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ACT
on Capital Market Supervision¹⁾

of July 29th 2005

(Journal of Laws of September 23rd 2005)

Chapter 1
General Provisions

Art. 1.

This Act defines the organisation and procedures for the exercise of supervision over the capital market.

Art. 2.

¹ This Act implements, within the scope of its regulation, the following Directives:

- 1) Council Directive 93/6/EEC of March 15th 1993 on the capital adequacy of investment firms and credit institutions (OJ L141, 11.06.1993),
- 2) Council Directive 93/22/EEC of May 10th 1993 on investment services in the securities field (OJ L141, 11.06.1993; L168, 18.07.1995; L290, 17.11.2000; and L35, 11.02.2003),
- 3) Directive 2000/64/EC of the European Parliament and of the Council of November 7th 2000 amending Directives 85/611/EEC, 92/49/EEC, 92/96/EEC and 93/22/EEC as regards exchange of information with third countries (OJ L290, 17.11.2000),
- 4) Directive 2003/6/EC of the European Parliament and of the Council of January 28th 2003 on insider dealing and market manipulation (market abuse) (OJ L96, 12.04.2003),
- 5) Directive 2002/87/EC of the European Parliament and of the Council of December 16th 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC, 93/22/EEC and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council (OJ L35, 11.02.2003),
- 6) Directive 2003/71/EC of the European Parliament and of the Council of November 4th 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC (OJ L345, 31.12.2003),
- 7) Commission Directive 2004/72/EC of April 29th 2004 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards accepted market practices, the definition of inside information in relation to derivatives on commodities, the drawing up of lists of insiders, the notification of managers' transactions and the notification of suspicious transactions (OJ L162, 30.04.2004).

The data contained herein and relating to the promulgation of EU legal acts relate as of the date of Poland's accession to the European Union to the promulgation of such legal acts in the Official Journal of the European Union – special edition.

This Act amends the following statutes: the Tax Supervision Act of September 28th 1991, the National Criminal Register Act of May 24th 2000, the Commodity Exchange Act of October 26th 2000, the Act on Gathering, Processing and Transmitting Criminal Information and on the National IT System of July 6th 2001 and the Act on Investment Funds of May 27th 2004.

Any reference in this Act to:

1. “Act on Trading in Financial Instruments” shall mean the Act on Trading in Financial Instruments of July 29th 2005 (Dz.U. No. 183, item 1538);
2. “Public Offering Act“ shall mean the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (Dz.U. No 184, item 1539);
3. “Act on Investment Funds” shall mean the Act on Investment Funds of May 27th 2004 (Dz.U. No. 146, item 1546, and Dz.U. of 2005, No. 83, item 719);
4. “Commodity Exchange Act“ shall mean the Commodity Exchange Act of October 26th 2000 (Dz.U. of 2005, No. 121, item 1019);
5. “Supplementary Supervision Act“ shall mean the Act on the Supplementary Supervision of Credit Institutions, Insurance Undertakings and Investment Firms in a Financial Conglomerate of April 15th 2005 (Dz.U. No. 83, item 719);
6. “capital market” shall mean:
 - a) the market of securities and other financial instruments – to the extent the provisions of the acts referred to in Art. 2.1 and 2.2 are applicable to such securities and financial instruments, and
 - b) the market of services offered by investment funds and other collective investment undertakings – to the extent the provisions of the act referred to in Art. 2.3 are applicable to such services and undertakings, and
 - c) commodities market as defined in the act referred to in Art. 2.4;
7. “financial instruments” shall mean financial instruments as defined in the Act on Trading in Financial Instruments;
8. “securities” shall mean securities as defined in the Act on Trading in Financial Instruments;
9. “securities accounts” shall mean securities accounts as defined in the Act on Trading in Financial Instruments;
10. “regulated market” shall mean a regulated market as defined in the Act on Trading in Financial Instruments;
11. “Member State” shall mean a state which is a member of the European Union or the Agreement on the European Economic Area.

Art. 3.

1. The competent authority supervising the capital market shall be the Polish Securities and Exchange Commission, hereinafter referred to as the “Commission”.
2. The Commission shall also act as the supervisory authority for the market of financial instruments which are sought to be admitted to trading on such market, within the meaning of legal acts enacted by institutions and authorities of the European Union.

Art. 4.

1. The objective of the supervision shall be to ensure proper operation of the capital market and, in particular, security of trading and protection of investors and other market participants, as well as compliance with the principles of fair trading.
2. The means of exercising supervision shall be defined in this Act and in other regulations.

Art. 5.

The Commission's supervision shall cover entities which conduct activities on the capital market on the basis of authorisations issued by the Commission or another competent administrative authority, as well as other entities – to the extent they are subject to the obligations related to the participation in such market, as specified in other regulations, and in particular:

1. investment firms as defined in the Act on Trading in Financial Instruments,
2. investment firm agents as defined in the Act on Trading in Financial Instruments,
3. entities referred to in Art. 71 of the Act on Trading in Financial Instruments, which accept and transfer orders related to securities or units in collective investment undertakings,
4. custodian banks as defined in the Act on Trading in Financial Instruments,
5. companies operating a regulated market,
6. company maintaining a depository of securities as defined in the Act on Trading in Financial Instruments,
7. issuers executing public offerings of securities, as defined in the Public Offering Act, and issuers whose securities are admitted to trading on a regulated market,
8. investment funds,
9. management companies,
10. other entities providing services to investment funds, including entities commissioned by management companies to perform such companies' responsibilities,
11. companies operating commodity exchanges,
12. commodity brokerage houses as defined in the Commodity Exchange Act,
13. foreign legal persons conducting brokerage activities related to trading in commodities in the territory of the Republic of Poland,
14. power companies keeping, under an authorisation issued by the Commission, accounts or registers of commodities as defined in the Commodity Exchange Act,
15. exchange clearing houses as defined in the Commodity Exchange Act
16. hereinafter referred to as the "regulated entities".

Chapter 2

The Commission's Organisation and Rules of Operation

Art. 6.

1. The Commission is a central government body.
2. The Commission shall be supervised by the minister competent for financial institutions.

Art. 7.

1. The Commission shall:
 - 1) take actions intended to ensure proper operation of the capital market;
 - 2) exercise supervision over the activities of the regulated entities and performance by such entities of the obligations related to their participation in trading on the capital market, to the extent defined in legal regulations;
 - 3) perform activities related to education and information on the operation of the capital market;
 - 4) perform other tasks specified in legal regulations.
2. The Commission shall also drafts of legal acts related to the operation of the capital market.
3. The Commission may apply to the competent authorities for enactment or amendment of secondary legislation provided for in the statutes.
4. The Commission shall publish the Official Journal (*Dziennik Urzędowy*) of the Polish Securities and Exchange Commission, which shall be governed by rules set forth in other regulations.

Art. 8.

1. The Commission shall comprise: the Chairman, two deputy Chairmen and five members.
2. The Chairman of the Commission, selected in a contest, shall be appointed by the President of the Council of Ministers, acting upon a motion of the minister competent for financial institutions, in consultation with the Governor of the National Bank of

Poland. An opinion on the motion shall be obtained from the competent parliamentary commission.

3. The Chairman of the Commission shall be appointed for a term of five years from the appointment date. The Chairman of the Commission shall perform its duties until its successor is appointed.
4. The deputy Chairmen of the Commission shall be appointed and removed from office by the minister competent for financial institutions, acting upon a motion of the Chairman of the Commission.
5. The members of the Commission shall include:
 - 1) minister competent for financial institutions or his representative;
 - 2) minister competent for the State Treasury or his representative;
 - 3) President of the Office of Competition and Consumer Protection (*UOKiK*) or his representative;
 - 4) President of the Insurance and Pension Fund Supervision Authority (*Komisja Nadzoru Ubezpieczeń i Funduszy Emerytalnych*) or his representative;
 - 5) General Inspector of Banking Supervision.
6. As regards the matters concerning supervision over the securities clearing system operated by Krajowy Depozyt Papierów Wartościowych SA (National Depository for Securities), a representative of the Governor of the National Bank of Poland shall have the right to participate, in advisory capacity, in the Commission's meetings.
7. In the event of death of the Chairman of the Commission, his term of office shall expire.

Art. 9.

1. The authorised delegates of:
 - 1) companies operating regulated markets,
 - 2) companies operating commodity exchanges,
 - 3) company operating a depository of securities as defined in the Act on Trading in Financial Instruments,
 - 4) representative, within the meaning of Art. 9.2, associations or organisations of:

- 1) securities brokers within the meaning of the Act on Trading in Financial Instruments, or
 - 2) investment advisers within the meaning of the Act on Trading in Financial Instruments, or
 - 3) commodity exchange brokers within the meaning of the Commodity Exchange Act, or
 - 4) issuers of dematerialised securities, or
 - 5) custodian banks,
- 5) commercial chambers established by brokerage houses pursuant to the Act on Trading in Financial Instruments,
 - 6) commercial chamber referred to in the Act on Investment Funds,
 - 7) commercial chambers established by commodity brokerage houses pursuant to the Commodity Exchange Act,
 - 8) exchange clearing houses within the meaning of the Commodity Exchange Act,

– shall have the right to participate, without the right to vote, in the Commission's meetings as regards the matters concerning the regulation of the capital market, connected with the activities of the given entity or organisation.

2. A representative association or organisation shall mean an association or organisation which consists of at least 20% of all persons practicing one of the professions specified in Art. 9.1.4.a-c, or at least 20% of all entities specified in Art. 9.1.4.d-e.
3. The Commission shall notify the entities referred to in Art. 9.1 of the scheduled dates of the Commission's meetings to be held in connection with the matters with respect to which such entities have the right to participate in the Commission's meetings.

