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**OFFICIAL INFORMATION  
OF THE CZECH NATIONAL BANK**

of 8 February 2019

**regarding the issuance of the Joint issue conditions for CNB bills**

1. Pursuant to Article 26 of Act No. 190/2004 Coll., on Bonds, as amended, the Czech National Bank is issuing the Joint issue conditions for Czech National Bank bills. These Joint issue conditions for Czech National Bank bills shall take effect on 1 March 2019 and shall apply to the Czech National Bank bills issued after this date.
2. Bills issued before 28 February 2019 shall be governed by the previous issue conditions.
3. Official information of the Czech National Bank No. 16/2006 of 23 August 2006 regarding the issuance of the Joint issue conditions for CNB bills, published in CNB Bulletin No. 14/2006, shall cease to be in force on 31 August 2019.
4. This Official Information shall be adhered to from the day of its announcement.

Bank Board Member:  
Tomáš Holub

Annex: Joint issue conditions for CNB bills

**Joint issue conditions for CNB bills**

1. Issuer: Czech National Bank, Na Příkopě 28, 115 1 Prague, Company ID 48136450
2. Name: The Czech National Bank bill
3. Czech National Bank bills (hereinafter referred to as “CNB bills”) are discounted bearer bonds issued as book-entry securities. CNB bills shall be recorded in the central register of book-entry securities maintained by the Czech National Bank.
4. The yield on CNB bills shall be set as the difference between the nominal value and the issue price. The yield to maturity shall be calculated on the basis of a 360-day year and the actual calendar number of days (act/360).
5. The yield on CNB bills shall be taxed in line with the legal rules of the Czech Republic.
6. The issuer shall not ask for the admission of CNB bills to the regulated market.
7. CNB bills are the issuer’s direct unconditional and non-subordinated liabilities, which are at the same level as the issuer’s all other existing or future direct, unconditional and non-subordinated liabilities.
8. The primary sale of CNB bills shall take place in the form of an auction in the Short-term Bond System. The Czech National Bank shall purchase the whole issued amount into its portfolio in the auction.
9. The period for subscribing for the issues of CNB bills shall be the period from the issuance date to the business day which falls before and closest to the maturity date.
10. The issuer declares that he owes each holder of CNB bills the nominal value as of the maturity date and undertakes to repay the holders the nominal value of CNB bills on the specified maturity date. The place of payment shall be the Czech National Bank.
11. The nominal value shall be paid out in line with the Rules of the Short-term Bond System. If the maturity date falls on a day other than a business day, the payout shall be made on the next business day without an entitlement to interest or other compensation for the postponed payment. “Business day” shall mean a day that banks in Prague are open for normal trading and, at the same time, all respective parts of the interbank settlement system are functional to the extent that the payment can be made.
12. Rights and obligations attached to CNB bills shall be governed by legal rules of the Czech Republic.
13. Rights attached to CNB bills shall be subject to limitations upon expiration of 10 years from the day on which they could have been first exercised.
14. These Joint issue conditions may be translated into foreign languages. If there is any inconsistency between the different language versions of the issue conditions, the Czech version shall be the decisive version.
15. The issuer shall publish the information pursuant to Articles 6(1)(d)(f) and (j) and 9(1)(g) and (j) of Act No. 190/2004 Coll., on Bonds, as amended, for individual issues of CNB bills in a manner allowing remote access.
16. These Joint issue conditions shall take effect on 1 March 2019 and shall apply to the CNB bills issued after this date.