



## 10 Years in Slovakia

**SK: Act on criminal liability for legal**

**CZ: Panama Papers and personal data protection**

**EU: Hyperlinks and copyright**

Although it seems like we opened just yesterday, our office in Bratislava is now celebrating its 10th anniversary on the Slovak market. We have succeeded in winning awards, such as recommended firm in Law Firm of the Year 2016 and in the Legal500 rankings, as well as being ranked by Chambers and Partners among the best firms in labour law for the first time ever. We owe this success to our clients, partners and colleagues, whom we would like to thank for their trust, cooperation and positive evaluations, which we greatly appreciate.

But this does not mean that we can rest on our laurels. Awards not only motivate us but also commit us to working harder to be able to continue to meet our clients' expectations.

Authorities and courts help us every day by placing challenges before us in the form of new regulations, judgments and guidelines. More information on these "challenges", such as the introduction of criminal liability for legal persons in Slovakia or the new law on public procurement, can be found in this newsletter.

Annamária Tóthová

**SK Amendment to the Act on Protection of Competition**

From 18 April 2016, the Anti-monopoly Office has new powers including the ability to impose a fine of up to 10% of the turnover of a business for failure to comply with a ban from participating in public procurements. (NJ)

**CZ: Whistleblowing without sanctions**

An employer may not fire an employee for notifying the state authorities of an infringement by the employer. (ER)

**SK: Measures relating to the adoption of civil codes**

From 1 July 2016, the non-final decision of administrative bodies may be subject to judicial review within the scope and under the terms stipulated by the Administrative Procedure Code. (KL)

**CZ: Lease of apartment to legal entity**

A legal entity may enter into a lease agreement for an apartment if it wants to use it for business or for purposes other than (own) housing. (JK)

**CZ: The new law on public procurement**

Under the draft law on public procurement, it will no longer be possible to conclude an agreement on association of bidders in a public tender until the qualifications are met. It was, until now, a common practice, but one which often led to suspicions of bid rigging. (VF)

**SK: Act on criminal liability for legal persons effective from 1 July 2016**

**On 1 July 2016, Act No. 91/2016 Coll., on the criminal liability for legal persons, which introduces direct criminal liability of legal persons into Slovak law, will come into effect.**

The new legislation is based on three principles, namely:

- prosecution of a legal person is not dependent on legal penalties being imposed on a natural person;
- legal entity may be held liable for crimes committed in its benefit, on its behalf, in connection with its activities or through its agency;
- the legal person may be liable only for committing enumerated crimes.

A legal person can only face limited penalties for a crime, the most stringent punishment being winding-up.

The Act indirectly amends more than 80 regulations. The most significant impact on the business environment will change laws governing the issuance of permits, licenses or authorisations to perform various activities, including trade law, where entrepreneurs will have the additional obligation to demonstrate the integrity of legal persons as well as natural persons.

Petra Štrbová Marková

**CZ: Comparable working and wage conditions for agency employees**

In order to unify procedures during labour inspections, the National Labour Inspectorate issued Methodological Instruction No. 2/2016, which sets out principles for the assessment of comparable wages and conditions of agency and regular employees. (PKc)

**CZ: European professional card**

The President signed an amendment to simplify the recognition of qualifications of foreigners through a European Professional Card. In addition, a warning mechanism has been established to inform EU states about individuals who have been banned from practising a profession. (JKol)

**SK: New Public Procurement Act from 18 April 2016**

The Public Procurement Act establishes the basis for socially oriented and "green" procurement, as well as modern methods of procurement such as auctions, electronic marketplace and dynamic purchasing system and regulates the complete electronic procurement, which is mandatory since 1 April 2017. (BH)

**SK: Changes related to archives and registries**

A registry creator (entrepreneur) need not retain the original hard copies of registry records (e.g. invoices, contracts), if it an electronic copy is made by way of guaranteed conversion. (JS)

**CZ: First registration of a company without fee**

The amendment to the Act, which the Senate returned to the Chamber of Deputies with amendments at the end of April, introduces an exemption from court fees for the first registration of a limited liability company in the Commercial Register carried out by a notary. (JV)

**CZ: Amendment to the Act on Significant Market Power**

The Act on Significant Market Power now includes an exhaustive list of circumstances deemed misuse of significant market power. The amendment also introduces new mandatory contractual requirements for relationships between suppliers and customers that need to be reflected in agreements by 6 June 2016. (LL)

**CZ: Failure to mark place of residence as a termination reason for breach of medical regime**

An employee who does not have their name marked on the doorbell of their residence and therefore cannot be inspected by their employer when on sick leave, is not, according to the Czech Supreme Court, in breach of obligations for which a termination notice can be served. (VO)

**CZ: Introduction of electronic register of sales**

Two new laws will gradually introduce an electronic register of sales, depending on the business areas which will be affected, starting from 1 December 2016. (MŠ)

## New international rankings for Dvořák Hager & Partners

We are pleased to announce that Dvořák Hager & Partners was awarded for its excellence in the Slovak **Law Firm of the Year 2016** ceremony organised by EPRAVO.SK in cooperation with the magazine TREND as a recommended law firm in the category Employment Law.