Art. 10.

1. The Commission, within the scope of its competence, shall pass resolutions and shall issue administrative decisions in individual cases.
2. The Commission shall pass resolutions by a simple majority of votes, in an open voting, in the presence of at least four of its members, including the Chairman of the Commission or his deputy; in the event of a voting tie, the Chairman shall have the casting vote. The Commission may pass resolutions by way of a secret ballot.
3. Resolutions and decisions shall be signed by the Chairman of the Commission, and in his absence – by a deputy designated by the Chairman.

Art. 11.

The Commission may impose pecuniary penalties in the cases specified in other regulations. The amounts due in respect of the imposed penalties shall constitute revenue of the state budget.

Art. 12.

1. Unless other regulations provide otherwise, the proceedings before the Commission or the Chairman of the Commission shall be governed by the provisions of the Code of Administrative Procedure of June 14th 1960 (Dz.U. of 2000, No. 98, item 1071, as amended²).
2. The Commission may render administrative decisions immediately enforceable, if such enforceability is justified by the need to protect material interests of the capital market participants or prevent a threat to the proper operation of that market.
3. The provisions of Art. 35–38 of the Code of Administrative Procedure shall apply accordingly to the deadlines for considering matters.
4. If a party appoints more than one attorney-in-fact in the course of administrative proceedings, service of a notice on one of them shall be deemed effective service on the others.
5. The contents of a decision to instigate administrative proceedings, which are undertaken on the basis of the findings of a completed audit or explanatory proceedings, shall include the scope and type of behaviour to which the instigated proceedings apply.

² Amendments to the consolidated text of the Act were promulgated in Dz.U. of 2001, No. 49, item 509; Dz.U. of 2002, No. 113, item 984, No. 153, item 1271, and No. 169, item 1387; Dz.U. of 2003, No. 130, item 1188, and No. 170, item 1660; Dz.U. of 2004, No. 162, item 1692; and Dz.U. of 2005, No. 64, item 565, No. 78, item 682, and No. 181, item 1524.

Art. 13.

1. The Chairman of the Commission shall issue decisions to instigate administrative proceedings and, in the cases specified in this Act or other regulations, other decisions, orders and recommendations. In this scope, the Chairman of the Commission shall exercise the powers of the Commission.
2. The provisions of Art. 12.2 shall apply to the decisions issued by the Chairman of the Commission.
3. The Chairman of the Commission may take specific actions or resolve matters at the first instance, by way of administrative decisions, pursuant to the authorisation granted by the Commission, excluding the following matters reserved exclusively for the Commission:
 - 1) imposing pecuniary penalties;
 - 2) excluding securities from trading on a regulated market;
 - 3) authorising rematerialisation of shares;
 - 4) deleting securities brokers, commodity exchange brokers or investment advisers from the relevant register, or suspending their rights to practise the profession;
 - 5) granting brokerage licences;
 - 6) revoking or limiting the scope of brokerage licences;
 - 7) refusing to register an entity in the register of investment firm agents;
 - 8) deleting an investment firm agent from the register referred to in Art. 13.1.7;
 - 9) raising an objection to a planned acquisition of shares in:
 - a) a company operating a stock exchange,
 - b) Krajowy Depozyt Papierów Wartościowych SA (National Depository for Securities),
 - c) a brokerage house;
 - 10) approving acquisition of shares in a company operating a stock exchange;
 - 11) approving acquisition of shares in a company operating an over the counter (OTC) market;
 - 12) informing a foreign investment firm of the conditions of conducting brokerage activities in the Republic of Poland;

- 13) granting an authorisation to conduct activities of a management company;
- 14) revoking an authorisation to conduct activities of a management company;
- 15) revoking an authorisation held by the entity referred to in Art. 32.2 of the Act on Investment Funds;
- 16) prohibiting publication of advertising information and ordering publication of appropriate corrections pursuant to Art. 229.5 of the Act on Investment Funds;
- 17) changing the depositary of an investment fund;
- 18) ordering renunciation of an agreement with entities referred to in Art. 226.1.4 or 226.1.5 of the Act on Investment Funds;
- 19) ordering an investment fund to change the persons referred to in Art. 22.4, 22.6 and 22.7 of the Act on Investment Funds;
- 20) ordering an investment fund to change the entity referred to in Art. 192.1 of the Act on Investment Funds;
- 21) prohibiting sale of units issued by a foreign investment fund;
- 22) prohibiting a foreign management company or its branch, within the meaning of the Act on Investment Funds, to conduct activities in the Republic of Poland, prohibiting such a company to conclude any transactions in the territory of the Republic of Poland;
- 23) stating in a decision issued pursuant to Art. 253.6 and Art. 270.6 of the Act on Investment Funds that the planned methods of selling units by a foreign investment fund do not meet the conditions provided for in the laws in effect in the Republic of Poland and that the investment fund does not guarantee an efficient execution of payments relating to acquisition and redemption of units and the access to information on the investment fund;
- 24) raising an objection to a planned acquisition or subscription for shares in a management company;
- 25) ordering an investment fund to amend its articles of association.

Art. 14.

The Chairman of the Commission, and in his absence – a deputy designated by the Chairman, shall represent the Commission and manage its work.

Art. 15.

The Commission and the Chairman of the Commission shall perform their responsibilities with the assistance of the office of the Polish Securities and Exchange Commission, hereinafter referred to as the “Office”.

Art. 16.

The organisation of the Commission and of the Office and the detailed procedure of the Commission’s work shall be defined in the articles of association adopted by the Commission and approved, by way of an order, by the minister competent for financial institutions. The articles of association may stipulate that the detailed procedure of the Office’s work is to be defined in its rules.

Art. 17.

1. The expenses representing the cost of the Commission’s and the Office’s operations, in the amount specified in the budgetary act, including remuneration and discretionary bonuses of the Chairman of the Commission, his deputies and employees of the Office, shall be financed with:
 - 1) fees and charges referred to in the Act on Investment Funds, the Commodity Exchange Act, the Act on Trading in Financial Instruments and the Public Offering Act, paid for this purpose by the regulated entities to the Commission, and
 - 2) other proceeds to the income account of the Office, excluding the pecuniary penalties referred to in Art. 11.
2. The fees and charges and other proceeds referred to in Art. 17.1.2 shall be also used to cover the costs of organisation of examinations and tests referred to in the Act on Trading in Financial Instruments, including remuneration of the members of the relevant examination boards.
3. The zloty equivalent of the fees and charges expressed in the euro shall be translated at the mid exchange rate quoted for the euro by the National Bank of Poland
4. If the fees and charges due to the Commission are not paid in full or in part, the Commission shall issue a decision in which it shall specify the amount of such overdue fees and charges.
5. Statutory interest shall accrue on any overdue amounts resulting from fees and charges unpaid by the due date or fees and charges paid in an amount lower than the due amount.
6. The minister competent for financial institutions shall specify, by way of a regulation:
 - 1) the amount, the method of calculation, and the terms and conditions and dates for the payment of fees and charges referred to in Art. 17.1.1,
 - 2) the detailed method of settlement of the fees and charges and other proceeds referred to in Art. 17.1, including in particular the types of fees and charges and the nature of actions which entail the obligation to pay such fees and charges.

The fees and charges shall not materially increase the costs of operation of the entities required to pay such charges.

7. The minister competent for financial institutions shall define, by way of a regulation, the detailed rules for establishing the amount of funds to be appropriated for payment of discretionary bonuses to the Chairman of the Commission and his deputies, and determining the amount of such bonuses, and the rules for establishing the amount of funds to be appropriated for payment of remuneration and discretionary bonuses to employees of the Office, taking into account the organisation of the Office, the need to ensure proper performance of the supervisory responsibilities of the Commission and the Office, and the level of salaries in the regulated institutions.

Art. 18.

1. In civil cases resulting from relations which arise from participation in trading on the capital market, or pertaining to entities operating on that market, the Chairman of the Commission shall have the powers of a prosecutor provided for in the Code of Civil Procedure of November 17th 1964 (Dz.U. No. 43, item 296, as amended³).
2. In cases relating to the offences specified in:
 - 1) the Public Offering Act, the Act on Trading in Financial Instruments, the Act on Investment Funds and the Commodity Exchange Act,
 - 2) other statutes – to the extent relating to acts which have been committed against the interests of the capital market participants and which are connected with the activities of the regulated entities– the Chairman of the Commission shall have the rights of an injured party in criminal proceedings.

