services, which are interchangeable with or substitutable for the goods, or services, which are subject to vertical agreement,

2. is limited to selling goods or services pursuant to point 1 from the premises and land from which the buyer has operated during the vertical contract period,

3. is indispensable to protect know-how transferred by the supplier to the buyer,

provided that the duration of such non-compete obligation is limited to a period of one year after termination of the vertical agreement; this obligation is without prejudice to the possibility of imposing a restriction which is unlimited in time on the use and disclosure of know-how which has not been disclosed to third parties or

c) direct or indirect obligation restricting the members of a selective distribution system to sell goods or services of other identified suppliers interchangeable with or substitutable for the goods or services, which are subject to vertical agreement.

Article 9

The Antimonopoly Office of the Slovak Republic[4)] (hereinafter only "the Office") shall decide in the proceedings initiated on its own incentive, that the exemption provided for in Articles 2, 4 or 5 does not relate to vertical agreement, if

a) it finds that a vertical agreement meets the conditions for granting block exemption pursuant to this act nevertheless has effects which are incompatible with the conditions laid down in special regulation[5)], or

b) access to the relevant market or competition therein is significantly restricted by the cumulative effect of parallel vertical agreements implemented by competing undertakings, containing similar vertical restraints and having similar effects to the relevant market.

Block exemption for motor vehicle distribution and servicing agreements restricting competition

Article 10

The ban pursuant to special regulation[1)] shall not apply to distribution and servicing agreement (hereinafter only "agreement on distribution and servicing") between two undertakings and in which one contracting participant to the agreement agrees to supply, within a defined territory, only to the other participant to the agreement, or only to the other participant and to a specified number of other buyers within the distribution system for the purpose of resale, new motor vehicles intended for use on public roads and having three or more road wheels, together with spare parts therefore (hereinafter only "contractual goods").

Article 11

Definition of terms for purpose of distribution and servicing agreements

(1) Distribution and servicing agreement means an agreement between two undertakings, whereby the participant to the agreement supplying contractual goods entrusts to the other participant to the agreement the distribution and servicing of those contractual goods.

[4)] Articles 14 to 21 of the Act No. 136/2001 Coll.
[5)] Article 6 Paragraph 3 letters a) to d) of the Act No. 136/2001 Coll.

(2) Supplier means the undertaking, which supplies the contractual goods, and the dealer is the undertaking entrusted by the supplier with the distribution and servicing of the contractual goods.

(3) Contractual territory means the territory within the Slovak Republic to which the obligation of exclusive supply in the meaning of Article 10 applies.

(4) Spare parts mean parts, which are to be installed in or upon a motor vehicle so as to replace components of that vehicle; they are to be distinguished from other parts and accessories, according to trade usage.

(5) Manufacturer means the undertaking, which manufactures or procures the manufacture of the motor vehicles from another undertaking in the contractual range, or which is connected with an undertaking manufacturing motor vehicles or procuring the manufacture of motor vehicles in the contractual range.

(6) Undertakings within the distribution system mean the participants to the agreement, the manufacturer and undertakings, which are entrusted by the manufacturer or with the manufacturer's consent with the distribution and servicing of contractual goods or corresponding goods.

(7) Passenger car, which corresponds to a model within the contractual range means a passenger car manufactured or assembled in full volume by the manufacturer, and identical as to body style, driving system, chassis, and type of motor with a passenger car within the contractual range.

(8) Corresponding goods, corresponding motor vehicles and corresponding spare parts mean those goods, motor vehicles and spare parts, which are distributed by the manufacturer or with the manufacturer's consent, are similar in kind to those in the contractual range and are the subject of a distribution or servicing agreement with an undertaking within the distribution system.

(9) Resale includes all transactions by which a reseller disposes of a motor vehicle which is still in a new condition and which he had previously acquired in his own name and on his own behalf; the term resale shall include sales on basis of contracts containing provisions on leasing a new motor vehicle, which provide for a transfer of ownership or the first option to purchase the motor vehicle.

(10) Contractual range refers to the totality of the contractual goods under the distribution and servicing agreement.

(11) Active sales means buyer's activities comprising any active

a) searching for and approaching individual customers on the exclusive territory of any other buyer or within a group of customers exclusively assigned to any other buyer, or

b) approaching a specific group of customers exclusively assigned to another buyer or any active approaching customers located in any specific area within exclusive territories of other

buyers, particularly by miscellaneous forms of promotion aimed at such a target group of customers or customers in such specific area, or by establishing a depot or a distribution outlet in the exclusive territory of any other customer.

(12) Vehicle-recall work is the information in a written or other suitable form submitted to the owners or holders of motor vehicles, where the manufacturer, importer of distributor of motor vehicles informs on the need to perform certain measures, if there is a presumption of system defect in the certain type of motor vehicles, due which the security of their operation or the security of road traffic may be threatened.

(13) Connected undertaking means the undertaking

a) in which a party to the agreement restricting competition has the direct or indirect right to exercise a half or more of the voting rights, to appoint a half or more of the members of the bodies legally representing the undertaking or to manage the undertaking,

b) which has the right listed in letter a) over the undertaking of the party to the agreement restricting competition or

c) in which an undertaking referred to in letter b) has, directly or indirectly, the right listed in letter a).

Article 12

(1) The exemption provided for in Article 10 shall apply to distribution and servicing agreement provided that in addition to the obligation referred to in Article 10 the supplier undertakes neither to sell contractual goods to final consumers nor to provide them with servicing for contractual goods in the contractual territory.

(2) The exemption provided for in Article 10 shall also apply to distribution and servicing agreement where the obligation referred to in Article 10 is combined with an obligation on the dealer

a) not, without the supplier's consent, to modify contractual goods or corresponding goods, unless such modification has been ordered by a final consumer and concerns a particular motor vehicle purchased by that final consumer,

b) not to manufacture products, which compete with contractual goods,

c) not to sell new motor vehicles offered by persons other than the manufacturer except on separate sales premises, under separate management, in the form of a distinct legal entity and in a manner, which avoids confusion between trade marks,

d) not to permit a third party to benefit unduly, through any after-sales services performed in a common workshop, from investments made by a supplier, notably in equipment or the training of personnel,

e) neither to sell spare parts, which compete with, contractual spare parts without matching them in quality, nor to use them for repair or maintenance of contractual goods or corresponding goods,

f) without the supplier's consent, neither to conclude distribution or servicing agreements with undertakings operating in the contractual territory for contractual goods or corresponding goods nor to alter or terminate such agreements,

g) to impose upon undertakings with which the dealer has concluded distribution and servicing agreements in accordance with letter f) obligations comparable to those which the dealer has accepted in relation to the supplier and which are covered by Article 10 and Paragraphs 1 to 3 and are in conformity with Articles 13 and 14,

h) outside the contractual territory

1. not to establish nor maintain depots or distribution outlets for the distribution of contractual goods or corresponding goods,

2. not to pursue active sales in relation to customers for contractual goods or corresponding goods,

i) not to entrust third parties with the distribution or servicing of contractual goods or corresponding goods outside the contractual territory,

j) not to supply to a reseller

1. contractual goods or corresponding goods unless the reseller is an undertaking within the distribution system, or

2. spare parts within the contractual range unless the reseller uses them for the repair or maintenance of a motor vehicles, or

k) not to sell motor vehicles within the contractual range or corresponding goods to final consumers using the services of an intermediary unless that intermediary has prior written authorization from such consumers to purchase a specified motor vehicle.

(3) The exemption provided for in Article 10 shall apply to distribution and servicing agreement notwithstanding any obligation whereby the dealer undertakes to

a) comply, in distribution, sales and servicing with certain minimum standards, regarding in particular

1. the equipment of the business premises and the technical facilities for servicing,
2. the specialized, technical training of staff,
3. advertising,
4. the collection, storage and delivery of contractual goods or corresponding goods,
5. the repair and maintenance of contractual goods and corresponding goods, particularly as regards the safe and reliable functioning of motor vehicles,

b) order contractual goods from the supplier only at certain times or within certain periods, provided that the interval between ordering dates does not exceed three months,

c) endeavour to sell, within the contractual territory and during a specified period, a minimum quantity of contractual goods, determined by the participants to a common distribution and servicing agreement or, in the event of disagreement between the participants, the minimum quantity of contractual goods determined by a third party entrusted by both participants to the distribution and servicing agreement, account being taken of sales previously achieved in the contractual territory and of forecast sales for the contractual territory,

d) keep in stock such quantity of contractual goods as may be determined in accordance with the procedure outlined in letter c),

e) keep such demonstration contractual motor vehicles, or such number thereof, as may be determined in accordance with the procedure outlined in letter c),

f) perform work under guarantee, free servicing and vehicle-recall work for contractual goods and corresponding goods,

g) use only spare parts within the contractual range or corresponding spare parts for work under guarantee, free servicing and vehicle-recall work in respect of contractual goods or corresponding goods,

h) appropriately inform customers of the extent to which spare parts from other sources might be used for the repair or maintenance of contractual goods or corresponding goods, or

i) inform customers whenever spare parts from other suppliers or manufacturers have been used for the repair or maintenance of contractual goods or corresponding goods.

Article 13

(1) The exemption provided for in Article 10 shall apply to distribution and servicing agreement if

a) the dealer undertakes

1. in respect of motor vehicles within the contractual range or corresponding thereto which have been supplied in the market by another undertaking within the distribution network, to perform work under guarantee, free servicing and vehicle-recall work and to carry out repair and maintenance work in accordance with Article 12 Paragraph 3 letter a) point 5,

2. to impose upon the undertakings operating within the contractual territory with which the dealer has concluded distribution and servicing agreements as provided for in Article 12 Paragraph 2 letter f) an obligation to perform work under guarantees, free servicing and vehicle recall work at least to the extent to which the dealer himself is so obliged towards the supplier,

b) the supplier

1. does not without objectively valid reasons withhold consent to conclude, alter or terminate the distribution and servicing agreement referred to in Article 12 Paragraph 2 letter f),

2. does not apply, in relation to the dealer's obligations referred to in Article 12 Paragraph 3, requirements such that the dealer is subject to discrimination without objective reasons or is treated inequitably,

3. distinguishes, in any scheme for aggregating quantities or values of goods obtained by the dealer from the supplier and from undertakings connected with supplier within a specified period for the purpose of calculating discount from the price of the contractual goods, at least between supplies of motor vehicles within the contractual range, spare parts within the contractual range, for supplies of which the dealer is dependent on undertakings within the distribution network, and supplies of other spare parts used for routine maintenance and available also from undertakings outside the distribution system,

4. supplies to the dealer, for the purpose of performance of a contract on sale concluded between the dealer and a final customer, any passenger car which corresponds to a model within the contractual range and which is marketed by the manufacturer or with the manufacturer's consent in the territory of the Slovak Republic.

(2) Where the dealer has, in accordance with Article 12 Paragraph 3, assumed obligations for the improvement of distribution and servicing, the exemption provided for in Article 10 shall apply to distribution and servicing agreement, if

a) the supplier releases the dealer from the obligations referred to in Article 12 Paragraph 2 letter c) where the dealer shows that there are objective reasons for doing so,

b) the efficiency of distribution and servicing agreement is for a period of at least five years or, for an indefinite period, the period of notice for regular termination of the distribution and servicing agreement by one of the participants is at least two years; this period is reduced to at least one year where the supplier is obliged by a securing legal remedy or by special agreement to pay appropriate compensation on termination of the distribution and servicing agreement, or the dealer is a new entrant to the distribution system and the period of the distribution and servicing agreement is agreed by that dealer in advance and

c) the distribution and servicing agreement obliges each participant to give the other participant at least six months' prior notice of intention not to renew an efficiency of agreement concluded for a definite period.

