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- Official Gazette of the Republic of Slovenia, No. 73/15 of 30 September 2015 (in force since 1 October 2015)

Pursuant to Article 107 of the Banking Act (Official Gazette of the Republic of Slovenia, No. 25/15; hereinafter: the ZBan-2) and the first paragraph of Article 31 of the Bank of Slovenia Act (Official Gazette of the Republic of Slovenia, Nos. 72/06 [official consolidated version] and 59/11), the Governing Board of the Bank of Slovenia hereby issues the following

REGULATION
on the documentation for the granting of authorisations to provide banking and financial services
and for status changes

1. GENERAL PROVISIONS

Article 1
(content of regulation)

- (1) This regulation sets out the detailed content of the documentation that the applicant shall enclose in:
 - (a) a request for the granting of an authorisation to provide banking services referred to in the first paragraph of Article 100 of the ZBan-2, including requirements with regard to the business plan set out in point 2 of the second paragraph of Article 100 of the ZBan-2;
 - (b) a request for the granting of an authorisation to provide financial and ancillary financial services referred to in the first paragraph of Article 104 of the ZBan-2, and for the status changes referred to in the first and second paragraphs of Article 105 of the ZBan-2, when, in accordance with the ZBan-2 and Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287 of 29 October 2013, p 63), the request is lodged with the Bank of Slovenia.
- (2) Wherever this regulation makes reference to the provisions of other regulations, these provisions shall apply in their wording applicable at the time in question.

Article 2
(definition of terms)

The terms used in this regulation shall have the same meanings as in the ZBan-2 and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176 of 27 June 2013, p 1; hereinafter: Regulation (EU) No 575/2013), and in regulations issued on their basis.

2. DOCUMENTATION FOR GRANTING OF AUTHORISATION TO PROVIDE BANKING SERVICES

Article 3
(general provisions on documentation for granting of authorisation to provide banking services)

For the purpose of the Bank of Slovenia's assessment of the fulfilment of the requirements set out in the first paragraph of Article 102 of the ZBan-2, the following shall be enclosed in a request for the

granting of an authorisation to provide banking services:

- (a) general information and documentation about the applicant lodging the request for the granting of an authorisation to provide banking services,
- (b) documentation on the compliance of the bank's legal status with the provisions of Chapter 3 of the ZBan-2,
- (c) the bank's business plan for the first three years of operations, and documentation on the compliance of the internal governance arrangements with the provisions of Article 128 of the ZBan-2,
- (d) documentation on the fulfilment of other conditions.

2.1 General information and documentation about applicant lodging request for granting of authorisation to provide banking services

Article 4 (general information about applicant)

- (1) The general information and documentation about the applicant lodging the request for the granting of an authorisation to provide banking services referred to in point a) of Article 3 of this regulation shall encompass:
 - (a) an extract from the companies register or another relevant public register if the applicant is a legal person, or a photocopy of a personal identification document (identity card or passport) if the applicant is a natural person;
 - (b) the applicant's articles of association or, with regard to the legal organisational form of the applicant, another document from which the formal organisational structure is evident;
 - (c) a list of shareholders from the share register or, with regard to the legal organisational form of the applicant, other relevant evidence of its ownership structure and information about the existence of any shareholders' agreements or other links between the owners that could have a significant impact on the management of the applicant;
 - (d) the applicant's annual reports for the last two financial years containing comparable figures for the previous year;
 - (e) the auditor's reports on the annual reports for the last two financial years, if the applicant is required to audit the annual report;
 - (f) the applicant's financial statements for the current financial year if more than six months have passed since the end of the previous financial year;
 - (g) an organigram and a list of persons whose relationship with the applicant constitutes a close link, including a description of the manner of the link;
 - (h) a list of entities in which the applicant holds an equity holding, and the amount of the holding;
 - (i) the opinion of the competent supervisory authority of the third country on the applicant's operations in the last three years, if the applicant is a supervised entity established in a country that is not an EU Member State;
 - (j) information in connection with any proceedings completed against the applicant that are final in legal terms, whether administrative proceedings, civil lawsuits, proceedings in connection with other sanctions (resignation from a position, dismissal, disciplinary measures, etc.) in connection with the pursuit of economic activities, the performance of the function of a member of the management, an official receiver, a bailiff or a member of the senior management, or as the owner of the entity if the applicant is a natural person, or the aforementioned information for members of the entity's management if the applicant is a legal person.
- (2) When the applicant is the parent entity in the group, the general information and documentation referred to in the first paragraph of this article shall also encompass:
 - (a) the documentation referred to in points d), e) and f) of the first paragraph of this article on a consolidated basis;
 - (b) the information referred to in point j) of the first paragraph of this article for members of the management of entities in the group;