³ Amendments to the consolidated text of the Act were promulgated in Dz.U. of 1965, No. 15, item 113; Dz.U. of 1974, No. 27, item 157, and No. 39, item 231; Dz.U. of 1975, No. 45, item 234; Dz.U. of 1982, No. 11, item 82, and No. 30, item 210; Dz.U. of 1983, No. 5, item 33; Dz.U. of 1984, No. 45, item 241 and 242; Dz.U. of 1985, No. 20, item 86; Dz.U. of 1987, No. 21, item 123; Dz.U. of 1988, No. 41, item 324; Dz.U. of 1989, No. 4, item 21, and No. 33, item 175; Dz.U. of 1990, No. 14, item 88, No. 34, item 198, No. 53, item 306, No. 55, item 318, and No. 79, item 464; Dz.U. of 1991, No. 7, item 24, No. 22, item 92, and No. 115, item 496; Dz.U. of 1993, No. 12, item 53; Dz.U. of 1994, No. 105, item 509; Dz.U. of 1995, No. 83, item 417; Dz.U. of 1996, No. 24, item 110, No. 43, item 189, No. 73, item 350, and No. 149, item 703; Dz.U. of 1997, No. 43, item 270, No. 54, item 348, No. 75, item 471, No. 102, item 643, No. 117, item 752, No. 121, item 769 and 770, No. 133, item 882, No. 139, item 934, No. 140, item 940, and No. 141, item 944; Dz.U. of 1998, No. 106, item 668, and No. 117, item 757; Dz.U. of 1999, No. 52, item 532; Dz.U. of 2000, No. 22, item 269 and 271, No. 48, item 552 and 554, No. 55, item 665, No. 73, item 852, No. 94, item 1037, No. 114, item 1191 and 1193, and No. 122, item 1314, 1319 and 1322; Dz.U. of 2001, No. 4, item 27, No. 49, item 508, No. 63, item 635, No. 98, item 1069, 1070 and 1071, No. 123, item 1353, No. 125, item 1368, and No. 138, item 1546; Dz.U. of 2002, No. 25, item 253, No. 26, item 265, No. 74, item 676, No. 84, item 764, No. 126, item 1069 and 1070, No. 129, item 1102, No. 153, item 1271, No. 219, item 1849, and No. 240, item 2058; Dz.U. of 2003, No. 41, item 360, No. 42, item 363, No. 60, item 535, No. 109, item 1035, No. 119, item 1121, No. 130, item 1188, No. 139, item 1323, No. 199, item 1939, and No. 228, item 2255; Dz.U. of 2004, No. 9, item 75, No. 11, item 101, No. 68, item 623, No. 91, item 871, No. 93, item 891, No. 121, item 1264, No. 162, item 1691, No. 169, item 1783, No. 172, item 1804, No. 204, item 2091, No. 210, item 2135, No. 236, item 2356, and No. 237, item 2384, and Dz.U. of 2005, No. 13, item 98, No. 22, item 185, No. 86, item 732, No. 122, item 1024, No. 143, item 1199, No. 150, item 1239, No. 167, item 1398, No. 169, item 1413 and 1417, No. 172, item 1438, and No. 178, item 1478.

3. In cases relating to the offences referred to in Art. 18.2, the jurisdiction of the regional public prosecutor shall be determined in accordance with the regulation issued under Art. 17.5 of the Public Prosecutor Act of June 20th 1985 (Dz.U. of 2002, No. 21, item 206, as amended⁴).

Art. 19.

1. The Chairman of the Commission, its deputies, members of the Commission, employees of the Office and the persons referred to in Art. 9.1, shall be bound by the professional secrecy obligation, whose substance, scope and limitations, as well as consequences of non-compliance therewith, are specified in the Act on Trading in Financial Instruments, the Act on Investment Funds and the Commodity Exchange Act.
2. The obligation referred to in Art. 19.1 shall also apply to:
 - 1) persons bound by a legal relation under a mandate contract or any other legal relation of a similar nature with the persons referred to in Art. 19.1, the Commission or the Office;
 - 2) persons employed by the entities bound by a legal relation under a mandate contract or any other legal relation of a similar nature with the persons referred to in Art. 19.1, the Commission or the Office.
3. The professional secrecy obligation shall survive the termination of the legal relations referred to in Art. 19.1 and 19.2.

Chapter 3

Exchange of Information between Supervisory Authorities

Art. 20.

1. The Commission or its authorised representative may provide to and receive from a foreign supervisory authority competent for the securities market or financial market information necessary to:
 - 1) duly perform specific supervisory responsibilities, including the responsibilities set forth in the Supplementary Supervision Act, or
 - 2) ensure proper conduct of court, administrative, criminal, explanatory and audit proceedings in cases related to the exercise of supervision.

⁴ Amendments to the consolidated text of the Act were promulgated in Dz.U. of 2002, No. 213, item 1802; Dz.U. of 2003, No. 228, item 2256; and Dz.U. 2005, No. 130, item 1085, No. 167, item 1398, No. 169, item 1410 and 1417.

2. The rules and procedure for the provision of information shall be defined in the agreements referred to in Art. 20.1 concluded by the Commission with such supervisory authorities.
3. The Commission may provide the information on the basis of the agreement referred to in Art. 20.2, if:
 - 1) it will not have an adverse effect on the sovereignty, security or public interest of the Republic of Poland;
 - 2) the laws in effect in the home country of the foreign supervisory authority to whom such information is provided ensure:
 - a) that such information will be used only for the purpose of exercising supervision or conducting administrative or court proceedings in cases related to the exercise of such supervision,
 - b) such information will be covered by a secrecy obligation binding on such authority;
 - 3) it is ensured that each further transfer of such information outside the foreign supervision authority, for a purpose other than specified in Art. 20.1, shall be possible only upon obtaining a prior approval of the Commission.
4. Without the foreign supervision authority's consent information obtained by the Commission under the agreement referred to in Art. 20.2 may not be used for any purpose other than specified in Art. 20.1 or transferred outside the Commission to the competent authority of another state.

Art. 21.

1. For the purposes specified in Art. 20.1, the Commission or its authorised representative, shall, on its own initiative or on demand, provide the information it holds to the competent authority in another Member State or a foreign coordinator within the meaning of Art. 3.20 of the Supplementary Supervision Act.
2. If the entities referred to in Art. 21.1 have applied for information which is not held by the Commission, the Commission shall promptly take steps to obtain such information or shall notify such entities, stating the reasons for its inability to obtain the information.
3. The Commission may refuse to provide information, if:
 - 1) the provision of information could have an adverse effect on the sovereignty, security or public interest of the Republic of Poland, or
 - 2) the request to provide information relates to the same acts of violation of law or principles of fair trading effective in another Member State, committed by the same entity, with respect to which court or administrative proceedings are pending in the Republic of Poland, or a final judgment has been issued, or a final decision imposing a penalty has been issued by the Commission; in such a case, detailed information on such circumstances shall be provided.

4. Subject to the Commission's approval, information provided by the Commission to the supervisory authority in another Member State may be used for a purpose other than specified in Art. 20.1 or transferred outside such authority to the competent authority in another state.
5. Subject to the approval of the supervisory authority in another Member State, information required for the purposes specified in Art. 20.1 and obtained by the Commission from such authority may be used for other purposes or transferred outside the Commission to the competent authority in another state, in particular a party to the agreement referred to in Art. 20.2.
6. If it is found that behaviour which is in conflict with the law has occurred or is occurring also in the territory of another Member State or that such behaviour relates to financial instruments which are traded on a regulated market in another Member State, the Commission or its authorised representative shall provide detailed information concerning such behaviour to the supervisory authority in that state.
7. After the Commission has obtained from a supervisory authority in another Member State information on behaviour being in conflict with the law, which has occurred or is occurring in the territory of the Republic of Poland or relates to financial instruments traded on a regulated market in the Republic of Poland, the Commission or its authorised representative shall notify that authority of the actions taken and, if necessary, of the course of proceedings carried out.
8. The Commission shall consult with supervisory authorities in other Member States on the planned actions aimed at counteracting behaviour which is in conflict with the law and which has occurred or is occurring in the territory of the Republic of Poland and such other states.
9. The provisions of Art. 21.1-7 shall apply accordingly to the provision of information to a foreign coordinator in connection with the supervisory responsibilities specified in the Supplementary Supervision Act.
10. The powers of the Commission referred to in Art. Art. 21.1-9 shall apply in the case of behaviour referred to in Art. 25.7.

Art. 22.

If the performance of responsibilities specified in the Supplementary Supervision Act so requires, the Commission may provide and receive information to and from central banks of other Member States, the European System of Central Banks and the European Central Bank. The provisions of Art. 21.6-8 shall apply accordingly.

Art. 23.

1. The Commission or its authorised representative may provide and receive information, including opinions from the Insurance and Pension Fund Supervision Authority, Governor of the National Bank of Poland and the Banking Supervision Commission, necessary to:

- 1) duly perform the supervisory responsibilities, including responsibilities specified in the Supplementary Supervision Act, or
 - 2) ensure the proper conduct of administrative or criminal proceedings in cases related to the exercise of supervision.
2. The Commission or its authorised representative may also provide and receive information, including opinions from the President of the Office of Competition and Consumer Protection, necessary to ensure due performance of the supervisory responsibilities, including the responsibilities specified in the Anti-Trust and Consumer Protection Act of December 15th 2000 (Dz.U. of 2003, No. 86, item 804, as amended⁵).
3. The rules and procedure for the provision of the information referred to in Art. 23.1 and 23.2 shall be defined in the agreements concluded by the Commission with the relevant supervisory authorities.

Chapter 4

Audit and Explanatory Proceedings and Blocking of Accounts

Art. 24.

In connection with the performance of its supervisory responsibilities, the Commission, the Chairman of the Commission, the Commission's authorised representatives, and employees of the Office shall have access to:

1. inside information as defined in Art. 154 of the Act on Trading in Financial Instruments,
2. other information, including information covered by the professional secrecy obligation referred to in Art. 19.1,

held by natural persons or other entities, in particular the entities specified in Art. 20, Art. 21 and Art. 23, as well as Art. 150.1 of the Act on Trading in Financial Instruments. Unless separate statutes provide otherwise, such information, as well as information obtained by the Commission pursuant to Art. 20, Art. 21 and Art. 23 may only be used in order to perform the statutory supervisory responsibilities and, in particular, may serve as evidence in administrative proceedings conducted by the Commission.

Art. 25.

1. The Commission may, by way of a resolution, resolve to disclose to the public information on:

⁵ Amendments to the consolidated text of the Act were promulgated in Dz.U. of 2003, No. 170, item 1652; Dz.U. of 2004, No. 93, item 891, and No. 96, item 959; and Dz.U. 2005, No. 163, item 1362.