(3) The provisions laid down in Paragraphs 1 and 2 shall not affect the right of the supplier to terminate an efficiency of the distribution and servicing agreement subject to one year's notice in the case of reorganization of the whole or a substantial part of the distribution system and the right of one participant to terminate an efficiency of the distribution and servicing agreement for cause where the other participant to agreement fails to perform one of its basic obligations.

Article 14

(1) The exemption provided for in Article 10 shall not apply to distribution and servicing agreement where

a) both participants to the distribution and servicing agreement or their connected undertaking are motor vehicle manufacturers,

b) the distribution and servicing agreement contains arrangements concerning products other than those applicable to the exemption provided for in Article 10 or the participants to the agreement apply their distribution and servicing agreement to products inapplicable to the exemption provided for in Article 10,

c) the distribution and servicing agreement contains arrangements restrictive to competition inapplicable to the exemption provided for in Article 10,

d) where the supplier reserves the right to conclude distribution and servicing agreements for contractual goods with other specified undertakings operating within the contractual territory, or to alter the contractual territory,

e) the manufacturer, the supplier or another undertaking within the distribution system directly or indirectly restricts the dealer's freedom to determine prices and discounts in reselling contractual goods or corresponding goods,

f) the manufacturer, the supplier or another undertaking within the distribution system directly or indirectly restricts the freedom of final consumers, intermediaries as referred to in Article 12 Paragraph 2 letter k) or dealers to obtain of their choice contractual goods or corresponding goods or to obtain from any undertaking belonging to the distribution system servicing for such goods, or the freedom of final consumers to resell the contractual goods or corresponding goods, when the sale is not effected for commercial purposes with the objective of producing a profit[6)],

g) the supplier, without any objective reason, grants dealers remunerations calculated on the basis of the place of destination of the motor vehicles resold or the place of residence of the buyer,

h) the supplier directly or indirectly restricts the dealer's freedom to obtain from an undertaking outside of the distribution system of his choice spare parts which compete with contractual goods and which match their quality,

i) the manufacturer directly or indirectly restricts the freedom of suppliers of spare parts to supply such products to resellers of their choice, including those, which are undertakings within the distribution system, provided that such parts match the quality of contractual spare parts,

[6)] Article 2 Paragraph 1 of the Civil Code.

j) the manufacturer directly or indirectly restricts the freedom of spare part manufacturers to place effectively and in an easily visible manner their trade mark or logo on parts supplied for the initial assembly or for the repair or maintenance of contractual goods or corresponding goods, or

k) the manufacturer refuses to make accessible to subjects, providing repairs and servicing, who are not undertakings within the distribution system, upon appropriate payment, the technical information required for the repair or maintenance of the contractual or corresponding goods or for the implementing of environmental protection measures, unless information is protected pursuant to the special regulation[2)] or is a subject of know-how.

(2) In the cases specified in Paragraph 1 letters a) to d) the inapplicability of the exemption provided for in Article 10 shall apply to distribution and servicing agreement as a body.

(3) Where distribution and servicing agreement contains arrangements specified in Paragraph 1 letters e) to k), the inapplicability of the exemption as provided for in Article 10 shall not only apply to the agreement arrangements restrictive to competition agreed respectively on behalf of the manufacturer, the supplier or another undertaking within the distribution system.

Article 15

The Authority shall decide in the proceedings initiated on its own incentive to withdraw the benefit of application of the exemption provided for in Article 10 to the distribution and servicing agreement, where it finds that certain distribution and servicing agreement which falls within the scope of the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down in special regulation[5)] hereof, and in particular where

a) in the relevant market or in its relevant part, contractual goods or corresponding goods are not subject to effective competition, or

b) the manufacturer or an undertaking within the distribution system in supplying the distributors with contractual goods or corresponding goods apply, unjustifiably, discriminatory prices or other discriminatory sales conditions.

Block exemption for technology transfer agreements restricting competition

Article 16

The ban pursuant to special regulation[1)] shall not apply to agreement restricting competition between two undertakings under which the licensor grants a licence to use a patent or know-how to the licensee for the purposes of manufacture, use or marketing of licensed goods, including that agreement restricting competition containing ancillary provisions and which includes one or more of the following obligations

a) an obligation on the licensor not to licence other undertakings to exploit the licensed technology in the licensed territory,

b) an obligation on the licensor not to exploit the licensed technology in the licensed territory himself,

c) an obligation on the licensee not to exploit the licensed technology in the territory of the licensor,

d) an obligation on the licensee not to manufacture or use the licensed product, or use the licensed process, in reserved territories which are licensed to other licensees,

e) an obligation on the licensee not to pursue active sales in the reserved territories, which are licensed, to other licensees,

f) an obligation on the licensee not to pursue passive sales in the reserved territories licensed to other licensees,

g) an obligation on the licensee to use only the licensor's trademark for licensed goods or get up to distinguish the licensed product during the term of the technology transfer agreement, provided that the licensee is not prevented from identifying himself as the manufacturer of the licensed products,

h) an obligation on the licensee to limit his production of the licensed product to the quantities he requires in manufacturing his own products and to sell the licensed product only as an integral part of or a replacement part for his own products or otherwise in connection with the sale of his own products, provided that such quantities are freely determined by the licensee

(hereinafter only the "technology transfer agreement").

Article 17

Definition of terms for purpose of technology transfer agreement

(1) The patent means also a patent application, registered utility models, applications for registration of utility models, registered topographies of semiconductor products, applications for registration of topographies of semiconductor products, supplementary protection certificates for medicinal products, supplementary protection certificates for plant protection products and breeder's certificates.

(2) Know-how means a package of technical information and knowledge, resulting from creative activities and experience of the undertaking, which are not governed by special regulation[2)] and are

a) secret; these are the knowledge and information that as a body or in the precise configuration is not generally known or easily accessible, while it is not assumed that each and every part of know-how is unknown or can not be acquired any other way but from the licensor,

b) substantial; these are the knowledge and information, which is useful, i.e. can reasonably be expected at the date of conclusion of the agreement to be capable of improving the competitive position of the licensee,

c) identified; these are the knowledge and information, which is described in a sufficiently comprehensive manner so as to make it possible to verify that it fulfils the criteria of secrecy and substantiality,

(3) Necessary patent means patent where a licence under the patent is necessary for the putting into effect of the licensed technology in so far as, in the absence of such a licence, the realization of the licensed technology would not be possible or would by possible only to a lesser extent or in more difficult or costly conditions; such patent must therefore be of technical, legal or economic interest to the licensee.

(4) Licensed technology means the initial manufacturing know-how or the necessary product and process patents, or both, existing at the time the first technology transfer agreement is concluded, and improvements subsequently made to the know-how or to the subject of patent, irrespective of whether and to what extent they are exploited by the participants to the agreement or by other licensees.

(5) Licensed product means goods or services the production or provision of which requires the use of the licensed technology.

(6) Exploitation refers to any use of the licensed technology in particular in the production, active or passive sales in a territory, even if not coupled with manufacture in that territory, or leasing of the licensed products.

(7) Licensed territory means the territory where the licensee is entitled to exploit the licensed technology.

(8) Territory of the licensor means territory in which the licensor has not granted any licences for patents or know-how covered by the technology transfer agreement.

(9) Ancillary provisions are provisions relating to the exploitation of intellectual property rights other than patent, provided that they do not constitute the primary object of the technology transfer agreement, are directly related to granted licence for the patent or know-how and contain no obligations restrictive to competition other than those also attached to the licensed know-how or patent and they are subject to ban pursuant to Article 16.

(10) Active sales means buyer's activities comprising any active

a) searching for and approaching individual customers on the exclusive territory of any other buyer or within a group of customers exclusively assigned to any other buyer, or

b) approaching a specific group of customers exclusively assigned to another buyer or any active approaching customers located in any specific area within exclusive territories of other buyers, particularly by miscellaneous forms of promotion aimed at such a target group of customers or customers in such specific area, or by establishing a depot or a distribution outlet in the exclusive territory of any other customer.

(11) Passive sales means buyer's activities that comprise receiving unsought purchase orders from individual customers, including orders for goods or services delivery to such customers, or advertising or any other form of promotion, particularly in the mass-media or on the internet,

targeted to the customers in the territory exclusive to that buyer or to the group of customers exclusively assigned to that buyer, which are accessible to and may influence customers from the exclusive area of another buyer or a group of customers exclusively assigned to another buyer.

(12) Competing undertaking means supplier or potential suppliers of products in the same relevant product market, which products are regarded by the buyer as interchangeable or substitutable, regardless of it being the same geographic relevant market.

(13) Connected undertaking means the undertaking

a) in which a party to the agreement restricting competition has the direct or indirect right to exercise a half or more of the voting rights, to appoint a half or more of the members of the bodies legally representing the undertaking or to manage the undertaking,

b) which has the right listed in letter a) over the undertaking of the party to the agreement restricting competition or

c) in which an undertaking referred to in letter b) has, directly or indirectly, the right listed in letter a).

Article 18

The exemption provided for in Article 16 shall also apply to

a) agreement restricting competition where the licensor is not the holder of the know-how or the patentee, but is authorized by the holder of the know-how or the patentee to grant a licence,

b) agreement restricting competition on assignments of know-how, patent or both where the risk associated with exploitation remains with the assignor, in particular where the sum payable in consideration of the assignment is dependent on the turnover from sale products made using the know-how or the patent, the quantity of such products manufactured or the number of operations carried out employing the know-how or the patent,

c) technology transfer agreement in which the rights or obligations of the licensor or the licensee are assumed by connected undertaking.

Article 19

(1) Where the technology transfer agreement involves purely patent, the exemption of the obligations referred to in Article 16 shall be granted only provided that the extent and period of duration

a) of obligations pursuant to Article 16 letters a), b), g) and h) is not exceeding the extent and period of licensed product’s patent protection in the licensees’ territory,

b) of obligation pursuant to Article 16 letter c) is not exceeding the extent and period of licensed product's patent protection in licensor's territory,

c) of obligations pursuant to Article 16 letters d) and e) is not exceeding the extent and period of licensed product's patent protection in exclusive territories of other licensees,

d) of obligation pursuant to Article 16 letter f) is not exceeding the extent and period of licensed product's patent protection in the licensees' territories, at most five years from the date when the licensed product is first put on the market by any one of the licensees.

(2) Where the technology transfer agreement involves purely know-how, the exemption provided for in Article 16 shall apply only if the parties have identified in any appropriate form the initial know-how and any subsequent improvements to it achieved by one participant and communicated to the other participant pursuant to the terms of the technology transfer agreement in order to achieve the purpose thereof, and only for as long as the know-how remains secret and substantial and provided that the period of duration

a) of the obligations referred to in Article 16 letters a) to e) does not exceed ten years from the date when the licensed product is first put on the market by one of the licensees,

b) of the obligation referred to in Article 16 letter f) does not exceed five years from the date when the licensed product is first put on the market by one of the licensees,

c) of the obligations referred to in Article 16 letters g) and h) does not exceed the period of efficiency of the technology transfer agreement, at most the period in which the know how remains secret and substantial.