- (c) a list of supervised entities in the group, with the names of the competent supervisory authorities;
- (d) a description of the business activities and any other activities engaged in by the group as a whole and by individual entities in it;
- (e) an indication of the credit assessments of the entities in the group, where they have them;
- (f) a description of the internal governance arrangements of the group, encompassing the organisational structure, risk management, internal control mechanisms, and remuneration policy in the group.

2.2 Documentation on bank's legal status

Article 5 (documentation on legal status)

- (1) The documentation for assessing the compliance of a bank's legal status referred to in point (b) of Article 3 of this regulation shall encompass, in addition to the documentation referred to in points 1, 3 and 4 of the second paragraph of Article 100 of the ZBan-2, evidence that the candidates for membership of the supervisory board meet the conditions for nomination as members of the supervisory board in accordance with Article 53 of the ZBan-2.
- (2) The following constitute evidence referred to in the first paragraph of this article:
 - (a) evidence of the requisite knowledge, skills and experience of candidates for a member of the supervisory board in accordance with point 1 of the first paragraph of Article 53 of the ZBan-2, including a completed VPR questionnaire set out in Appendix 1 of the Regulation on the documentation for demonstrating fulfilment of the conditions for nomination as a member of the management body of a bank or savings bank (Official Gazette of the Republic of Slovenia, No. 73/2015) for each candidate for a member of the supervisory board;
 - (b) an extract from the criminal records or another form of evidence of the fulfilment of the conditions set out in point 2 of the first paragraph of Article 53 of the ZBan-2 for each candidate for a member of the supervisory board;
 - (c) a declaration by the candidate for a member of the supervisory board or appropriate assurances with regard to the fulfilment of the condition set out in point 3 of the first paragraph of Article 53 of the ZBan-2 for a candidate for a member of the supervisory board.

2.3 Business plan and documentation on internal governance arrangements

Article 6 (general)

- (1) In addition to a detailed description of the services that the bank intends to provide referred to in the first indent of point 2 of the second paragraph of Article 100 of the ZBan-2, a bank's business plan for the first three years of operations referred to in point (c) of Article 3 of this regulation shall contain:
 - a description of the region of the provision of services and the marketing of the services;
 - a description of the bank's potential competitive advantages;
 - a financial plan, including a projection of the provision of capital adequacy.
- (2) The documentation for assessing the compliance of the internal governance arrangements referred to in point (c) of Article 3 of this regulation shall contain a description of the internal governance arrangements referred to in the second indent of point 2 of the second paragraph of Article 100 of the ZBan-2, including documentation on:
 - (a) the organisational structure;
 - (b) risk management processes;
 - (c) internal control mechanisms;
 - (d) remuneration policy and practices.

Article 7
(documentation on organisational structure)

The documentation for assessing the clarity of the bank's organisational structure referred to in point (a) of the second paragraph of Article 6 of this regulation shall encompass:

- (a) an organigram from which it is evident that the fundamental principles of organisation have been taken into account, including a description of the segregation of powers and responsibilities and of reporting flows between the various hierarchical and organisational levels;
- (b) rules, instructions and other acts that define the implementation of all work procedures within the framework of the provision of banking services;
- (c) documentation from which the decision-making system and the responsibility of the individuals making decisions in individual work processes within the framework of the provision of banking services are evident;
- (d) documentation from which the responsibilities of the senior management and the manner of ensuring the effective supervision of the senior management by the management board are evident;
- (e) documentation from which the policy for the prevention of conflicts of interest is evident;
- (f) documentation:
 - from which the number of employees that will provide banking services, the qualifications breakdown, and their level of professional competence are all evident,
 - that demonstrates the professional competence of key function holders;
- (g) the code of conduct for members of the management body and other employees from which the policy for achieving high standards in the bank's corporate culture is evident.