- 1) instances of non-compliance with the provisions of the Act on Trading in Financial Instruments, the Public Offering Act, the Act on Investment Funds and the Commodity Exchange Act,
 - 2) legal measures undertaken to counteract non-compliance with the acts referred to in Art. 25.1.1, including information on the sanctions applied and on filing a notification of a suspected offence, as well as on instigation of administrative or civil proceedings or the results of such proceedings.
 - 3) occurrence of circumstances suggesting market manipulation referred to in the Act on Trading in Financial Instruments, or commitment of an offence or a misdemeanour referred to in the acts referred to in Art. 25.1.1,
 - unless disclosure of such information poses a serious threat to the capital market or causes incommensurate damage to the persons to whom such information relates.
2. The information referred to in Art. 25.1 may not contain personal details of any persons, unless:
 - 1) a final judgment has been issued with respect to such persons, or
 - 2) a final decision has been issued concerning such persons' non-compliance with the provisions of the acts referred to in Art. 25.1.1, or
 - 3) the decision concerning non-compliance with the provisions of the acts referred to in Art. 25.1.1 by such persons has been made immediately enforceable.
 3. Where justified by the need to exercise supervision by a foreign supervisory authority which has concluded the agreement referred to in Art. 20.2 with the Commission, or by the need to carry out administrative or court proceedings concerning issues related to the exercise of supervision by such an authority, or at the request of a supervisory authority in another Member State, the Commission may instigate *ex officio* and conduct audit, explanatory or administrative proceedings, and may demand that such proceedings be instigated by a supervisory authority in another Member State. In such a case, an authorised representative of such supervisory authority may participate in the actions undertaken in the course of such proceedings.
 4. The Commission shall not instigate the proceedings referred to in Art. 25.3 or shall refuse to allow participation in the actions undertaken, if:
 - 1) compliance with the request for instigation of such proceedings could adversely affect the sovereignty, security or public interest of the Republic of Poland, or
 - 2) court proceedings are pending or a final judgment has been issued in respect of the same acts of violation of the law committed by the same entity in the territory of the Republic of Poland or in the home country of the supervisory authority.
 5. In the case referred to in Art. 25.4.2, the Commission shall provide the foreign supervisory authority with detailed reasons for not instigating the proceedings or not allowing participation in the actions undertaken.

6. If a given behaviour is found to violate the laws, the compliance with which falls within the scope of the Commission's supervision, the Commission may request that such behaviour be discontinued.
7. The powers of the Commission referred to in the provisions of this Chapter 4 shall apply to:
 - 1) behaviour in the territory of the Republic of Poland or another Member State relating to financial instruments admitted or sought to be admitted to trading on a regulated market in the territory of the Republic of Poland;
 - 2) behaviour occurring in the territory of the Republic of Poland and relating to financial instruments admitted or sought to be admitted to trading on a regulated market in the territory of another Member State.

Art. 26.

1. With a view to performing the Commission's responsibilities, authorised employees of the Office or, in the case referred to in Art. 26.7, other persons, hereinafter referred to as the "inspectors", may carry out inspections concerning the activities or the financial standing of:
 - 1) a regulated entity referred to in Art. 5.1-6 and Art. 5.8-15,
 - 2) a third party commissioned, within the scope of the authorisation provided for by the applicable laws, by an entity referred to in Art. 26.1.1 to perform certain actions which fall within the scope of the Commission's supervision, hereinafter referred to as the "inspected entity".
2. In the case of:
 - 1) a branch of a foreign credit institution, as defined in the Act on Trading in Financial Instruments, conducting brokerage activities in the territory of the Republic of Poland, the inspection shall only cover the organisational unit which conducts such activities;
 - 2) a foreign investment firm conducting brokerage activities in the territory of the Republic of Poland, the inspection shall only involve assessment of the compliance of the brokerage activities conducted in the territory of the Republic of Poland with the rules governing provision of services defined in the Polish law.
3. The powers connected with the inspections referred to in Art. 26.1 may be exercised with respect to a branch of a brokerage house or a bank conducting brokerage activities which is situated in the territory of another Member State subject to a prior written notification by the Commission of the competent supervisory authority in the country where the branch of such brokerage house or bank is situated.
4. With respect to branches and representative offices of foreign investment firms operating in the territory of the Republic of Poland, the powers connected with the inspections referred to in Art. 26.1 shall also be conferred upon the representatives of

the supervisory authorities competent for the securities market or the financial market in another Member State in which such foreign investment firm has obtained the relevant authorisation, in accordance with the rules defined in the laws of such Member State. Such powers may be exercised subject to a prior written notification of the Commission.

5. At a written request of the supervisory authorities referred to in Art. 26.4, the powers conferred upon such authorities with respect to a branch or a representative office of a foreign investment firm shall be exercised by the Commission or its authorised representative.
6. The representatives of supervisory authorities in other Member States in which foreign investment firms conducting brokerage activities in the territory of the Republic of Poland have obtained the relevant authorisations shall have, in connection with the exercise of the powers connected with inspections referred to in Art. 26.1 with respect to branches and representative offices of foreign investment firms, the right to access information covered by professional secrecy obligation which is held by such entities, and natural persons employed by such entities or bound by a legal relation under a mandate contract or any other legal relation of a similar nature with such entities.
7. The Chairman of the Commission may also authorise a person who is not an employee of the Office but who has the necessary knowledge in the respective areas to carry out inspections covering the operations of the inspected entity's IT systems, financial statements, accounting books or other financial documents and information.
8. The provisions of the Code of Administrative Procedure shall not apply to the inspection proceedings, unless this Chapter 4 provides otherwise.

Art. 27.

1. The subject of the inspection shall be compliance of the activities or the financial situation of the inspected entity, to the extent falling within the scope of the Commission's supervision, with the provisions of the law, the rules, the terms and conditions of authorisations, the principles of fair trading or the interests of the customers.
2. The scope of the inspection shall cover all or some specific issues related to the activities or the financial situation of the inspected entity.
3. The purpose of the actions undertaken by inspectors in the course of inspections (inspection activities) shall be to determine the actual state of affairs and document it in a reliable manner, making it possible to evaluate correctness of the inspected entity's activities, and in the event of any irregularities – to determine the extent of such irregularities, their causes and the persons responsible for their occurrence.
4. Inspection activities should be carried out without significant interference with the business activities of the inspected entity, and, in particular, shall not obstruct the timely performance of its obligations to third parties.

Art. 28.

1. Inspection authorisations shall be issued in writing by the Chairman of the Commission, who shall specify in such authorisation:
 - 1) legal basis of the inspection;
 - 2) inspection authority;
 - 3) when and where the authorisation has been issued;
 - 4) first names, surnames and positions of the inspectors who are employees of the Office;
 - 5) numbers of official identity cards of the inspectors who are employees of the Office;
 - 6) name of the inspected entity;
 - 7) place of the inspection;
 - 8) subject and scope of the inspection;
 - 9) date of commencement and anticipated duration of the inspection;
 - 10) information on the rights and obligations of the inspected entity.
2. The inspected entity shall be promptly notified in writing if it proves necessary to extend the duration of the inspection or change its subject, scope or place.
3. The changes referred to in Art. 28.2 shall require an appropriate amendment to the inspection authorisation, apart from the change of the place of the inspection in the case referred to in Art. 32.3.
4. A separate authorisation shall be issued each time the persons authorised to carry out the inspection are replaced.

Art. 29.

1. The duration of an inspection may not exceed six months.
2. The authorisation to carry out an inspection shall be delivered to the inspected entity prior to commencement of an inspection, however no later than on the date specified in Art. 28.1.9.
3. An inspection shall commence on the date on which the authorisation to carry out an inspection is produced pursuant to Art. 30.1, but not earlier than on the date specified in Art. 28.1.9.
4. The day on which the last inspection activity is performed, immediately preceding preparation of the inspection protocol, shall be deemed the day of the inspection completion. The inspected entity shall be promptly notified of the inspection completion.

Art. 30.

1. The inspection shall be carried out by an inspection team comprising at least two inspectors, who shall produce the authorisation and the official identification card or another identification document. The obligation to show the official identification card shall not apply to the persons referred to in Art. 26.7.
2. The official identification card and the authorisation shall be shown to a person authorised to represent the inspected entity prior to the commencement of the inspection activities. In the absence of such a person, the authorisation and the identification card shall be shown to an employee of the inspected entity or any person active at the place of inspection.
3. After the authorisation is produced and prior to the commencement of the first inspection activity, an inspector is also obliged to inform the person referred to in Art. 30.2 of the rights and obligations of the inspected entity, the legal consequences of obstructing or preventing the inspection and the liability for providing misleading explanations or concealing the truth. Any person providing explanations may refuse to answer questions if the answer could expose such person or that person's relatives, as referred to in Art. 83.1 of the Code of Administrative Procedure, to criminal liability or direct property damage.

Art. 31.

1. An inspector shall be excluded from an inspection, if the findings of such inspection might affect his or her rights or obligations, or the rights or obligations of the inspector's spouse or cohabitating partner, persons related through blood or marriage up to the second degree in kinship line or persons related through adoption, custody or guardianship.
2. The grounds for excluding an inspector from an inspection shall continue to be effective even after termination of the marriage, cohabitation, adoption, custody or guardianship.
3. An inspector may be excluded from an inspection also on other grounds which may raise doubts as to the inspector's impartiality.
4. If the circumstances referred to in Art. 31.1 and 31.3 occur in the course of an inspection, the inspector shall refrain from further activities and shall promptly notify the Chairman of the Commission. In such a case, until the order referred to in Art. 31.5 is issued, the inspector excluded from the inspection may only undertake activities which are urgent due to the public interest or an interest of the inspected entity.
5. The exclusion from an inspection shall be ordered by the Chairman of the Commission, acting *ex officio* or at the request of the inspected party or at the request of the inspector.