(3) Where the technology transfer agreement involves both, patent and know-how, the exemption provided for in Article 16 shall apply only for as long as the patent remains in force or the identified know-how remains secret and substantial; the decisive is the period, which is longer, provided that the period of duration

a) of the obligations referred to in Article 16 letters a) to e) does not exceed the period in which the licensed product is protected by a patent or a period of ten years from the date when the licensed product is first put on the market by one of the licensees; the decisive is the period, which is longer,

b) of the obligation referred to in Article 16 letter f) does not exceed five years from the date when the licensed product is first put on the market by one of the licensees.

Article 20

The exemption provided for in Article 16 shall apply to technology transfer agreement notwithstanding the presence of any of the following arrangements, which may be restrictive to competition:

a) an obligation on the licensee not to divulge the know-how communicated by the licensor; the licensee may be held to this obligation after the technology transfer agreement has expired,

b) an obligation on the licensee consecutively not to grant licenses in same scope (sublicenses) to third person or assign the licence,

c) an obligation on the licensee not to exploit the licensed know-how or subject of the patent after termination of the technology transfer agreement in so far and as long as the know-how is still secret or the patent is still in force,

d) an obligation on the licensee to grant to the licensor a licence in respect of his own improvements to or his new applications of the licensed technology, provided

1. that, in the case of severable improvements, such a licence is not exclusive, so that the licensee is free to use his own improvements or to make them available to third parties, in so far as that does not involve disclosure of the know-how communicated by the licensor that is still secret and

2. that the licensor undertakes to grant an exclusive or non-exclusive licence of his own improvements to the licensee,

e) an obligation on the licensee to observe minimum quality specifications, including technical specifications, for the licensed product or to procure goods or services from the licensor or from an undertaking designated by the licensor, in so far as these quality specifications, products or services are necessary for

1. a technically proper exploitation of the licensed technology, or

2. ensuring that the product of the licensee conforms to the minimum quality specifications that are applicable to the licensor and other licensees; and to allow the licensor to carry out related checks;

f) an obligation on the licensee

1. to inform the licensor of misappropriation of the know-how or of infringements of the right to the licensed patent,

2. to take or to assist the licensor in taking legal action against such misappropriation of know how or infringements of the rights to the licensed patent,

g) an obligation on the licensee to continue paying the royalties

1. until the end of efficiency of the technology transfer agreement in the amounts, for the periods and according to the methods agreed by the participants, in the event of the know-how becoming publicly known other than by action of the licensor,

2. over a period going beyond the duration of the technology transfer agreement, if the participants to the agreement agreed so,

h) an obligation on the licensee to restrict his exploitation of the licensed technology to one or more technical fields of application or to one or more product markets,

i) an obligation on the licensee to pay a minimum royalty or to produce a minimum quantity of the licensed product or to carry out a minimum number of operations exploiting the licensed technology,

j) an obligation on the licensor to grant the licensee any more favourable terms that the licensor may subsequently grant to another undertaking,

k) an obligation on the licensee to mark the licensed product with the licensor's trade name,

l) an obligation on the licensee not to use the licensor's technology to construct facilities for third parties; this is without prejudice to the right of the licensee to increase the capacity of his facilities or to set up additional facilities for his own use on normal commercial terms, including the payment of additional royalties,

m) an obligation on the licensee to supply only a limited quantity of the licensed product to a particular customer, where the licence was granted so that this customer might have a second source of supply inside the licensed territory; this shall also apply where the customer is the licensee, and the licence which was granted in order to provide a second source of supply provides that the customer is himself to manufacture the licensed products or to have them manufactured by a subcontractor,

n) a reservation by the licensor of the right to oppose the exploitation of the technology by the licensee outside the licensed territory,

o) a reservation by the licensor of the right to terminate the agreement if the licensee contests the secret or substantial nature of the licensed know-how or challenges the validity of licensed patent belonging to the licensor or undertakings connected with him,

p) a reservation by the licensor of the right to terminate the technology transfer agreement of a patent if the licensee raises the claim that such a patent is not necessary or

r) a reservation by the licensor of the right to terminate the exclusivity granted rights to the licensee and to stop licensing improvements to him when the licensee enters into competition within the Slovak Republic with the licensor, with undertakings connected with the licensor or with other undertakings in respect of research and development, production, use or distribution of competing products, and to require the licensee to prove that the licensed know-how is not being used for the production of products other than those licensed.

Article 21

The exemption provided for in Article 16 shall not apply to technology transfer agreements, where

a) one participant to the agreement is restricted in the determination of prices, components of prices or discounts for the licensed products,

b) one participant to the agreement is restricted from competing with the other participant to the agreement, with undertaking connected with the other participant to the agreement or with other undertakings in respect of research and development, production, use or distribution of competing products without prejudice to the provisions of Article 20 letters a) and r),

c) one or both of the participants to the agreement without any objectively justified reason conclude agreement restricting competition with the view

1. to refuse to meet orders from buyers in their respective territories who would market the products in other territories,

2. to make it difficult for buyers to obtain the products from other suppliers, and in particular to exercise the rights or take measures so as to prevent buyers from obtaining outside, or from putting on the market in the licensed territory products which have been put on the market by the licensor or with his consent,

d) the participants to the agreement were already competing manufacturers before the grant of the licence and one of them is restricted, within the same technical field of use or within the same product market, as to the customers he may serve, in particular by being prohibited from supplying certain classes of user, employing certain forms of distribution or, with the aim of sharing customers, using certain types of packaging for the products, save as provided in Article 16 letter g) and Article 20 letter m),

e) the quantity of the licensed products one participant to the agreement may manufacture or sell or the number of operations exploiting the licensed technology he may carry out are subject to limitations, save as provided in Article 16 letter h) and Article 20 letter m),

f) the licensee is obliged to assign in whole or in part to the licensor right to improvement of licensed technology or new applications of the licensed technology, or

g) the licensor is bound for a period exceeding that referred to in Article 19 Paragraphs 1 and 2 not to license other undertakings to exploit the licensed technology in the licensed territory, or a participant to the agreement is bound for a period exceeding that referred to in Article 19 Paragraphs 1 to 3 not to exploit the licensed technology in the territory of the other participant to the agreement or of other licensees.

Article 22

(1) The exemption provided for in Article 16 shall not apply to:

a) agreement restricting competition between members of a patent pool or to agreement restricting competition between members of know-how pool, except the agreement restricting

competition according to which the participants are not subject to any territorial restriction with regard to the manufacture, use or putting on the market of the licensed products or to the use of the licensed technologies;

b) technology transfer agreement between competing undertakings which hold interests in a joint venture, or between one of them and the joint venture, if the technology transfer agreement relates to the activities of the joint venture, except the agreement where the parent undertaking grants the joint venture a patent or know-how licence and the common share[7)] of the joint venture and its parent undertakings on the relevant market of the licensed products and the other interchangeable or substitutable goods

1. is not more than 20%, in case of a licence limited to production,
2. is not more than 10%, in case of a licence covering production and distribution,

c) agreement restricting competition under which one participant grants the other a patent or know-how licence and in exchange the other participant, albeit in separate agreements restricting competition or through connected undertaking, grants the first participant a patent, trademark or know-how licence or exclusive sales rights, where the participants are competitors in relation to the products covered by this agreement restricting competition, except where participants are not subject to any territorial restriction with regard to the manufacture, use or putting on the market of the licensed products or to the use of the licensed technologies,

d) technology transfer agreement containing provisions relating to intellectual property rights other than patent, which are not ancillary,

e) agreement restricting competition entered into solely for the purpose of sale.

(2) The exemption provided for in Article 16 shall apply to technology transfer agreement as referred to in Paragraph 1 letter b) also during two consecutive financial years in which the market shares pursuant to letter b) are not exceeded by more than 10%.

(3) The exemption provided for in Article 16 shall continue to apply to the technology transfer agreement as referred to in Paragraph 1 letter b) for the period of six months from the end of the calendar year in which the limit pursuant to Paragraph 2 was exceeded.

Article 23

The Authority shall decide in the proceedings initiated on its own incentive to withdraw the benefit of application of the exemption provided for in Article 16 to the technology transfer agreement, where it finds that certain technology transfer agreement which falls within the scope of the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down in special regulation[5)] hereof, and in particular

a) the effect of the technology transfer agreement is to prevent the licensed products from being exposed to effective competition in the licensed territory, which may in particular occur

[7)] Article 6 Paragraph 2 of the Act No. 136/2001 Coll.

where the licensee's market share on the relevant market exceeds 40%, the licensee's market share on the relevant market meaning the share of the licensed products and other products provided by the licensee which are interchangeable with or substitutable for the licensed products,

b) without prejudice to Article 16 letter f), the licensee refuses, without any objectively justified reason, to pursue passive sales in relation to buyers in the territory of other licensees,

c) the participants to the technology transfer agreement

1. without any objectively justified reason, refuse to meet orders from buyers in their respective territories who would market the products in other territories,

2. make it difficult for buyers to obtain the products from other suppliers, and in particular exercise the intellectual property right or take measures so as to prevent buyers from obtaining outside, or from putting on the market in the licensed territory products which have been put on the market by the licensor or with his consent,

d) the participants to the agreement were competing manufacturers at the date of the grant of the licence and obligation on the licensee pursuant to Article 20 letters b) and i) has the effect of preventing the licensee from using competing technologies.

Block exemption for specialisation agreements restricting competition

Article 24

(1) The ban pursuant to special regulation[1)] shall not apply to the following agreement competition restricting entered into between two or more undertakings, which relate to the conditions under which those undertakings specialise in the production of products or provision of services (hereinafter only “specialisation agreement”)

a) unilateral specialisation agreement, by virtue of which one participant to the agreement agrees to cease production of certain products or certain services or to refrain from producing those products or those services and to purchase them from a competing undertaking, while the competing undertaking agrees to produce and supply those products or services,

b) reciprocal specialisation agreement, by virtue of which two participants to the agreement or more participants to the agreement on a reciprocal basis agree to cease or refrain from producing or certain but different products or services and to purchase these products or services from the other participants to the agreement, who agree to supply them, or

c) joint production agreement, by virtue of which two participants to the agreement or more participants to the agreement agree to produce certain products or certain services jointly.

(2) The exemption provided for in Paragraph 1 shall also apply to provision contained in specialisation agreement concerning the assignment or use of intellectual property right however, it has not the same object as the restrictions of competition pursuant to Article 28 Paragraph 1 and where it

a) does not constitute the primary object of such agreement,
b) is directly related to and necessary for implementation of specialisation agreement.

Article 25

Definitions for the purposes of specialisation agreement

(1) Production includes also production by way of subcontracting; production includes also providing services.

(2) Exclusive supply obligation means an obligation not to supply a competing undertaking other than a participant to the agreement with the products or services to which the specialisation agreement relates.

(3) Exclusive purchase obligation means an obligation to purchase the products or services to which the specialisation agreement relates only from the participant, which agrees to supply it.

(4) Participating undertakings mean participants to the specialisation agreement and their respective connected undertaking.

(5) Services mean services other than distribution and rental services.

(6) Competing undertaking means supplier or potential suppliers of products in the same relevant product market, which products are regarded by the buyer as interchangeable or substitutable, regardless of it being the same geographic relevant market.

(7) Connected undertaking means the undertaking

a) in which a party to the agreement restricting competition has the direct or indirect right to exercise a half or more of the voting rights, to appoint a half or more of the members of the bodies legally representing the undertaking or to manage the undertaking,

b) which has the right listed in letter a) over the undertaking of the party to the agreement restricting competition or

c) in which an undertaking referred to in letter b) has, directly or indirectly, the right listed in letter a).