Dvořák Hager & Partners was ranked the best firm (Band 1) in the Czech Republic for labour law in the prestigious international rankings of law firms issued by **Chambers and Partners** for 2016. The publication also specifically recommended lawyers Tomáš Procházka, Veronika Odrobinová and Radek Matouš in its individual rankings.

**Legal 500**, a prestigious international ranking of law firms, again recommended our law firm in its 2016 edition for the areas of corporate law, mergers and acquisitions, litigation and real estate law. Attorneys Stanislav Dvořák, Stanislav Servus, Veronika Odrobinová, Tomáš Procházka, and Jan Krampera, were specifically recommended. Our clients say that we are **“professional, attentive and a perfect team.”**

We are grateful to our clients for their cooperation and we highly appreciate their positive feedback!

### Mark your diary

Mazars and the law firm Dvořák Hager & Partners would like to cordially invite you to a specialized seminar:

#### How to write an employment contract

**Date:** 22 June 2016, 9 am

**Place:** Hotel Alwyn conference centre, Vítkova 26, Prague 8

**Lecturers:** Veronika Odrobinová and Tomáš Procházka, Dvořák Hager & Partners, Gabriela Ivanco, Mazars

**Registration:** zuzana.navratilova@dhplegal.com

**Participation fee:** CZK 750 per person (without VAT)

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**EU: European Single Procurement Document (ESPD)**

EU Directive 2014/24 introduced the ESPD as a standardised electronic form replacing preliminary documents demonstrating compliance with conditions of a public procurement bidder. The ESPD represents a reduction of the administrative burden. (SL)

**CZ: Act on the Registry of Contracts comes into force on 1 July 2016**

For the effectiveness of each contract with a transaction value above CZK 50,000 concluded with an entity in which the state (even indirectly) has an ownership interest, publication in the registry of contracts will be required. If the contract is not published, its validity shall expire. (TL)

**CZ: Application of the Business Corporations Act by limited liability companies that have not been subordinated to it**

Even those limited liability companies that have not been subordinated to the Business Corporations Act can take advantage of its possibilities, e.g. unlike the Commercial Code, permit the creation of different kinds of shares or determine that the share is represented by a common certificate. (JM)

**CZ: Panama Papers and personal data protection**

There is no exception for journalists in the processing of personal data in cases like the "Panama Papers". Application of the law, however, will be limited due to a conflict with the constitutional right to freedom of expression, particularly for subjects whose right to privacy is outweighed – due to their position or illegal activity – by the public interest in disclosing the data. (RM)

**EU: Hyperlinks and copyright**

In case C-160/15, Advocate General Wathelet offered the opinion that conscious placement of a hyperlink on a webpage linking to a page that infringes copyrights is not, in itself, copyright infringement. (MSA)

**CZ: Joint representation of the proxy and member of the statutory body**

The High Court in Prague has repeatedly declared that the joint representation of a proxy and member of the statutory body is inadmissible (see e.g. 14 Cmo 184/2014 and 14 Cmo 576/2014). (TM)

**CZ: Family Business Governance**

Czech family firms have begun to discover "family business governance", a set of rules that help companies and the controlling family by laying down basic principles of mutual relations and regulating the institutions that help meet the given purpose. (SS)

**CZ: Provision of information on financial accounts**

The amendment to the Act on International Cooperation in Tax Administration establishes the automatic exchange of information on financial accounts. Under this Act, financial institutions are required to provide information about their clients, including foreign entities, to the tax authorities. (SD)

**CZ: Consent to transfer of shares does not need to be in the form of a notarial deed**

The Supreme Court issued an opinion that a resolution of the General Meeting on consent to the transfer of shares or on consent to the pledge of shares does not need to be in the form of a notarial deed and is not a decision which results in a change in the Articles of Association. (JŠ)

**CZ: Amendment to the Act on Money Laundering**

The new legislation on money laundering is expected to come into effect from 1 July 2016. In addition to systemic changes it contains new obligations for financial institutions and other obligated persons. (ZK)

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