6. Upon excluding an inspector from an inspection, the Chairman of the Commission shall appoint another inspector to fill the vacancy on the inspection team.
7. Due to material reasons, the Chairman of the Commission may also change the composition of the inspection team in circumstances other than those specified in Art. 31.1 and 31.3. The provisions of Art. 31.6 shall apply accordingly.

Art. 32.

1. An inspection shall be carried out at the place where the inspected entity conducts its business, in particular at its head office, branch or representative office referred to in Art. 116 of the Act on Trading in Financial Instruments, during the inspected entity's working days and business hours.
2. Where particularly justified by a threat to the security of trading, urgent inspection activities may be undertaken on non-working days or outside the business hours of the inspected entity, subject to prior notification of the person authorised to represent the inspected entity.
3. Individual inspection activities may be undertaken outside the place specified in Art. 32.1, in particular at the premises of the Office, if it is justified by the nature of such activities and may result in the inspection being carried out more quickly and effectively.
4. The inspector shall have the right to enter the places and premises referred to in Art. 32.1 and to inspect books, documents or other information carriers.
5. At the inspector's request, persons who are members of the inspected entity's governing bodies or are bound by a legal relation under an employment contract, a mandate contract or another legal relation of a similar nature with the inspected entity, shall promptly prepare and deliver, at the cost of the inspected entity, copies of documents or other data carriers, and shall provide written or oral explanations, within the timeframe specified in the request.
6. The inspected entity shall ensure appropriate conditions for the inspector to be able to carry out the inspection in an efficient manner, and in particular it shall promptly provide the inspector with any requested books, documentation or other information carriers, and shall give explanations in due time. The inspected entity shall enable the inspectors, insofar as possible, to use its technical equipment to facilitate the inspection activities, and, subject to Art. 35, with a separate room with appropriate equipment.
7. To the extent justified by the subject of the inspection, the inspector may freely move around the places and premises referred to in Art. 32.1, without the need to obtain a pass, and cannot be searched.

Art. 33.

1. In the course of the inspection, the Chairman of the Commission may order a seizure of any document or other information carrier necessary for further proceedings.
2. The person who controls the document or other information carrier subject to seizure shall be requested to release it voluntarily, and if such person refuses to do so, such document or other information carrier may be seized in accordance with the administrative enforcement procedure.
3. All released or seized information carriers shall be itemised in a list and described, and a report on the seizure of such information carriers shall be prepared, whereupon such information carriers shall be secured by the inspectors against damage or distortion.
4. The report on the seizure of information carriers should specify the case with respect to which the seizure was made, the time of commencement and completion of the seizure, and a list of the seized carriers together with their description. The report shall be signed by the inspector who performed the seizure and the person authorised to represent the inspected entity. If the person authorised to represent the inspected entity refuses to sign the report, an appropriate note shall be made.
5. Persons whose rights are infringed as a result of the seizure shall have the right to lodge a complaint against the order to seize documents or other information carriers. The complaint shall be considered by the Commission within seven days. The execution of a seizure order shall not be suspended by the fact that a complaint has been lodged.
6. Information carriers which are not necessary for further proceedings shall be promptly returned to the entitled entity.

Art. 34.

Inspection findings shall be made on the basis of:

- 1) documents;
- 2) explanations given by the persons referred to in Art. 32.5;
- 3) data and information contained in the inspected entity's IT systems;
- 4) representations of third parties;
- 5) other materials which may contribute to the determination of the actual state of affairs in the areas covered by the inspection;

which have been gathered in the course of inspection.

Art. 35.

1. Materials gathered in the course of the inspection may be secured against loss or distortion by storing them at the premises of the inspected entity in a locked and sealed

cabinet or safe provided for exclusive use by the inspection team or, when justified by the quantity of such materials, in a separate, locked and sealed room.

2. The decision to release documents or other information carriers from such secured storage shall be made by the inspector.
3. In the event of the seizure referred to in Art. 33, the provisions of Art. 35.1 and 2 shall apply accordingly, with the proviso that the released documents or other information carriers may also be removed from the inspected entity's premises against signing of a receipt. The person authorised to represent the inspected entity shall receive a copy of the seizure report.

Art. 36.

1. Inspection findings shall be described in an inspection report prepared in two copies, with one copy to be delivered to the inspected entity within 30 days from the receipt of the information referred to in Art. 29.4.
2. The inspection report shall be signed by the inspector and the person authorised to represent the inspected entity. The provisions of the third sentence of Art. 33.4 shall apply accordingly.
3. The inspected entity shall have the right to raise reasonable objections with respect to the inspection report. The objections shall be submitted in writing to the Chairman of the Commission within 14 days from the receipt of the inspection report.
4. If the Chairman of the Commission:
 - 1) grants the objections raised by the inspected entity – the inspection report shall be changed accordingly by way of a written annex, which shall be delivered to the inspected entity within 30 days from the receipt of the objections; the provisions of Art. 36.1 and 36.2 shall apply accordingly;
 - 2) refuses to grant the objections raised by the inspected entity – a written position on the objections shall be presented to the inspected entity within 30 days from the receipt of such objections.
5. Together with the annex or the position referred to in Art. 36.4, or if the deadline for submitting objections lapses without any objections having been raised, the Chairman of the Commission may provide the inspected entity with a recommendation concerning removal of the irregularities identified on the basis of the inspection, hereinafter referred to as the “recommendations”, within a period of no less than 14 days from the date of receipt of such recommendations, subject to the provisions of Art. 36.6.
6. In urgent cases, if justified by the security of trading or the investors' interests, the Chairman of the Commission may issue recommendations even before the inspection has been completed, specifying a deadline shorter than 14 days to remove the irregularities. A note that such recommendations have been issued shall be made in the inspection report.

7. The deadline by which the inspected entity is required to remove the irregularities specified in the recommendations shall be counted from the day following the receipt of the recommendations.
8. The inspected authority, promptly but in no event later than on the day following the lapse of the deadline for the removal of the irregularities specified in the recommendations, shall notify the Commission of the manner in which the recommendations are to be complied with, indicating in detail the manner in which the irregularities are to be removed.

Art. 37.

1. The provisions of this Chapter 4 shall apply accordingly in the course of liquidation or bankruptcy proceedings carried out with respect to the entity specified in Art. 5.1-6 and Art. 5.8-15, and also in the case of revocation of the authorisation held by such entity to conduct activities subject to the Commission's supervision – until such activities are discontinued.
2. The minister competent for financial institutions shall define, by virtue of a regulation, the detailed procedure for the inspection, including the form, manner and dates of performing the actions related to the inspection and issuance of recommendations on the basis of the inspection findings, taking into account the need to ensure achievement of the inspection objectives, efficient progress of the inspection, and protection of the inspected entity's rights.

Art. 38.

1. In order to determine whether there are grounds for filing a notification of a suspected offence concerning an offence specified in the acts referred to in Art. 18.2, or for instigating administrative proceedings concerning violation of the law, to the extent falling within the scope of the Commission's supervision, the Chairman of the Commission may order that explanatory proceedings be carried out. The provisions of the Code of Administrative Procedure shall not apply to such explanatory proceedings, unless this Chapter 4 provides otherwise.
2. The explanatory proceedings shall be carried out by an employee of the Office holding a written authorisation of the Chairman of the Commission. Explanatory proceedings may not continue for more than six months. The provisions of Art. 28.1 shall apply accordingly to the contents of the authorisation.
3. In the course of the explanatory proceedings, no evidence based on opinions of court experts, interrogation of persons, or other actions which require preparation of a report under the provisions of the Code of Administrative Procedure, shall be used, with the exception of seizure of things referred to in Art. 33.1.
4. The provisions of Art. 30.3, Art. 32 and Art. 33 shall apply accordingly in the course of explanatory proceedings to any activities undertaken with respect to the entities referred to in Art. 5.1-15 and Art. 26.1.2 or issuers of financial instruments other than

securities. Anyone who has specific knowledge or a specific document or information carrier may be requested to give written or oral explanations or to release such document or other information carrier.

5. To the extent necessary to establish whether there is a reasonable suspicion that the offence referred to in Art. 38.1 has been committed or a need to instigate administrative proceedings concerning the case referred to in Art. 172 of the Act on Trading in Financial Instruments, the Chairman of the Commission may also:
 - 1) demand a telecommunications services provider to furnish information covered with the telecommunications secrecy obligation, within the meaning of a separate statute, concerning the list of telephone connections or other data transmissions with respect to the entity performing factual or legal actions connected with the circumstances which are sought to be explained, including information on the time of the connection or transmission and other information on the connection or transmission other than its content;
 - 2) request the General Tax Supervision Inspector to provide specific information covered with the tax secrecy obligation within the meaning of a separate statute.

The provision of such information by the aforementioned entities shall not be deemed a breach of the telecommunications or the tax secrecy obligation, as the case may be.

6. Upon completion of the explanatory proceedings, the Chairman of the Commission shall file a notification of a suspected offence, instigate administrative proceedings, or decide to close the explanatory proceedings.
7. The files of the explanatory proceedings, together with any appendices thereto, shall be attached to the notification of a suspected offence.
8. Following closure of the explanatory proceedings, the seized documents or other information carriers shall be returned to the entitled entity. The files of the explanatory proceedings shall be stored for five years.
9. Closure of any explanatory proceedings shall not prejudice reinstatement of such proceedings in relation to the same acts, unless the statute of limitation period for the offence in question has lapsed.
10. The provisions of this Chapter 4 shall apply accordingly in the course of liquidation or bankruptcy proceedings carried out with respect to the entity referred to in Art. 26.1, and also in the case of revocation of the authorisation held by such entity to conduct activities subject to the Commission's supervision – until such activities are discontinued.

Art. 39.