Article 26

The exemption provided for in Article 24 shall also apply to specialisation agreement, where the participants to the agreement

a) accept an exclusive purchase or exclusive supply obligation, or

b) do not sell the products or services which are the subject to the specialisation agreement independently, but provide for joint distribution of products or services or agree to appoint a

third party distributor in the context of a joint production agreement, provided that the third party is not a competing undertaking.

Article 27

(1) The exemption provided for in Article 24 shall apply to specialisation agreement on condition that the combined market share of the participating undertakings does not exceed 20% of the relevant market.

(2) The share of the relevant market pursuant to Paragraph 1 shall be calculated on the basis of data relating to the preceding calendar year. In the case that the data relating to the preceding calendar year are not available, the data for the year before shall be used.

(3) The exemption provided for in Article 24 shall continue to apply to the specialisation agreement on condition that the combined market share of the participating undertakings as referred to in Paragraph 1 subsequently rises without exceeding 25%, for a period of two consecutive calendar years following the year in which the level 20% share of the relevant market was first exceeded.

(4) The exemption provided for in Article 24 shall continue to apply to the specialisation agreement on condition that the market share referred to in Paragraph 1 subsequently rises above 25%, for one calendar year following the year in which the level of 25% share of the relevant market was first exceeded.

(5) The benefit of Paragraphs 3 and 4 may not be combined by undertakings so as to exceed a period of two calendar years.

(6) The share of the relevant market referred to in Paragraphs 1, 3 and 4 shall be calculated on the basis of the relevant market sales value. Where the said data are not available, other data may be used for the purposes of the calculation, particularly sales volumes of goods or services on the relevant market.

Article 28

(1) The exemption provided for in Article 24 shall not apply to specialisation agreement, which directly or indirectly, in isolation or in combination with other factors under the control of the participants, has as its object:

a) the direct or indirect price fixing when selling the products or providing services to third parties,
b) the limitation of output or sales, or
c) the allocation of markets or customers.

(2) Provision of Paragraph 1 shall not apply to provision on

a) the agreed amount of products or services in the context of unilateral or reciprocal specialisation agreement or the setting of the capacity and production volume of a production joint venture in the context of a joint production agreement,

b) the setting of sales targets and the fixing of prices that a production joint venture charges to its immediate customers in the context of Article 26 letter b).

Article 29

The Authority shall decide in the proceedings initiated on its own incentive to withdraw the benefit of application of the exemption provided for in Article 24 to the specialisation agreement, where it finds that certain specialisation agreement which meets the conditions for the applicability of the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down in special regulation[5)] hereof, and in particular where

a) the specialisation agreement is not yielding significant results in terms of rationalisation of production of products and services or consumers are not receiving a fair share of the resulting benefit, or

b) the products or services, which are the subject of the specialisation agreement, are not subject to effective competition in the relevant market or a substantial part thereof.

Block exemption for research and development agreement restricting competition

Article 30

(1) The ban pursuant to special regulation[1)] shall not apply to competition restricting agreement entered into between two or more undertakings, which relate to the conditions under which those undertakings pursue

a) joint research and development of products, services or procedures and joint exploitation of the results of that research and development,

b) joint exploitation of the results of research and development of products, services or procedures jointly carried out pursuant to another research and development agreement between the same undertakings, or

c) joint research and development of products, services or procedures excluding joint exploitation of the results of that research and development

(hereinafter only "research and development agreement").

(2) The exemption provided for in Paragraph 1 shall also apply to provisions contained in research and development agreement which do not constitute the primary object of such research and development agreement, but are directly related to and necessary for their implementation, namely the obligation not to carry out, independently or together with third parties, research and

development in the field to which the agreement relates or in a closely connected field during the execution of the agreement unless, however, such provisions have the same object as the restrictions of competition pursuant to Article 34 Paragraph 1.

Article 31

Definitions for the purposes of research and development agreement

(1) Participating undertakings mean parties to the research and development agreement and their respective connected undertaking.

(2) Research and development[8)] relates to products, services and procedures in the scope of carrying out of theoretical analysis, systematic studies or experimentation, and also the experimental development, including the construction and development of prototypes, testing of products or procedures, the establishment of the necessary facilities and the obtaining of rights for the results, and also the acquisition of know-how.

(3) Contractual process means a technology or process arising out of the joint research and development.

(4) Contractual product or contractual service means a product or a service arising out from the results of the joint research and development or practical application of the contractual process.

(5) Exploitation of results of research and development (hereinafter only "exploitation of results") pursuant to Paragraphs 3 and 4 means:

a) the production of the contractual products or the contractual services,
b) the distribution of the contractual products or contractual services,
c) the practical application of the contractual processes, or
d) the assignment or licensing of rights or the communication of know-how required for such manufacture or distribution of contractual products, provision or distribution of contractual services or practical application of contractual processes.

(6) Know-how means a package of knowledge and information, resulting from creative activities[2)] and experience of the undertaking, which are not governed by special regulation and are:

a) secret; these are the knowledge and information that as a body or in the precise configuration is not generally known or easily accessible, while it is not assumed that each and every part of know-how is unknown or can not be acquired any other way but from the know-how grantor,

b) substantial; these are the knowledge and information which is indispensable for the production of the contractual products or contractual services or for the practical application of the contractual processes,

[8)] Article 2 Paragraph 3 of the Act No. 132/2000 Coll. on Science and Technology.

c) identified; these are the knowledge and information which is described in a sufficiently comprehensive manner so as to make it possible to verify that it fulfils the criteria of secrecy and substantiality,

(7) Research and development, or exploitation of the results, are carried out "jointly" where the work involved is:

a) carried out by a joint team, identified by the parties to the research and development agreement, by the organisation, created by the parties to the research and development agreement or by their joint undertaking,

b) jointly entrusted by the parties to the research and development agreement to a third part, or

c) allocated between the parties to the research and development agreement by way of specialisation in research, development, production or distribution.

(8) The production also means the provision of services.

(9) Active sales means buyer's activities comprising the active

a) searching for and approaching individual customers on the exclusive territory of any other buyer or within a group of customers exclusively assigned to any other buyer, or

b) approaching a specific group of customers exclusively assigned to another buyer or comprising the active approaching the customers located in any specific area within exclusive territory of other buyer, particularly by miscellaneous forms of promotion aimed at such a target group of customers or customers in such specific area, or by establishing a depot or a distribution outlet in the exclusive territory of any other buyer.

(10) Passive sales means buyer's activities that comprise receiving purchase orders unsought by the buyer from individual customers, including orders for goods or services delivery to such customers, or advertising or any other form of promotion, particularly in the mass-media or on the internet, targeted to the customers in the territory exclusive to that buyer or to the group of customers exclusively assigned to that buyer, which are accessible to and may influence customers from the exclusive area of another buyer or a group of customers exclusively assigned to another buyer.

(11) Competing undertaking means supplier or potential suppliers of products in the same relevant product market, which products are regarded by the buyer as interchangeable or substitutable, regardless of it being the same geographic relevant market.

(12) Connected undertaking means the undertaking

a) in which a party to the agreement restricting competition has the direct or indirect right to exercise a half or more of the voting rights, to appoint a half or more of the members of the bodies legally representing the undertaking or to manage the undertaking,

b) which has the right listed in letter a) over the undertaking of the party to the agreement restricting competition or

c) in which an undertaking referred to in letter b) has, directly or indirectly, the right listed in letter a).

Article 32

The exemption provided for in Article 30 Paragraph 1 shall apply to research and development agreements, if:

a) all the parties to the research and development agreement have access to the results of the joint research and development for the purposes of further research or exploitation; if the legal persons[9)] or natural persons[9)], or undertakings which supply research and development as a commercial service without normally being active in the exploitation of results, may agree to confine their use of the results for the purposes of further research,

b) without prejudice to the provision in letter a), where the research and development agreement provides only for joint research and development, each party must be free independently to exploit the results of the joint research and development and any pre-existing know-how necessary for the purposes of such exploitation; such right to exploitation may be limited to one or more technical fields of application, where the parties to the research and development agreement are not competing undertakings at the time the research and development agreement is entered into,

c) any joint exploitation of results relates to results of intellectual property rights or to results constitute know-how, which substantially contribute to technical or economic progress and the results must be decisive for the manufacture of the contractual products or the provision of the contractual services or the application of the contractual processes,

d) undertakings charged with manufacture by way of specialisation in production must be required to fulfil orders for supplies from all the parties to the research and development agreement, except where the research and development agreement also provides for joint distribution of contractual products or contractual services.

Article 33

(1) The exemption provided for in Article 30 Paragraph 1 shall apply to research and development agreements entered into between non-competing undertakings for the duration of the research and development. Where the results are jointly exploited by the parties to the research and development agreement, the exemption shall continue to apply to the research and development agreement for seven years from the time the contractual products or services are first put on the relevant market.

[9)] Article 4 Paragraph 1 letters a), b) and d) of the Act No. 132/2000 Coll.

(2) Where two or more of the participating undertakings are competing undertakings, the exemption provided for in Article 30 Paragraph 1 shall apply to the research and development agreements for the period referred to in Paragraph 1 only if, at the time the research and development agreement is entered into, the combined market share of the participating undertakings does not exceed 25% of the relevant market for the products or services capable of being improved or replaced by the contractual products or contractual services respectively.

(3) After the end of the period referred to in Paragraph 1, the exemption provided for in Article 30 Paragraph 1 shall continue to apply to the research and development agreements as long as the combined market share of the participating undertakings does not exceed 25% of the relevant market for the contractual products or contractual services.

(4) The share of the relevant market pursuant to Paragraphs 2 and 3 shall be calculated on the basis of data relating to the preceding calendar year. In the case that the data relating to the preceding calendar year are not available, the data for the year before that shall be used.

(5) The exemption provided for in Article 30 Paragraph 1 shall continue to apply to the research and development agreements on condition that the combined market share of the participating undertakings as referred to in Paragraph 3 subsequently rises without exceeding 30%, for the period of two consecutive calendar years following the year in which the level 25% share of the relevant market was first exceeded.

(6) The exemption provided for in Article 30 Paragraph 1 shall continue to apply to the research and development agreements on condition that the combined market share of the participating undertakings as referred to in Paragraph 3 subsequently rises above 30%, for a period of one calendar year following the year in which the level 30% share of the relevant market was first exceeded.

(7) The benefit of Paragraphs 5 and 6 may not be combined by undertakings so as to exceed a period of two calendar years.

(8) The share of the relevant market pursuant to the above Paragraphs shall be calculated on the basis of the market sales values; where the said data are not available, other data, particularly market sales volumes, may be used to establish the market share.