1. If the obtained information justifying the suspicion of the offence referred to in Art. 181-183 of the Act on Trading in Financial Instruments suggests that a transaction which has been or is to be executed may be connected with such offence, the Chairman of the Commission or its deputy may send a written notice to the regulated entity requesting such entity to block:

- 1) a securities account,
- 2) other account in which financial instruments other than securities are registered,
- 3) a cash account auxiliary to the account specified in Art. 39.1.1 or 39.2,
– kept by the regulated entity, for a period of up to 48 hours from the confirmation of the request receipt by the regulated entity. Together with the request, the Chairman of the Commission shall file a notification of a suspected offence, enclosing information and documents concerning the blocked account.
2. The block on an account referred to in Art. 39.1 shall mean temporary prohibition of making dispositions with respect to and using all or some of the financial instruments or cash accumulated in the account by any person, including the regulated entity.
3. The regulated entity shall block the account promptly upon receiving the written request referred to in Art. 39.1.
4. Establishing a block on an account pursuant to the provisions of Art. 39.1 and 39.3 shall exclude any disciplinary, civil, criminal or other liability under ~~the~~other regulations on the part of the regulated entity and the persons acting on its behalf.

Art. 40.

1. If a notification of a suspected offence is filed in connection with an offence specified in Art. 181-183 of the Act on Trading in Financial Instruments, the public prosecutor may decide to block an account for a specific period of time, which shall not exceed three months from the receipt of the notification.
2. The decision referred to in Art. 40.1 shall specify the name of the body which issues the decision, the date of the decision, the scope, manner and duration of the block, its justification and information on the right to lodge a complaint with the competent court.
3. In particularly justified cases, the announcement of the decision referred to in Art. 40.1 may be postponed for a specific period of time necessary so as not to jeopardize the case. In such an event, the regulated entity shall be promptly notified of such decision having been issued.
4. The block on an account shall be released if no decision to create security over assets is issued within three months from the receipt of the notification of an offence.
5. To the extent not regulated by the provisions of this Chapter 4, the establishment of a block on an accounts shall be governed by the provisions of the Code of Criminal Procedure of June 6th 1997 (Dz.U. No. 89, item 555, as amended⁶).

⁶ Amendments to the Act were promulgated in Dz.U. of 1999, No. 83, item 931; Dz.U. of 2000, No. 50, item 580, No. 62, item 717, No. 73, item 852, and No. 93, item 1027; Dz.U. of 2001, No. 98, item 1071, and No. 106, item 1149; Dz.U. of 2002, No. 74, item 676; Dz.U. of 2003, No. 17, item 155, No. 111, item 1061, and No. 130, item 1188; Dz.U. of 2004, No. 51, item 514, No. 69, item 626, No. 93, item 889, No. 240, item 2405, and No. 264, item 2641; and Dz.U. of 2005, No. 10, item 70, No. 48, item 461, No. 77, item 680, No. 96, item 821, No. 141, item 1181, No. 143, item 1203, No. 163, item 1363, No. 169, item 1416, and No. 178, item 1479.

Art. 41.

If an account is blocked in violation of the law, the liability for any damage caused by such block shall rest with the State Treasury in accordance with the Civil Code of April 23rd 1964 (Dz.U. No. 16, item 93, as amended⁷).

Art. 42.

1. A written notice requesting that a block be established on an account may be delivered to an investment firm also if the Commission receives from such investment firm the information referred to in Art. 40 and Art. 161 of the Act on Trading in Financial Instruments.
2. The provisions of Art. 39 and Art. 40 shall apply accordingly.

Art. 43.

At the request of an account holder, the regulated entity may notify the account holder of a block established on the account, specifying the body which demanded the block to be established; the above shall not apply to the cases where the announcement of the public prosecutor's decision to block an account is postponed for a specific period of time.

Art. 44.

The provisions of Art. 40 and Art. 41 shall apply accordingly in the course of pending criminal proceedings related to the offences specified in Art. 181-183 of the Act on Trading in Financial Instruments, if the notification of a suspected offence is received by the prosecutor from another source.

Chapter 5

Penalties

⁷ Amendments to the Act were promulgated in Dz.U. of 1971, No. 27, item 252; Dz.U. of 1976, No. 19, item 122; Dz.U. of 1982, No. 11, item 81, No. 19, item 147, and No. 30, item 210; Dz.U. of 1984, No. 45, item 242; Dz.U. of 1985, No. 22, item 99; Dz. U. of 1989, No. 3, item 11; Dz.U. of 1990, No. 34, item 198, No. 55, item 321, and No. 79, item 464; Dz.U. of 1991, No. 107, item 464, and No. 115, item 496; Dz.U. of 1993, No. 17, item 78, and No. 105, item 509; Dz.U. of 1994, No. 27, item 96, No. 85, item 388; Dz.U. of 1995, No. 83, item 417; Dz.U. of 1996, No. 114, item 542, No. 139, item 646, and No. 149, item 703; Dz.U. of 1997, No. 43, item 272, No. 115, item 741, No. 117, item 751, and No. 157, item 1040; Dz.U. of 1998, No. 106, item 668, and No. 117, item 758; Dz.U. of 1999, No. 52, item 532; Dz.U. of 2000, No. 22, item 271, No. 74, item 855 and item 857, No. 88, item 983, and No. 114, item 1191; Dz.U. of 2001, No. 11, item 91, No. 71, item 733, No. 130, item 1450, and No. 145, item 1638; Dz.U. of 2002, No. 113, item 984, and No. 141, item 1176; Dz.U. of 2003, No. 49, item 408, No. 60, item 535, No. 64, item 592, and No. 124, item 1151; Dz.U. of 2004, No. 91, item 870, No. 96, item 959, No. 162, item 1692, No. 172, item 1804, and No. 281, item 2783; and Dz.U. of 2005, No. 48, item 462, No. 157, item 1316, and No. 172, item 1438.

Art. 45.

Anyone who, acting in the name or in the interest of a regulated entity, fails to fulfil its obligation to block an account shall be liable to a fine of up to PLN 1,000,000 or a penalty of imprisonment for up to three years, or to both these penalties jointly.

Art. 46.

1. Anyone who prevents or obstructs the activities performed in the course of audit, administrative or explanatory proceedings shall be liable to a penalty of a detention or restriction of freedom, or to a fine.
2. Anyone who commits the act specified in Art. 46.1 in the name or in the interest of a legal person or an organisational unit without legal personality shall be liable to the same penalty.

Art. 47.

Adjudication in the cases specified in Art. 46 shall be governed by the regulations pertaining to proceedings concerning minor offence.

Chapter 6

Amendments to Legislation in Force

Art. 48.

In the Act on Tax Supervision of September 28th 1991 (Dz.U. of 2004, No. 8, item 65, as amended⁸), Art. 34a.5.8 shall read as follows:

- “8) the Chairman of the Polish Securities and Exchange Commission, to the extent necessary to carry out the explanatory proceedings under the Act on Capital Market Supervision of July 29th 2005 (Dz.U. No. 183, item 1537).”.

Art. 49.

In the Act on the National Criminal Register of May 24th 2000 (Dz.U. No. 50, item 580, as amended⁹), after Art. 6.1.7a, Art. 6.1.7b shall be added to read as follows:

⁸ Amendments to the consolidated text of the Act were promulgated in Dz.U. of 2004, No. 64, item 594, No. 91, item 868, No 171, item 1800, and No. 173, item 1808; and Dz.U. of 2005, No. 124, item 1042, and No. 132, item 1110.

“7b) the Polish Securities and Exchange Commission or its authorised representative, in connection with the activities performed as part of supervision exercised by the Polish Securities and Exchange Commission under separate statutes.”.

Art. 50.

The Commodity Exchange Act of October 26th 2000 (Dz.U. of 2005, No. 121, item 1019) shall be amended as follows:

- 1) Art. 19 shall be deleted;
- 2) Art. 20.1 shall read as follows:
 - “1. In all matters not provided for in this Act, the manner of operations and the responsibilities of the Commission shall be governed by the provisions of the Act on Capital Market Supervision of July 29th 2005 (Dz.U. No. 183, item 1537).”;
- 3) Art. 21 shall be deleted;
- 4) in Art 26:
 - a) Art 26.3 shall be deleted,
 - b) Art 26.4 shall read as follows:
 - “4. The application and distribution of proceeds from the fees and charges referred to in Art. 26.1 and 2, as well as determination of the amount, the manner of charging and the payment thereof shall be performed in accordance with the procedure and on the terms and conditions stipulated in Art. 17 of the Act on Capital Market Supervision of July 29th 2005.”;
- 5) in Art. 53:
 - a) in Art. 53.1:
 - Art. 53.1.1 shall be deleted,
 - Art. 53.1.4 shall read as follows:
 - “4) the persons who are bound by a legal relation under an employment contract, a mandate contract or another legal relation of a similar nature with the entities referred to in Art. 53.1.2a and 53.1.3.”,
 - b) Art. 53.2 shall read as follows:

⁹ Amendments to the Act were promulgated in Dz.U. of 2001, No. 56, item 579; Dz.U. 2002, No. 74, item 676, and No. 197, item 1661; and Dz.U. of 2003, No. 137, item 1302.

- “2. The professional secrecy obligation shall survive the termination of the legal relations referred to in Art. 53.1.3 and 53.1.4.”.

Art. 51.

In the Act on Gathering, Processing and Transferring Criminal Information and on the National IT System of July 6th 2001 (Dz.U. No. 110, item 1189, as amended¹⁰), after Art. 19.13, Art. 19.13a shall be added to read as follows:

“13a) the Polish Securities and Exchange Commission or its authorised representative,”.

Art. 52.