Article 34

(1) The exemption provided for in Article 30 Paragraph 1 shall not apply to research and development agreement, which directly or indirectly, in isolation or in combination with other factors under the control of the parties, has as its object:

a) the restriction of the freedom of the participating undertakings to carry out research and development independently or in cooperation with third party in a field unconnected with that to which the research and development under the research and development agreement relates or, after its completion, in the field to which it relates or in a connected field,

b) the ban to challenge after completion of the research and development the validity of the intellectual property rights which the party to the research and development agreement holds and

which are relevant to the research and development or, after the expiry of the research and development agreement, the validity of the intellectual property rights which the party holds and which protect the results of the research and development, without prejudice to the possibility to provide for termination of the research and development agreement in the event of one of the parties challenging the validity of such rights,

c) the limitation of output or sales of products or services,

d) the direct or indirect fixing of prices when selling the contractual products or contractual services to third parties,

e) the restriction of the customers to which the participating undertakings may sell contractual goods or contractual services after the end of seven years period as referred to in Article 33 Paragraph 1,

f) the ban to make passive sales of the contractual products or contractual services in territory reserved for other party to the agreement,

g) the ban to put the contractual products or contractual services on the relevant market or to pursue active sales in territory that is reserved for other party after the end of the seven years period as referred to in Article 33 Paragraph 1,

h) not to grant licences to third parties to manufacture the contractual products or contractual services or to apply the contractual processes where the exploitation by at least one of the participant to the research and development agreement of the results of the joint research and development does not take place,

i) to refuse to meet demand from users or resellers in their respective territories who would market the contractual products or contractual services in other territories, or

j) to make it difficult for users or resellers to obtain the contractual products or contractual services from other resellers, and in particular to exercise intellectual property rights or take measures so as to prevent users or resellers from obtaining, or from putting on the market, products or services which have been put on the market by another party or by another undertaking with party's consent.

(2) Provision of Paragraph 1 shall not apply to research and development agreement, if its object is the agreement on:

a) production, where the exploitation of the results relates to the joint production of the contractual products or contractual services,

b) sales and on fixing of prices charged to immediate customers where the exploitation of the results includes the joint distribution of the contractual products or contractual services.

Article 35

The Authority shall decide in the proceedings initiated of its own incentive that the exemption provided for in Article 30 Paragraph 1 does not relate to the research and development agreement, when it finds that certain research and development agreement which falls within the scope of the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions pursuant to the special regulation[5] in particular where

a) the research and development agreement substantially restricts the scope for third parties to carry out research and development in the relevant field because of the limited research capacity,

b) because of the particular structure of supply, the research and development agreement restricts the access of third parties to the relevant market for the contractual products or contractual services,

c) without any objectively valid reason, the participants do not exploit the results of the joint research and development;

d) the contractual products or contractual services are not subject to effective competition in the relevant market or in its substantial part.

Block exemption for agreements restricting competition in the insurance sector

Article 36

Definitions for the purpose of agreements restricting competition in the insurance sector

(1) Insurance company for the purposes of this Act is an insurance company[10] and its respective connected undertakings, EXIM bank of the Slovak Republic[11] and its respective connected undertakings.

(2) Reinsurance company for the purposes of this Act is a reinsurance company[10] and its respective connected undertakings.

(3) Insurance group means group set up by insurance companies, which

a) agree to underwrite in the name and for the account of all the participants the insurance of a specified risk category; or

b) entrust the underwriting and management of the insurance of a specified risk category in their name and on their behalf to one of the insurance undertakings, to a common broker or to a common subject set up for this purpose.

(4) Reinsurance group means group set up by insurance companies or reinsurance companies in order to:

a) reinsure mutually all or part of their liabilities in respect of a specified risk category; or

[10] Act No. 95/2002 Coll. on Insurance Sector and Amendment of some Acts.
[11] Act No. 80/1997 Coll. on EXIM Bank of the Slovak Republic in the wording of further laws.

b) to accept in the name and on behalf of all the participants the reinsurance of the same category of risks;

(5) Common risk premium tariff means a tariff calculated on the basis of statistical data concerning the number of claims and range of the damage in the past.

(6) The policyholder is a contractual party to the contract on insurance.

(7) Connected undertaking means the undertaking

a) in which a party to the agreement restricting competition has the direct or indirect right to exercise a half or more of the voting rights, to appoint a half or more of the members of the bodies legally representing the undertaking or to manage the undertaking,

b) which has the right listed in letter a) over the undertaking of the party to the agreement restricting competition or

c) in which an undertaking referred to in letter b) has, directly or indirectly, the right listed in letter a).

Block exemption for agreements restricting competition in the insurance sector between the insurance and reinsurance companies relating to the calculation of premium

Article 37

The ban pursuant to the special regulation[1)] shall not apply to agreement restricting competition entered into between insurance or reinsurance companies, which is connected to the calculation of premium and contains:

a) the calculation of the average cost of risk cover or the establishment and distribution of mortality tables, and tables showing the frequency of illness, accident and invalidity, in connection with insurance involving an element of capitalization, where such tables are based on the assembly of data, spread over a number of risk-years chosen as an observation period (hereinafter only “observation period”), which relate to identical or comparable risks in sufficient number to constitute a base which can be handled statistically and which will yield figures on

1. the number of claims during the said period,
2. the number of individual risks insured in each risk-year of the chosen observation period,
3. the total amounts paid or payable in respect of claims arisen during the said period,
4. the total amount of capital insured for each risk-year during the chosen observation period, or

b) provisions on the carrying-out of joint studies on the probable impact of future general circumstances on the frequency or scale of claims, or the profitability of different types of investment, and provisions on the distribution of the results of such studies

(hereinafter only “agreement on calculation of premium”).

Article 38

The exemption provided for in Article 37 shall apply to agreement on calculation of premium, if

a) the calculations, tables or study results referred to in Article 37 letters a) and b) include an explicit statement that they are not binding,

b) the calculations or tables referred to in Article 37 letter a) do not include loadings for contingencies, income deriving from reserves, administrative or commercial costs comprising commissions payable to intermediaries, taxes, fees and the anticipated profits of the insurance or reinsurance companies,

c) the calculations, tables or study results referred to in Article 37 letters a) and b) do not identify the insurance or reinsurance company concerned.

Article 39

The exemption provided for in Article 37 shall not apply to agreement on calculation of premium, under which insurance companies, reinsurance companies or their associations commit themselves or oblige other insurance or reinsurance companies not to use:

a) calculations and tables that differ from those established pursuant to Article 37 letter a), or

b) calculations and tables departing from the results of the studies referred to in Article 37 letter b).

Article 40

The Authority shall decide in the proceedings initiated of its own incentive that the exemption provided for in Article 37 does not relate to the agreement on calculation of premium, when it finds that certain agreement on calculation of premium which meets conditions laid down for the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down special regulation[5)], in particular where the calculations, tables or studies pursuant to Article 37 letters a) and b) are not based on statistical data or are based on unjustifiable hypotheses.

Block exemption for agreements restricting competition in the insurance sector between insurance companies applying to standard policy conditions for direct insurance

Article 41

The ban pursuant to the special regulation[1)] shall not apply to agreements restricting competition between insurance companies applying to standard policy conditions for direct insurance which have as their object the establishment and distribution

a) of standard policy conditions for direct insurance, or

b) of common models illustrating the profits (hereinafter only "common models") to be realised from an insurance policy involving an element of capitalisation

(hereinafter only "agreement on standard policy conditions").

Article 42

The exemption referred to in Article 41 shall apply to agreement on standard policy conditions, if the following conditions are met:

a) in case of agreement on standard policy conditions referred to in Article 41 letter a)

1. standard policy conditions for insurance include an explicit statement that they are purely illustrative and informative,

2. standard policy conditions for insurance expressly mention the possibility that different conditions may be agreed; and

3. standard policy conditions for insurance are accessible to any interested person and can be provided simply upon request;

b) in case of agreement on standard policy conditions referred to in Article 41 letter b), common models are purely of illustrative and informative nature.

Article 43

(1) The exemption provided for in Article 41 shall not apply to the agreement on standard policy conditions pursuant to Article 41 letter a), if standard policy conditions for insurance stipulate provisions which

a) exclude from the insurance risks normally relating to the class of insurance concerned without indicating explicitly that each insurer remains free to extend the cover to such events;

b) make the insurance of certain risks subject to specific conditions, without indicating explicitly that each insurer remains free to waive them;

c) impose comprehensive insurance including risks to which a significant number of policyholders[12)] is not simultaneously exposed, without indicating explicitly that each insurer remains free to propose separate cover;

[12)] Article 797 Paragraph 1 of Civil Code.

d) directly or indirectly indicate the amount of the cover or the part of the cover which the policyholder must pay himself;

e) allow the insurer to maintain the policy in the event that he cancels part of the cover, increases the premium without the risk or the scope of the cover being changed (without prejudice to indexation clauses), or otherwise alters the policy conditions without the express consent of the policyholder;

f) allow the insurer to modify the term of the policy without the express consent of the policyholder;

g) impose on the policyholder in the non-life assurance sector a contractual period of more than three years;

h) impose a renewal period of more than one year where the policy is automatically renewed unless notice is given upon the expiration of a given period;

i) require the policyholder to agree to the reinstatement of a policy which has been suspended on account of the disappearance of the insured risk, if he is once again exposed to a risk of the same nature;

j) require the policyholder to obtain insurance from the same insurer for different risks;

k) require the policyholder, in the event of sale or other disposal of the object of insurance, to make the acquirer take over the insurance policy.

(2) The exemption provided for in Article 41 shall not apply to agreement on standard policy conditions based on which insurance companies or their associations oblige themselves or oblige other insurance companies not to apply conditions other than those referred to in Article 41 letter a).

(3) Without prejudice to the establishment of specific insurance conditions for particular social or occupational categories of the population, the exemption referred to in Article 41 shall not apply to agreement on standard policy conditions, which excludes the coverage of certain social or occupational categories of the population.

(4) The exemption provided for in Article 41 shall not apply to agreement on standard policy conditions referred to in Article 41 letter b), if illustrative models include only specified interest rates or contain figures indicating administrative costs.

(5) The exemption referred to in Article 41 shall not apply to agreement on standard policy conditions on the grounds of which the insurance companies or their associations oblige themselves or other insurance companies not to apply standard models other than those referred to in Article 41 letter b).

Article 44

The Authority shall decide in the proceedings based on its own incentive that the exemption referred to in Article 41 shall not apply to an agreement on standard policy conditions when it finds that the agreement on standard policy conditions concerned meets the conditions for the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down in special regulation[5] in particular, if standard policy conditions contain provisions which create imbalance between rights and obligations of the contractual parties on the cost of the policyholder.

Block exemption for agreements restricting competition in the insurance sector between insurance companies or reinsurance companies applying to common insurance or common reinsurance of specific types of risks

Article 45

(1) The ban pursuant to special regulation[1] shall not apply to agreement restricting competition

a) entered into between insurance companies or reinsurance companies which applies to common insurance or common reinsurance of a specific category of risks, which has as their object the setting-up of group of insurance companies for the common coverage of a specific category of risks and the establishing of rules of operation for such groups (hereinafter only "agreement on common insurance") and

b) entered into between insurance companies or reinsurance companies which applies to common reinsurance of a specific category of risks, which has as their object the setting-up of group of reinsurance companies for the common coverage of a specific category of risks and the establishing of rules of operation for such groups (hereinafter only "agreement on common reinsurance")

also in the case when the agreement on common insurance or the agreement on common reinsurance includes

1. the nature and characteristics of the risks covered by the common insurance or common reinsurance,

2. the conditions governing admission to the group of insurers or to the group of reinsurers,

3. the individual own-account shares of the participants in the risks of common insured or of common reinsured,

4. the conditions for individual withdrawal of the participants to the group, or

5. the rules governing the operation and management of the group.

(2) Agreement on common reinsurance may without prejudice to the provisions pursuant to Paragraph 1, further determine:

a) the shares of individual parties to the group of reinsurers in the risks covered which they do not pass on for co-reinsurance, it means individual retention, or

b) the cost of common reinsurance which includes both the operating costs of the group of reinsurers and the remuneration of the participants in their capacity as reinsurers.