The Act on Investment Funds of May 27th 2004 (Dz.U. No. 146, item 1546; and Dz.U. of 2005, No. 83, item 719) shall be amended as follows:

1) in Art. 18.2:

a) after Art. 18.2.4, Art. 18.2.4a shall be added to read as follows:

“4a) the rules of concluding and the scope of agreements with the fund’s depositary;”.

b) Art. 18.2.15 shall read as follows:

“15) the frequency of valuation of an investment fund’s assets, determination of the net asset value of an investment fund and the net asset value per unit or investment certificate;”.

c) after Art. 18.2.15, Art. 18.2.15a and Art. 18.2.15b shall be added to read as follows:

“15a) methods and principles of the valuation of assets – in the case of a closed-end investment fund;

15b) information that the methods and principles used in the valuation of an investment fund’s assets, as described in the prospectus, comply with the accounting regulations applicable to investment funds – in the case of an open-end investment fund and a specialised open-end investment fund;”.

2) in Art. 22:

a) Art. 22.3 and 4 shall be deleted,

¹⁰ Amendments to the Act were promulgated in Dz.U. of 2001, No. 154, item 1800; Dz.U. of 2002, No. 81, item 731, and No. 89, item 804; Dz.U. of 2003, No. 124, item 1153, No. 128, item 1175, No. 137, item 1302, No. 142, item 1380; and Dz.U. of 2004, No. 179, item 1842.

b) Art. 22.12 shall be added to read as follows:

“12) statement by a qualified auditor of financial statements to the effect that the methods and rules applied in the valuation of the fund’s assets described in the articles of association are compliant with the regulations on the accountancy of investment funds and that the rules are complete and consistent with the investment policy adopted by the fund, in the case of a closed-end investment fund.”;

3) In Art. 23, Art. 23.3 shall be added to read as follows:

“3. By granting an authorisation to create an investment fund, the Commission shall approve such fund’s articles of association.”;

4) Art. 24 shall read as follows:

“Art. 24.1. The Commission’s authorisation shall be required for any amendment to the articles of association of an open-end investment fund or of a specialised open-end investment fund which does not apply in its investments the investment rules and limits prescribed for a closed-end investment fund, if such amendment relates to:

- 1) the matters referred to in Art. 18.2.14;
 - 2) specification of a regulated market referred to in Art. 93.1.1 or Art. 94.1.1;
 - 3) specification of the investments referred to in Art. 93.1.2;
 - 4) specification of the entities referred to in Art. 93.1.4.d;
 - 5) the possibility of increasing the investment limit in the case referred to in Art. 96.3 and Art. 98.2 and 98.4;
 - 6) the possibility of non-complying with the limits referred to in Art. 100.1-2, and indicating the issuer or guarantor, in the case referred to in Art. 100.3.
2. The Commission’s authorisation shall be required for any amendment to the articles of association of a specialised open-end investment fund which in its investments applies the investment rules and limits prescribed for a closed-end investment fund, and of a closed-end investment fund, with respect to the matters referred to in:
- 1) Art. 18.2.14;
 - 2) Art. 139.3;
 - 3) Art. 198.2.

3. The Commission shall issue the authorisation within two months of the application filing.
 4. The Commission shall refuse its authorisation if the amendments to the articles of association are in conflict with the law or the interests of unit-holders.
 5. The management company shall announce any amendments to the articles of association of an investment fund in a manner specified in the articles of association.
 6. Any amendments to the articles of association of an investment fund related to the matters specified in Art. 24.1 or 24.2 shall come into effect three months after the announcement of such amendments or, if the articles of association provide for more than one announcement to be made, from the date of the last announcement.
 7. The Commission may permit the shortening of the period specified in Art. 24.6, if such shortening does not compromise the interests of the unit-holders of the fund.
 8. Any amendment to the articles of association of an investment fund which does not require the Commission's authorisation, shall come into effect:
 - 1) three months after the announcement of such amendment – in the case of amendments to the articles of association related to the matters specified in Art. 18.2.10-11;
 - 2) as of the date of announcement – in other cases.
 9. An investment fund shall notify the Commission of the announcements and their dates, and shall apply to the registry court for entering the amendments in the register; the consolidated text of the articles of association, together with the information on the announcements and their dates, shall be attached to the application.”;
- 5) Art. 25 shall be deleted;
- 6) Art. 32.5 shall read as follows:
- “5. A domestic bank shall attach to the application the documents referred to in Art. 32.4.4, 32.4.7, 32.4.9 and 32.4.10, as well as a statement to the effect that the documents referred to in Art. 32.4.5 and 32.4.6 comply with the provisions of the articles of association of the investment fund and this Act, and give due regard to the interests of unit-holders of the investment fund or the foreign investment fund, the open-end investment fund registered in an EEA state and the open-end investment fund registered in an OECD state other than a Member State or an EEA state.”;
- 7) After Art. 32, Art. 32a shall be added to read as follows:

“Art. 32a. The entities referred to in Art. 32.1 and 32.2 shall act as intermediaries in the sale and redemption of units in investment funds or foreign investment funds, open-end investment funds registered in EEA states and open-end investment funds registered in OECD states other than Member States or EEA states, having particular regard to the interests of unit-holders of those funds.”;

8) Art. 42-44 shall read as follows:

“Art. 42.1. The management board of a management company shall comprise at least two members.

2. Any person appointed to the management board of a management company shall meet all the following criteria:
 - 1) shall have the full capacity to enter into legal transactions;
 - 2) shall have a clean record of not being convicted of an intentional crime or a tax offence;
 - 3) shall enjoy a good opinion with respect to the positions he or she has held in the past.
3. At least two members of the management board, including the president, shall meet the following criteria apart from the requirements specified in Art. 42.2:
 - 1) shall have a university degree or shall be qualified to practice the profession of an investment adviser referred to in Art. 126.3 of the Act on Trading in Financial Instruments;
 - 2) shall have at least three-year experience of work on a managerial or independent position in financial institutions, or of being a member of the governing bodies of such institutions.
4. A financial institution shall mean a domestic bank, a foreign bank, a credit institution, an investment firm, a company operating a stock exchange or an over the counter (OTC) market involved in trading in securities, a foreign management company, and insurance undertaking, an asset manager, an investment fund management company, a general pension fund company, an employee pension fund company, a foreign fund, Krajowy Depozyt Papierów Wartościowych Spółka Akcyjna (National Depository for Securities), Krajowa Izba Rozliczeniowa Spółka Akcyjna (National Clearing House).

Art. 43. The chairman of the supervisory board of a management company or another person designated in a supervisory board resolution shall promptly notify the Commission of any appointment of a new member to the management board and any change in the composition of the management board; the personal details of the newly appointed person and a description

of such person's qualifications and professional experience, as well as information from the National Criminal Register, shall be attached to the notification.

Art. 44. 1. Any person appointed to the supervisory board of a management company must meet all the criteria specified in Art. 42.2.

2. At least half of the members of the supervisory board of a management company must hold a university degree or be qualified to practice the profession of an investment adviser referred to in Art. 126.3 of the Act on Trading in Financial Instruments.

3. A management company shall promptly notify the Commission of any appointment of a new member to the supervisory board; the personal details of the newly appointed person and a description of such person's qualifications and professional experience, as well as information from the National Criminal Register, shall be attached to the notification.”;

9) in Art. 45:

a) Art. 45.2.3 and 45.2.4 shall be deleted,

b) after Art. 45.2. Art. 45.2a shall be added to read as follows:

“2a. The Commission's approval shall not be required for a management company to extend the scope of its activities to include:

1) intermediation in the sale and redemption of units of investment funds created by other management companies or units of foreign funds;

2) acting as a representative of foreign funds referred to in Art. 253.2.6.”,

c) Art. 45.6 shall read as follows:

“6. A management company shall promptly notify the Commission of any extension of the scope of its activities referred to in Art. 45.2a.”,

d) Art. 45.7 shall be deleted;

10) In Art. 48, Art. 48.4 shall be added to read as follows:

“4. A management company should develop and apply procedures for the prevention of money laundering practices.”;

11) In Art. 58.1:

a) Art. 58.1.17 shall be deleted,

b) Art. 58.1.19 shall be added to read as follows:

“19) statement by a qualified auditor of financial statements to the effect that the methods and rules applied in the valuation of the fund’s assets described in the articles of association are compliant with the regulations on the accountancy of investment funds and that the rules are complete and consistent with the investment policy adopted by the fund, in the case of a closed-end investment fund.”;

12) In Art. 61:

a) Art. 61.4.2 shall read as follows:

“2) an analysis of the application and the documents attached thereto shows that the applicant or the persons referred to in Art. 58.1.4-7 may perform their activities in breach of the principles of fair trading or in a manner that insufficiently protects the interests of the fund unit-holders, or that the members of the management board of the management company do not meet the requirements specified in Art. 44.2.”;

b) Art. 61.7 shall be deleted,

c) Art. 61.8 shall be added to read as follows:

“8. By granting an authorisation to create an investment fund, the Commission shall approve such fund’s articles of association.”;

13) Art. 63 shall read as follows:

“Art. 63. A management company shall promptly notify the Commission of any change of the information contained in the application and documents referred to in Art. 22 and Art. 58.”;

14) Art. 107 shall read as follows:

“Art. 107.1. An open-end investment fund may not:

- 1) carry out an uncovered sale (assumption of an obligation to transfer rights which at the time of conclusion of the relevant agreement have not yet been acquired by the fund), unless the fund is entitled to acquire the rights which are to be sold;
- 2) carry out a short sale;
- 3) grant loans, issue sureties and guarantees, subject to the provisions of Art. 102;
- 4) acquire securities or transferable property rights representing rights to precious metals.

2. An open-end investment fund may not:

- 1) invest its assets in securities or receivables of the management company which manages such fund, its shareholder or the parent entity or a subsidiary of such management company or its shareholders;

- 2) enter into agreements concerning securities and cash receivables maturing in up to one year, with:
 - a) members of the governing bodies of the management company,
 - b) employees of the management company,
 - c) persons designated by the depositary to perform the responsibilities specified in the agreement on the maintenance of a register of the fund's assets,
 - d) spouses of the persons enumerated in Art. 107.2.2a-c,
 - e) persons related through blood or marriage, up to the second degree, to the persons enumerated in Art. 107.2.2a-c;
- 3) conclude agreements concerning securities and property rights with:
 - a) the management company,
 - b) the depositary,
 - c) the parent entity or a subsidiary of the management company or the depositary,
 - d) shareholders of the management company,
 - e) shareholders of the parent entity or a subsidiary of the management company or the depositary.
3. The limits referred to in Art. 107.2.1 and 107.2.3 shall not apply to the securities issued by the State Treasury or the National Bank of Poland.
4. The limits referred to in Art. 107.2.3d-e shall not apply if the entities referred to therein are public companies, and the agreement is concluded with a shareholder holding less than 5% of the total vote at the general shareholders meeting.
5. An investment fund may make investments referred to in Art. 107.2.1 or enter into the agreement referred to in Art. 107.2.2. and 107.2.3, if the interest of the unit-holders requires making such investment or entering into such agreements, and the fact of making such investments or entering into such agreements will not result in a conflict of interests.
6. A fund should keep documents evidencing compliance with the conditions referred to in Art. 107.5, in particular relating to the rules for the determination of the price and other material terms and conditions of the transaction.";
- 15) Art. 145.9 shall read as follows:

“9. The provisions of Art. 107.2-6 shall apply to investments of closed-end investment funds.”;
- 16) Art. 220.1 shall read as follows:

“1. The prospectus of an open-end investment fund and a specialised open-end investment fund should contain the articles of association of the fund, a statement by a qualified auditor of financial statements to the effect that the methods and

rules applied in the valuation of the fund's assets described in the in the prospectus, are compliant with the regulations on the accountancy of investment funds and that the rules are complete and consistent with the investment policy adopted by the fund, and in the event of any changes in the methods and principles used in the valuation of the fund's assets, including changes resulting from a change in the fund's investment policy, also an appropriate statement relating to the introduced changes and any information which may be required to assess the investment risk.”;

17) in Art. 226:

a) Art. 226.2 and 226.3 shall be deleted,

b) Art. 226.4 shall read as follows:

“4. The provisions on the audit and explanatory proceedings referred to in the Act on Capital Market Supervision shall apply to the audit or explanatory proceedings carried out with respect to the entities referred to in Art. 226.1.”;

18) in Art. 228:

a) Art. 228.2 shall read as follows:

“2. The Commission may impose the sanctions referred to in Art. 228.1 on the management company, if it finds that an investment fund violates the provisions regulating the activities of investment funds, the provisions of the Act on Capital Market Supervision, the Public Offering Act or the Act on Trading in Financial Instruments, does not comply with the provisions of its articles of association or the terms and conditions of the authorisation, and also if the fund's articles of association contain provisions which are in conflict with the provisions of this Act or fail to give due regard to the interests of unit-holders.”,

b) After Art. 228.2, Art. 228.2a shall be added to read as follows:

“2a. The Commission may order the fund to amend its articles of association by the deadline specified by the Commission, if the fund's articles of association contain provisions which are in conflict with the provisions of this Act or fail to give due regard to the interests of unit-holders.”;

19) Art. 230.1 shall read as follows:

“1. In justified cases, the Commission may order an investment fund to replace the persons referred to in Art. 58.1.4, 58.1.6 and 58.1.15, specifying the timeframe for doing so, which shall not be shorter than 14 days.”;

20) Art. 235 shall be deleted;

21) in Art. 236:

- a) Art. 236.1 shall read as follows:
- “1. The Commission’s authorisation or approval referred to in Art. 80, Art. 93.2 and 93.3 shall be subject to a fee of up to the złoty equivalent of EUR 4,500, calculated at the mid exchange rate quoted by the National Bank of Poland.”,
- b) Art. 236.3 shall read as follows:
- “3. The application and distribution of proceeds from the fees referred to in Art. 236.1 and 236.2, as well as determination of the amount, the manner of charging and the payment thereof shall be performed in accordance with the procedure and on the terms and conditions stipulated in Art. 17 of the Act on Capital Market Supervision of July 29th 2005.”,
- c) Art. 236.4 shall be deleted;
- 22) Art. 237 shall be deleted;
- 23) in Art. 263.2:
- a) Art. 263.2.1 and 263.2.2 shall read as follows:
- “1) company name, registered office and address of the fund and its management company;
- 2) first name and surname or company name, place of residence or registered office and address in the Republic of Poland of the fund’s representative;”,
- b) Art. 263.2.4 shall be added to read as follows:
- “4)if the fund operates as an umbrella fund – the names of all sub-funds whose units may be sold in the Republic of Poland.”;
- 24) Art. 270.3 shall read as follows:
- “3. The Commission may, within two months from the date of receipt of the information referred to in Art. 270.1, specify the terms and conditions to be followed by a branch in its operations in the Republic of Poland, including:
- 1) the rules governing sale of units;
- 2) the rules governing advertising activities;
- 3) the rules of conduct which must be followed in the provision of services consisting in the discretionary management of securities portfolios, advisory services in the area of securities trading, or depository and administrative services with respect to units.”;
- 25) Art. 271.3 shall read as follows:

“3. Within one month from receiving the information referred to in Art. 271.1, the Commission may specify the terms and conditions to be followed by the foreign management company, including the rules of conduct which must be followed in the provision of services consisting in the discretionary management of securities portfolios, advisory services in the area of securities trading, or depository and administrative services with respect to units in the Republic of Poland.”;

26) in Art. 278.2:

a) Art. 278.2.1 and 278.2.2 shall read as follows:

“1) company name, registered office and address of the fund and its management company;

2) first name and surname or company name, place of residence or registered office and address in the Republic of Poland of the fund’s representative;”;

b) Art. 278.2.4 shall be added to read as follows:

“4)if the fund operates as an umbrella fund – the names of all sub-funds connected with the units which may be sold in the Republic of Poland.”;

27) Art. 280.1.3 and 280.1.4 shall be deleted;

28) Art. 282.3.4 shall read as follows:

“4) by the Commission or its authorised representative:

a) to the public, to the extent related, subject to Art. 282.3.4b, to the contents of the adopted resolutions and decisions, also in the individual cases, which serve as a basis for administrative decisions – if the Commission has found provision of such information justified in view of the interests of the holders of units or investment certificates of investment funds or collective securities portfolios,

b) to the public, through a news agency referred to in Art. 58 of the Public Offering Act, on a suspicion of an offence connected with the activities of an investment fund – if required to ensure protection of investors against incurring financial losses on the securities or commodity market;”;

29) Art. 283 shall be deleted;

30) Art. 297 shall be deleted.

Chapter 7

Transitional and Final Provisions

Art. 53.

1. The Chairman of the Commission appointed prior to the effective date hereof shall hold the post until expiry of his term of office.
2. Appointment of the Chairman of the Commission in accordance with the rules provided for herein shall be effected upon expiry of the term of office referred to in Art. 53.1.

Art. 54.

To the extent provided for in Art. 20.2 and Art. 23.2, the agreements referred to in Art. 161.3 and 161.4 of the Act on Public Trading in Securities of August 21st 1997 (Dz.U. of 2005, No. 111, item 937, No. 132, item 1108, No. 143, item 1199, and No. 163, item 1362), concluded by the Commission prior to the effective date hereof, shall continue to be valid.

Art. 55.

1. The minister competent for financial institutions shall define, by way of a regulation:
 - 1) the technical means to be used by the regulated entities to provide information as part of their disclosure and reporting obligations specified in the acts referred to in Art. 2.1-4 or secondary legislation issued thereunder,
 - 2) the technical conditions for the provision of information by such means,
 - taking into account the need to enable such entities to duly perform their obligations and to differentiate the methods of provision of information depending on the type of such entities, without increasing materially the costs of their participation in the capital market.
2. The regulated entities which did not perform the disclosure and reporting obligations in the manner specified by the regulations issued under Art. 81.8 of the act referred to in Art. 54 prior to the effective date hereof, shall perform their obligations in the manner specified in Art. 55.1, after the lapse of six months from the effective date hereof.

Art. 56.

1. Until the effective date of the secondary legislation issued under the authorisations provided for in this Act, within the scope defined herein, the existing regulations issued under:
 - 1) Art. 19d, Art. 20.4 and Art. 81.8 of the act referred to in Art. 54,
 - 2) Art. 236.4 of the Act on Investment Funds,
 - 3) Art. 26.3 of the Commodity Exchange Act,shall continue to be effective, however for no longer than six months from the effective date hereof.
2. If the applicable regulations, within the scope defined herein, refer to specific provisions of the act referred to in Art. 54, or refer generally to the provisions thereof, the applicable provisions hereof shall apply.

Art. 57.

1. To the extent not covered by the regulations issued under Art. 20.4 of the act referred to in Art. 54, the obligation to pay the registration fee referred to in the Public Offering Act and the fees for the licences, authorisations and approvals granted under the Act on Trading in Financial Instruments and the Public Offering Act shall take effect as of the effective date of the regulations issued under Art. 17.6 hereof.
2. The fees for the licences, authorisations and approvals granted under the Act on Trading in Financial Instruments and the Public Offering Act, due in respect of applications submitted prior the effective date hereof, shall be paid in accordance with the provisions hereof.

Art. 58.

This Act shall take effect after the lapse of 30 days from its promulgation.