Article 46

(1) The exemption provided for in Article 45 Paragraph 1 shall apply to agreement on common insurance or to agreement on common reinsurance provided that the following conditions are met

a) a joint share of the participants of a group

1. of insurers is not greater than 10% of the relevant market; a joint share includes all insurance products that are identical or regarded similar from the point of view of the risks covered and of the cover provided, which were provided by group participants on individual basis and through the group of insurers,

2. of reinsurers is not greater 15% of the relevant market; a joint share includes all insurance products that are identical or regarded similar from the point of view of the risks covered and of the cover provided, which were provided by group participants on individual basis and through the group of reinsurers,

b) each party to the group of insurers or group of reinsurers has the right to withdraw from the group, subject to a period of notice of not more than six months, without incurring any sanctions.

(2) The calculation of the shares pursuant to Paragraph 1 letter a) hereof includes only insurance products provided through a group of insurers or group of reinsurers without calculating identical and similar insurance products which are provided by the group or in their name and which are not provided through a group of insurers or through a group of reinsurers in those cases, when a group of insurers or group of reinsurers covers

a) catastrophe risks where the claims are both rare and large, or

b) aggravated risks where is a higher probability of claims because of the characteristics of the risk insured.

(3) The calculation of shares as referred to in Paragraph 2 is subject to the following conditions:

a) no party to the group of insurers or reinsurers shall participate in another group that operates on the same market;

b) with respect to group of insurers or reinsurers which covers aggravated risks where the probability claims to be settled is higher due to the nature of insured risk, the insurance products provided by the group of insurers or reinsurers shall not represent more than 15% of all – from the insurance risk point of view – identical or similar products underwritten by the parties to the group of insurers and reinsurers or on their behalf and in their name which are – from the viewpoint of insurance risk and underwritten insurance cover – considered identical with or similar to other insurance products.

Article 47

The exemption provided for in Article 45 Paragraph 1 shall apply to agreement on common insurance where insurance companies oblige themselves to:

a) where its objective is to define the cover of insurance within the group

1. take preventive measures into account,

2. apply standard policy conditions or special policy conditions accepted within the group,

3. apply premiums set by the group,

b) submit to the group for approval any settlement of a claim relating to any co-insured risk,

c) entrust to the group the negotiation of reinsurance agreements on behalf of all concerned,

d) not allow the reinsuring of the individual share of the co-insured risk.

(2) The exemption provided for in Article 45 Paragraph 1 shall apply to agreement on common reinsurance where the members of the reinsurance companies group oblige themselves to

a) where the objective is to define the cover of common reinsurance within the group

1. take preventive measures into account,

2. apply standard policy conditions or special policy conditions accepted within the group of reinsurers,

3. apply common risk premium tariff for direct insurance calculated within the group of reinsurers based on the probable cost of risk cover or, where there is not sufficient experience to establish such a tariff, a net risk premium accepted within the group of reinsurers,

4. participate in the cost of common reinsurance,

b) submit to the group for approval the settlement of claims relating to the co-reinsured risks and exceeding a specified amount, or to pass such claims on to the group of reinsurers for settlement;

c) to entrust to the group of reinsurers the negotiation of agreements on insurance of reinsurance companies on behalf of all concerned;

d) not to allow the reinsuring of individual retention or reinsuring of individual shares of the parties to the group of reinsurers.

Article 48

The Authority shall decide in the proceedings initiated of its own incentive that the exemption provided for in Article 45 Paragraph 1 shall not apply to an agreement on common insurance or to an agreement on common reinsurance when it finds that the agreement concerned meets the conditions for the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down by the special regulation[5)] in particular where:

a) parties to the group of insurers or reinsurers would not, having regard to the nature, characteristics and scale of the risks concerned, encounter any significant difficulties in operating individually on the relevant market without organising themselves in a group of insurers and reinsurers,

b) one or more participating members of the group of insurers of reinsurers exercise a determining influence on the commercial policy of more than one group on the same market,

c) the setting-up or operation of a group of insurers and reinsurers may, with regard to the conditions governing admission, definition of the risks to be covered, agreements on insurance of reinsurance companies or with regard to any other conditions, result in the division of the relevant markets or neighbouring relevant markets for the insurance products concerned or

d) a group insurers or reinsurers who benefits from the provisions of Article 46 Pragraph (2) has such position on a relevant market that there are considerable difficulties in finding insurance or reinsuranc cover outside this group.

Block exemption for agreements restricting competition in the insurance sector entered into between insurance or reinsurance companies applying to the establishment of common rules for testing and acceptance of security devices

Article 49

The ban pursuant to the special regulation[1)] shall not apply to agreement restricting competition entered into between insurance companies or reinsurance companies applying to the establishment of common rules for testing and acceptance of security devices, which has as its object the establishment and distribution of

a) security devices technical criteria, procedures for assessing the compliance with technical criteria of security devices, certification procedures for security devices and their installation and maintenance procedures;

b) rules for the evaluation and approval of installation undertakings or maintenance undertakings

(hereinafter only "agreement on security devices").

Article 50

The exemption referred to in Article 49 shall apply to agreement on security devices, if

a) security devices technical criteria and compliance assessment procedures are precise, technically justified and in proportion to the performance to be attained by the security device concerned,

b) the rules for the evaluation of installation undertakings and maintenance undertakings are objective, relate to their technical competence and are applied in a non-discriminatory manner,

c) technical criteria and procedures are established and distributed together with the statement that insurance companies are free to accept other security devices or approve other installation and maintenance undertakings,

d) technical criteria and rules are provided simply upon request to any interested person,

e) technical criteria include a classification based on the level of performance obtained by the security device,

f) a request for the assessment of the security device compliance with the relevant technical criteria may be submitted at any time by any applicant,

g) the compliance assessment does not impose on the applicant any expenses that are disproportionate to the costs of the approval procedure,

h) security devices and undertakings who produce, install and maintain them shall be certified in a non-discriminatory manner within a period of six month from the date of application as referred to in letter f) hereof, except where technical considerations justify an additional period,

i) the fact of compliance with the security devices technical criteria is confirmed in writing,

j) the grounds for a refusal to issue the certificate of compliance are given in writing by attaching a duplicate copy of the records of the tests and controls that have been carried out,

k) the grounds for a refusal to take into account a request for assessment of security devices and installation and maintenance undertakings are provided in writing.

Article 51

The Authority shall decide in the proceedings initiated of its own incentive that the exemption referred to in Article 49 shall not apply to an agreement on security device when it finds that a certain agreement meets the conditions for the block exemption pursuant to this Act nevertheless has effects which are incompatible with the conditions laid down by the special regulation[5].

Block exemption for agreements restricting competition in the area of maritime transport

Article 52

(1) The ban pursuant to the special regulation[1] shall not apply to the activities, which are subject to agreement, according to which the consortium operate pursuant to Article 53 Paragraph 1 (hereinafter only "agreement on consortium"), if it deals with

a) the joint operation of international liner shipping transport service which comprises solely

1. co-ordination or joint specification of shipping timetables and the specification of the destination ports or stops,

2. exchange, sale or cross-chartering of slots or space on vessels,

3. pooling of vessels and port installations,

4. the use of one or more joint operations offices,

5. the provision of containers, chassis and other equipment and the rental contracts, contracts comprising agreements on leasing or purchase contracts for such equipment or

6. the use of a computerised data exchange system and joint documentation system,

b) arrangements on temporary vessel capacity utilisation,

c) the joint operation or use of port terminals and related services, particularly lighterage or stevedoring services,

d) the participation in one or more of the following pools: cargo, revenue or net revenue,

e) joint exercise of voting rights held by the consortium in the conference within which its members operate, in so far as the vote being jointly exercised concerns the consortium's activities as such,

f) joint marketing structure or the issue of a joint bill of lading,

g) any other activity ancillary to those referred to in letters a) to f) which is necessary for their implementation.

(2) Ancillary activity pursuant to Paragragh 1 letter g) shall be mainly an obligation of members of the consortium

a) to use on the trade or in question vessels allocated to the consortium and to refrain from chartering space on vessels belonging to third parties,

b) not to assign or charter space to other vessel-operating carriers on the trade or trades in question except with the prior consent of the other members of the consortium.

Article 53

Definitions for the purposes of agreements restricting competition in maritime transport sector

(1) "Consortium" means an association of liner shipping companies based on an agreement[13)] between two or more vessel-operating carriers which operate vessels and provide international liner shipping services exclusively for the carriage of goods, chiefly by container, the object of which is to bring about co-operation in the joint operation of a maritime transport service, in order to rationalise the operation of the agreement parties by means of operational, technical and commercial arrangements, with the exception of direct or indirect price fixing.

(2) "International liner shipping" means the transport of goods on a regular basis on a particular route or routes between ports and in accordance with available timetables and sailing dates advertised in advance, to any transport user against payment.

(3) "Service arrangement" means a contractual arrangement concluded between one or more transport users and an individual member of a consortium, or a consortium itself under which, in return for an undertaking to commission the transportation of a certain quantity of goods over a given period of time, a user receives an individual undertaking from the consortium member or the consortium to provide an individualised service which is of a given quality and specially tailored to its needs,

(4) "Transport user" means an undertaking that has entered into, or demonstrated an intention to enter into, a contractual arrangement with a consortium or one of the members of consortium for the shipment of goods, or any association of shippers.

(5) "Independent rate action" means the right of a conference to offer, on a case-by-case basis and in respect of goods, freight rates which differ from those laid down in the conference tariff, provided that notice is given to the other conference members.

(6) "Conference" means an association of liner shipping companies whose member companies can make up several consortia.

Article 54

(1) The exemption provided for in Article 52 shall apply to an agreement on consortium if

[13)] Article 829 of the Civil Code.

a) there is effective price competition between the members of the conference within which the consortium operates, due to the fact that the members are expressly authorised by the conference agreement to apply independent rate action to any freight rate provided for in the conference tariff,

b) there exists within the conference within which the consortium operates a sufficient degree of effective competition between the conference members in terms of the services provided, due to the fact that the conference agreement expressly allows the consortium to offer its own service arrangements concerning the form, frequency and quality of transport services provided, as well as freedom at all times to adapt the services it offers in response to specific requests from transport users; or

c) consortium members are subject to effective competition or potential effective competition from shipping liner companies which are not members of that consortium, regardless of the fact whether the conference operates or not.

(2) The exemption provided for in Article 52 shall apply to the agreement on consortium if

a) the consortium must allow each of its members to arrange, on the basis of an individual contract, its own conditions for service providing,

b) agreement on consortium shall give consortium members the right to withdraw from the consortium without financial sanction or other penalty such as, in particular, an obligation to cease all transport activity regardless whether or not coupled with the condition that such activities may be resumed only after a certain period has elapsed. This right shall be subject to a maximum notice period of six months which may be given after an initial period of 18 months starting from the entry into force of the agreement on consortium,

c) a consortium operates with a joint marketing structure, each member of the consortium must engage in independent marketing without penalty subject to a maximum notice period of six months from the day when this fact was announced to the consortium,

d) neither the consortium nor consortia members shall cause detriment to certain ports, users or carriers by applying to the carriage of the same goods and in the area covered by the agreement, rates and conditions of carriage which differ according to the country of origin or destination or port of loading or discharge, unless such rates or conditions can be economically justified.

(3) The exemption provided for in Article 52 shall apply to agreement on consortium also in the case when

a) there are consultations between transport users or their representants and the consortium for the purpose of seeking solutions in the important matters related to the conditions and quality of regular maritime transport provided by the consortium or its members,

b) transport users are given access, for adequate cost and in a consortium member’s site, or on the consortium’s premises, or at its mediators, conditions related to maritime transport services

provided by the consortium and its members including those which are related to the quality of such services and all important changes.

(4) ban pursuant to the special regulation[1] shall not apply neither to the agreement restricting competition entered into between transport user or its representant and the consortium subject to exemption pursuant to Article 52, if the agreement restricting competition deals with the conditions and quality of the international liner shipping, nor to all arrangements connected with these services if these arrangements result from the consultation pursuant to Paragraph 3.

Article 55

(1) The exemption provided for in Article 52 shall apply to an agreement on consortium provided that on each of the relevant markets on which it operates, the consortium has a market share under 30%, if it operates within a conference, and not more 35%, if it operates outside a conference. The relevant market share shall be calculated by reference to the volume of goods carried in the preceding calendar year. Where data for the calendar year in question are not available, data relating to the calendar year before shall be used.

(2) The exemption provided for in Article 52 shall apply to agreement on consortium also during the time-period of two consecutive years during which the market share pursuant to Paragraph 1 has not been exceeded by more than 10%.

(3) The exemption provided for in Article 52 shall apply to agreement on consortium also during the time-period of further six months from the end of the calendar year during which the share pursuant to Paragraphs 1 and 2 was exceeded. This period shall be extended to further 12 months if the excess has been caused by the withdrawal from the market of a carrier that is not a member of the consortium.

Article 56

The exemption provided for in Article 52 shall not apply to an agreement on consortium, if it binds the consortium's members not to use a given percentage of vessel capacity operated by this consortium.

Article 57

The Authority shall decide in the proceedings initiated of its own incentive that the exemption referred to in Article 52 shall not apply to an agreement on consortium, if the Authority finds out that a certain agreement on consortium, which complies with the block exemption provisions pursuant to this Act has effects which are not in compliance with the conditions laid down in the special regulation[5] particularly if

a) in a sector, in the environment outside a conference within which a consortium operates, or in the environment outside the consortium, efficient competition does not exist,

b) consortium shall not act pursuant to Article 54 Paragraph 3 repeatedly,

c) operation of a consortium bears effects which are contrary to the special regulation[14].

Article 58

Joint, interim and final provisions

(1) Provisions pursuant to the special regulation[15] shall be also used for the purposes of this Act, if this Act does not state otherwise.

(2) Articles 2 to 9 of this Act shall apply also to the assessment of vertical agreement which arose before the day of the entry of this Act into force and whose effects still endure.

(3) The exemption pursuant to Articles 2, 4 and 5 of this Act shall apply to vertical agreement, which arose before the day of the entry of this Act into force and whose effects still endure and the share of supplier in the relevant market on which he sells products or provides services which are subject to his vertical agreement does not exceed 30% and which includes a non-competition clause for the period longer than five years provided that the non-competition obligation will not apply longer than five years from the date of the entry of this Act into force.

(4) Provisions of Articles 10 to 15 of this Act shall also apply to the assessment of agreement on distribution and maintenance, which arose before the day of the entry of this Act into force but whose effects still endure.

(5) Provisions of Articles 16 to 23 of this Act shall also apply to the assessment of agreement on the providing of technologies, which arose before the day of the entry of this Act into force but whose effects still endure.

(6) Provisions of Articles 24 to 29 of this Act shall also apply to the assessment of agreement on specialisation, which arose before the day of the entry of this Act into force but whose effects still endure.

(7) Provisions of Articles 30 to 35 of this Act shall also apply to the assessment of agreement on research and development, which arose before the day of the entry of this Act into force but whose effects still endure.

(8) Provisions of Articles 36 to 51 of this Act shall also apply to the assessment of agreement in the insurance sector, which arose before the day of the entry of this Act into force but whose effects still endure.

[14] Article 8 of the Act No. 136/2001 Coll.

[15] Eg. Article 2, Article 3, Articles 25 to 37 of the Act No. 136/2001 Coll.

(9) Provisions of Articles 52 to 57 of this Act shall also apply to the assessment of agreement on consortium, which arose before the day of the entry of this Act into force but whose effects still endure.

Clause II

Act No. 136/2001 of Coll. on Protection of Competition and on Amendment of Act of the Slovak National Council No. 347/1990 Coll. on Organisation of Ministries and Other Central State Administrative Bodies of the Slovak Republic as amended by later legislation shall be amended as follows:

1. In Article 2 Paragraph 5 of the following wording shall be inserted:

"(5) This Act shall not apply to cases of restricting competition the judgement of which appertains to another authority ensuring the protection of competition pursuant to special regulation[1a)]".

The footnote referring to 1a) shall read:

"1a) Such as Article 2 letter b) of Act No. 276/2001 Coll. on the Regulation of Network Industries and on Amending some Acts, Article 10 of Act No. 195/2000 Coll. on the Telecommunications, Article 10 Paragraph 1 of the Act No. 507/2001 Coll. on Postal Services."

2. The footnote referring to 1) "Article 2 of the Act No. 222/1946 Coll. on Posts (Postal Act)" shall be replaced by the wording "Article 7 of the Act No. 507/2001 Coll. on Postal Services,".

3. In Article 4 Paragraph 3 letter f) the word "offers" shall be replaced by the words "behaviour, particularly".

4. In Article 5 Paragraph 2 the word "experiences" shall be replaced by the words "information resulted from the creative activity and experiences of the undertaking".

5. In Article 6 a new Paragraph 4 shall be inserted after Paragraph 3 with the following wording:

"(4) ban pursuant to Article 4 and 5 shall not apply to the group of agreement restricting competition, which meet the conditions pursuant to the special regulation 5a)."

Existing Paragraphs 4 to 6 shall be designated as Paragraphs 5 to 7.

Footnote referring to 5a) is of the following wording:
"5a) Act No. …….. Coll. on Block Exemptions from the Ban of Agreements Restricting Competition and on Amendment of Some Act."

6. In Article 8 Paragraph 1, the word "or" which follows after the word "competition" shall be replaced by the word "and".

7. In Article 9 Paragraph 6, the words ”pursuant to Paragraph 5” shall be deleted.

8. In Article 10 Paragraph 1 the sum “SKK 500,000,000.00” shall be replaced by the sum ”SKK 750,000,000.00” and the sum “SKK 150,000,000” shall be replaced by the sum “SKK 250,000,000.00”.

9. In Article 10 Paragraph 9, the words “upon the acquisition of control over another undertaking or over its part according to the other state of affairs” shall be replaced by the words “where a new state of affairs occurs, resulting in the establishment of concentration”.

10. In Article 10 Paragraph 12, after letter l) a new letter m) shall be inserted, with the following wording:

“m) a description of competition restrictions which are necessary for the establishment of concentration,”.

The existing letter m) shall be designated as letter n).

11. In the footnote 9, the words “Act No. 347/1990 Coll. on Organisation of Ministries and Other Central State Administration Bodies of the Slovak Republic as amended,” shall be replaced by the words “Act No. 575/2001 Coll. on the Organisation of Activities of the Government and Central State Administration,”.

12. Article 12 shall be amended by adding Paragraph 6, with the following wording:

“(6) The decision issued by the Authority pursuant to Paragraph 1 or 2 hereof shall apply also to competition restriction which is necessary for the establishment of concentration, unless the Authority decides otherwise.”

13. Article 12 shall be followed by Article 12a to 12f, with the following wording including the common title:

“Simplified proceedings applied to concentration assessment“

Article 12a

The Authority may, based on the proposal of the parties to the proceedings submitting a written notification of a concentration, or without such proposal being made, apply simplified proceedings to the decision-making process, if

a) two or more undertakings gain joint control over a joint venture pursuant to Article 9 Paragraph 5 and such joint venture performs no or hardly any real or assumed activities in the Slovak Republic; the above stated situation shall arise if

1. the turnover resulting from activities which are transferred to such undertaking by undertakings who acquire control over such a joint venture, does not exceed SKK 100,000,000.00 in the Slovak Republic and

2. the total value of assets transferred to the joint venture does not exceed SKK 100,000,000.00 in the Slovak Republic,

b) in the case of merger or amalgamation of two or more independent undertakings, or in the case of acquisition of joint control in a direct or indirect manner over the undertaking or over a part of another undertaking provided that no participant of the concentration acts on the same relevant market in the Slovak Republic or on the goods relevant market which is a supply or demand market with respect to the relevant market of goods where any other participant to the concentration operates, or

c) in the case of merger or amalgamation of two or more independent undertakings, or in the case of acquisition of joint control in a direct or indirect manner over the undertaking or over a part of another undertaking or undertakings and this concentration is subject to control by the Authority pursuant to Article 10 Paragraph 1 letter a), and

1. two or more parties to the concentration operate on the same product and geographical market in the Slovak Republic and their joint share on the relevant market does not exceed 15%, or

2. one or more parties to the concentration operate on the product market in the Slovak Republic which represents a supply and sale market with respect to the relevant product market in which any of the parties to the concentration operate and the common share of the parties to the concentration in each relevant market does not exceed 20%.

Article 12b

Shall a concentration meet some of the conditions pursuant to Article 12a, the notification pursuant to Article 10 Paragraph 9 must contain

a) data pursuant to Article10 Paragraph 12 letters a) to e) and j), l), m), n) in the scope pursuant to the implementing provision[17a)],

b) the list of the biggest independent suppliers, customers and competitors operating on a relevant market where the joint venture operates.

Article 12c

The Authority shall inform the parties to the proceedings about its decision on concentration issued in the simplified proceedings in a written form.

Article 12d

(1) The Authority shall issue, based on the written notification about concentration pursuant to Article 12b, the decision pursuant to Article 12 Paragraph 1 letter a) within 30 days from the date of the notification receipt. The period shall commence on the day following that of the

receipt of a complete notification pursuant to Article 12b. If the Authority finds out that the notification was pursuant to Article 12b incomplete, a new period shall commence on the day following the date of the receipt of a complete notification pursuant to Article 12b. The Authority has an obligation to inform on that fact in written form a party to the proceedings.

(2) If the Authority proceeds in the simplified proceedings Article 33 shall not be used.

(3) A decision on concentration issued in the simplified proceedings shall not contain the reasoning.

Article 12e

(1) The Authority may, up to the moment of issuing the decision on concentration withdraw from the assessment of concentration executed in the simplified proceedings, particularly in the case when the third party pursuant to Article 27 Paragraph 2 during the time period expresse its objections on concentration however, the Authority has an obligation to inform in a written form the parties to the proceedings prior to the expiration of the period pursuant to Article 12d Paragraph 1. At the same time the Authority shall require the parties to the proceedings to complete the notification on concentration as laid down in Article 10 Paragraph 12 within appropriate period.

(2) The Authority shall withdraw from the concentration assessment in the simplified proceedings, when

a) it is difficult to define relevant markets or define the shares of the parties to concentration or other undertakings operating on the relevant markets, or

b) a concentration, despite compliance with one of the conditions referred to in Article 12a, requires a more profound assessment.

Article 12f

The decision on concentration pursuant to Article 12d shall apply also to restriction of competition which is necessary for exercise of concentration, unless the Authority decides otherwise.".

Wording of the footnote 17a):
"17a) Decree No. 168/2001 of the Antimonopoly Office of the Slovak Republic laying down the details on conditions of the concentration notification."

14. In the footnote referring to 18 the wording "Article 20 Paragraph 1 letter e) of the Act of the National Council of the Slovak Reublic No. 347 1990 Coll. in the wording of further laws." shall be replaced by wording "Article 21 letter b) of the Act No. 575/2001 Coll.".

15. In the footnote referring to 19 the wording "Article 20 Paragraph 3 of the Act of the National Council of the Slovak Reublic No. 347 1990 Coll. in the wording of further laws." shall

be replaced by wording "Article 22 of the Act No. 575/2001 Coll. in the wording of the Act No. 143/2002 Coll.".

16. In Article 22 Paragraph 1 the new letter e) and f) shall be inserted after letter d) with the following wording:
"e) shall issue opinions pursuant to special regulation[22a)]
f) ensures international relations in the area of competition protection at the level of bodies responsible in this area,"

Existing letter e) shall be designated as letter g).

The wording of footnote 22a) is:

"22a) For instance, Act No. 59/1997 Coll. on Protection against Dumping upon Import of Goods, Act No. 214/1997 Coll. on Import Protection Measures, Act No. 226/1997 Coll. on Subsidies and Compensating Measures, Act of the National Council of the Slovak Republic No18/1996 Coll. on Prices in the wording of further laws.".

17. In Article 22 Paragraph 4, in the first sentence, the words "about undertaking" shall be followed be the words "as well as other information and documentation necessary for the acting of the Authority pursuant to this law.".

18. In Article 22 Paragraph 4, in the second sentence, the word "Authority" shall be followed by the words "free of charge".

19. In Article 25 Paragraph 3, after the first sentence, another sentence shall be inserted, with the following wording: "A party to the proceedings on concentration pursuant to Article 9 Paragraph 1 letter b) shall be only an undertaking or undertakings who, directly or indirectly, acquire control over the undertaking or a part of other undertaking or undertakings."

20. In Article 25 Paragraph 3, a new Paragraph 4 shall be inserted, with the following wording:

"(4) If a party to the proceedings is represented by representant, the signatures of both the authorising and the authorised party have to verified by a notary on the writen authorization.".

The existing Paragraphs 4 and 5 shall be designated as Paragraphs 5 and 6.

21. Into Article 25 a new Paragraph 7 shall be inserted with the following wording:

"(7) If the proposal for the initiation of the proceedings is not complete, the Authority shall ask the party to the proceedings to complete the proposal within a defined period. If the imperfections of the proposal are not completed the period to decide shall not pass. If the imperfections of the proposal have not been completed in the stipulated period, the Authority shall proceed pursuant to Article 32 Paragraph 1 letter c). The Authority is obliged to inform the party to the proceedings on consequences of the proposal imperfection and their not completing in writing.".

22. In Article 26, a new Paragraph 2 shall be inserted after Paragraph 1, with the following wording:

"(2) Shall the Authority connect matters for common proceedings, it will issue the decision within the period applying to the proceedings which has been initiated as the first.".

The existing Paragraphs 2 and 3 shall be designated as 3 a 4.

23. Paragraph 8 shall be added to Article 29 with the following wording:

„(8) Should several participants to the proceedings submitted a common proposal to initiate the proceedings, the Authority may appoint a joint representantive for them to deliver, if they did not appoint him themselves.".

24. In Article 31 the full stop at the end shall be replaced by a semicolon and the following words shall be added: "without prejudice to the period pursuant to Article 38 Paragraph 7, which shall commence on the day when the provisions of this law were breached.".

25. In Article 32 Paragraph 2 shall be added by new letters g) and h) with the following wording:

"g) did not prove in the proceedings that the participant to the proceedings has breached the provisions of this law,
h) it was found out in the initiated proceedings that the activities or acts of undertakings exercised abroad do not or cannot lead to the restriction of competition on the domestic market.".

26. In Article 34 Paragraph 2, the words "Article 25 Paragraphs 3 to 5" shall be replaced by the words "Article 25 Paragraphs 3 to 7".

27. After Article 35, a new Article 35a shall be inserted, with the following wording:

Article 35a

Article 25 Paragraphs 3 to 7 and 27 to 33 shall be applied in the appropriate manner to the proceedings on a renewal of proceedings. Article 25 Paragraphs 3 to 7, 27 to 29 and 31 to 33 shall be applied in the appropriate manner to the proceedings on protest of a prosecutor.

28. In Article 38 Paragraph 1, the words "and 13" shall be deleted.

29. In Article 38, a new Paragraph 2 shall be inserted after Paragraph 1, with the following wording:

"(2) The Authority may impose a fine pursuant to Paragraph 1 on an undertaking for breaching the provisions pursuant to Article 10 Paragraph 13.".

The existing Paragraphs 2 to 10 shall be designated as Paragraphs 3 to 11.

30. In Article 38, the words in the newly designated Paragraph 3 "pursuant to Article 6 Paragraph 4" shall be replaced by the words "pursuant to Article 6 Paragraph 3 and 4.".

31. In Article 38, in the newly designated Paragraph 8, the full stop at the end of Paragraph shall be replaced by a semicolon and the following words shall be added: "in case of a continuing administrative offence or pending administrative offence, the period shall begin on the day when the provisions of this law were breached for the last time.".

32. Paragraph 12 shall be added to Article 38, with the following wording:

"(12) The imposed fines and penalties shall be collected and enforced by the Authority.".

33. In Article 41 Paragraph 1 the following words shall be inserted: "and for the proceedings pursuant to the special regulation 5a)."

34. In Article 43 letter a) shall be deleted. The existing letters b) and c) shall be designated as a) and b).

35. In Article 43 letter b) the following words shall be inserted: "and Article 12b letter a).".

Clause III

Act No. 145/1995 Coll. of the National Council of the Slovak Republic on Administrative Fees as amended by Act No. 123/1996 Coll. of the National Council of the Slovak Republic, Act No. 224/1996 Coll. of the National Council of the Slovak Republic, Act No. 70/1997 Coll. of the National Council of the Slovak Republic, Act No. 1/1998 Coll. of the National Council of the Slovak Republic, Act No. 232/1999 Coll. of the National Council of the Slovak Republic, Act No. 3/2000 Coll. of the National Council of the Slovak Republic, Act No. 142/2000 Coll. of the National Council of the Slovak Republic, Act No. 211/2000 Coll. of the National Council of the Slovak Republic, Act No. 468/2000 Coll. of the National Council of the Slovak Republic, Act No. 553/2001 Coll. of the National Council of the Slovak Republic, Act No. 96/2002 Coll. of the National Council of the Slovak Republic, Act No. 118/2002 Coll. of the National Council of the Slovak Republic, Act No. 215/2002 Coll. of the National Council of the Slovak Republic and Act No. 237/2002 Coll. of the National Council of the Slovak Republic shall be amended as follows:

In the tariff of administrative fees the entries 210 to 212 have the following wording:

Entry 210

A proposal to issue a decision of the Antimonopoly Office of the Slovak Republic that activities and practices of undertakings do not constitute an agreement restricting competition or that the common share of the parties to an agreement restricting competition or that neither any of the individual shares of the parties does not exceed 10% of the total share of the products on the relevant market of the Slovak Republic and that their agreement restricting competition can be exempted from the ban of agreements restricting competition……………………………………………SKK 2000.

Entry 211

A proposal to issue a decision of the Antimonopoly Office of the Slovak Republic that the ban of agreements restricting competition shall not apply for the period of time stipulated by the decision of the Antimonopoly Office of the Slovak Republic to an agreement restricting competition which at the same time complies with the conditions stipulated by law…………………………………………………SKK 5000.

Entry 212

Notification of concentration, if the joint turnover of the parties to concentration:
a) does not exceed SKK 750, 000, 000.00 ....SKK 30,000.00
b) reaches at minimum SKK 750, 000, 000.00......................................SKK 100,000.00“

Clause IV

Act No. 92/1991 Coll. of the National Council of the Slovak Republic on Conditions of Transfer of the State Property to Other Persons as amended by Act No. 92/1992 Coll. of the National Council of the Slovak Republic, Act No. 264/1992 Coll. of the National Council of the Slovak Republic, Act No. 541/1992 Coll. of the National Council of the Slovak Republic, Act No. 544/1992 Coll. of the National Council of the Slovak Republic, Act no. 17/1993 Coll. of the National Council of the Slovak Republic, Act No. 172/1993 Coll. of the National Council of the Slovak Republic, Act No. 278/1993 Coll. of the National Council of the Slovak Republic, Act No. 60/1994 Coll. of the National Council of the Slovak Republic, Act No. 172/1994 Coll. of the National Council of the Slovak Republic, Act no. 244/1994 Coll. of the National Council of the Slovak Republic, Act No. 369/1994 Coll. of the National Council of the Slovak Republic, Act No. 374/1994 Coll. of the National Council of the Slovak Republic, Act No. 190/1995 Coll. of the National Council of the Slovak Republic, Act No. 304/1995 Coll. of the National Council of the Slovak Republic, Act No. 4/1996 Coll. of the National Council of the Slovak Republic, Act No. 56/1996 Coll. of the National Council of the Slovak Republic, Act No. 322/1996 Coll. of the National Council of the Slovak Republic, Act No. 352/1996 Coll. of the National Council of the Slovak Republic, Act No. 210/1997 Coll. of the National Council of the Slovak Republic, Act No. 211/1997 Coll. of the National Council of the Slovak Republic, Act No. 221/1998 Coll. of the National Council of the Slovak Republic, Act No. 253/1999 Coll. of the National Council of the Slovak Republic, Act No. 122/2000 Coll. of the National Council of the Slovak Republic, Act No. 441/2000 Coll. of the National Council of the Slovak Republic and Act No. 13/2002 Coll. of the National Council of the Slovak Republic, shall be amended as follows:

1. In Article 8 Paragraph 1, in the first sentence, the following words shall be deleted: “one copy shall be submitted to the Antimonopoly Office of the Slovak Republic for giving its opinion pursuant to a special regulation[4d)]” and the semicolon shall be replaced by fullstop.

The footnote reffering to 4d) shall be deleted.

2. In Article 8 Paragraph 1, second sentence, the words: "and with the opinion of the Antimonopoly Office of the Slovak Republic" shall be deleted.

Clause V

Act No. 18/1996 Coll. of the national Council of the Slovak Republic on Prices, as amended by Act No. 196/2000 Coll., Act No. 276/2001 Coll. shall be amended as follows:

Article 12 Paragraph 1 letter e) shall have the following wording:

"e) dominant position of an undertaking[10).".

Footnote No.10) shall have the following wording:
"10) Article 8 Paragraph 1, of Act No. 136/2001 Coll. on Protection of Competition and on the amendment of Act No. 347/1990 Coll. of the Slovak National Council on Organisation of Ministries and Other Central State Administrative Bodies as amended.".

Clause VI

Act No. 575/2001 Coll. on Organisation of Government Activity and on Organisation of Central State Administration in the wording of Act No. 143/202 Coll. shall be amended as follows:

The following sentence shall be inserted at the end of Article 22 Paragraph 2: "The period of the office of the Chairman of the Antimonopoly Office of the Slovak Republic is 5 years[1b)]".

Footnote referring to 1b) shall have the following wording:
"1b) Articles 15 to 16 of the Act No. 136/2001 Coll. on Protection of Competition and on the amendment of Act No. 347/1990 Coll. of the Slovak National Council on Organisation of Ministries and Other Central State Administrative Bodies as amended.".

Clause VII

This Act enters into force as of 1 October 2002. Clause I of this Act shall lose its efficiency on the day when the Contract on the Slovak Republic Accession to the European Union comes into force.

President of the Slovak Republic

1b)

Chairman of the National Council of the Slovak Republic

Prime Minister of the Slovak Republic