Article 8
(documentation on risk management processes)

The documentation for assessing the effectiveness of the bank's risk management processes referred to in point (b) of the second paragraph of Article 6 of this regulation shall encompass:

- (a) the concise risk statement of the management body referred to in point (f) of the first paragraph of Article 435 of Regulation (EU) No 575/2013,
- (b) the strategies and policies for taking up and managing risks referred to in Articles 5 and 6 of the Regulation on internal governance arrangements, the management body and the internal capital adequacy assessment process for banks and savings banks (Official Gazette of the Republic of Slovenia, No. 73/2015; hereinafter: the governance regulation);
- (c) a description of the risk management processes referred to in Articles 20, 21, 23 and 24 of the governance regulation;
- (d) a description of the internal reporting on risks referred to in Article 25 of the governance regulation;
- (e) the policy for the approval of new products referred to in Article 28 of the governance regulation;
- (f) the policy for the use of external parties referred to in Article 29 of the governance regulation.

Article 9
(documentation on internal control mechanisms)

The documentation for assessing the appropriateness of the bank's internal control mechanisms referred to in point (c) of the second paragraph of Article 6 of this regulation shall encompass:

- (a) documentation from which the organisation of the internal control mechanisms with a description of the rules for and controls of the implementation of the bank's organisational procedures, business procedures and work procedures (hereinafter: internal controls) is evident;
- (b) documentation from which the organisation and level of functioning of the following are

evident:

- the internal audit department in all work processes within the framework of the provision of banking services, including the internal audit department's strategy and a description of internal auditing and the scope of activities over the first two years of operation in respect of individual work processes within the framework of the provision of banking services,
- the risk management function and the compliance function, including an act that sets out the purpose, importance and tasks of the particular function, the hierarchical position of the head of the particular function, and the annual plan of the particular function.

Article 10
(documentation on remuneration policy)

The documentation for assessing the adequacy of the bank's remuneration policy referred to in point (d) of the second paragraph of Article 6 of this regulation shall encompass a remuneration policy referred to in the first paragraph of Article 169 of the ZBan-2 that takes account of the fundamental principles for defining remuneration policy and practices.

2.4 Documentation on fulfilment of other conditions

Article 11
(documentation on fulfilment of other conditions)

The documentation for assessing the fulfilment of other conditions for the granting to the bank of an authorisation to provide banking services referred to in point 5 of the second paragraph of Article 100 of the ZBan-2 shall encompass:

- (a) contracts or other legal relationships concluded for the purpose of the provision of banking services;
- (b) documentation with regard to the level of technical equipment in the premises that allows for the safe, unimpeded implementation of business processes within the framework of the provision of banking services, and provides for the relevant segregation of individual functions of operations, and the possibility of their interconnection;
- (c) a strategy for the development of information systems, and an information systems security policy that takes account of the recommendations of the relevant standards issued by the Slovenian Institute for Standardisation or another competent authority;
- (d) documentation with regard to capacities for timely, accurate and standardised reporting to the Bank of Slovenia and other supervisory institutions.

**3. DOCUMENTATION FOR GRANTING OF AUTHORISATION TO PROVIDE
FINANCIAL AND ANCILLARY FINANCIAL SERVICES**

Article 12
**(documentation for granting of authorisation to provide financial and ancillary financial
services)**

- (1) For the assessment of the fulfilment of the requirements set out in the third paragraph of Article 104 of the ZBan-2, a bank shall enclose the documentation set out in the second paragraph of Article 104 of the ZBan-2 in the request for the granting of an authorisation to provide financial and ancillary financial services.
- (2) The provisions of Sections 2.2, 2.3 and 2.4 of this regulation shall apply *mutatis mutandis* to the documentation referred to in the first paragraph of this article.

- (3) When the bank is lodging the request for the granting of an authorisation to provide financial and ancillary financial services simultaneously with a request for the granting of an authorisation to provide banking services, the required documentation set out in Sections 2.2 and 2.3 of this regulation shall be combined for the two authorisations, except in the parts where this is unreasonable.

4. DOCUMENTATION FOR GRANTING OF AUTHORISATION FOR STATUS CHANGES

Article 13

(documentation for granting of authorisation for a merger - by acquisition or the formation of a new entity)

- (1) A bank that is involved in a merger by acquisition as the acquiring entity shall enclose the documentation referred to in Section 2 of this regulation to the appropriate extent in the request for the granting of an authorisation for a merger.
- (2) A bank that is involved in a merger by acquisition as the acquired entity shall enclose the following in the request for the granting of an authorisation for a merger:
- (a) when the acquiring entity is not a bank, documentation from which it is evident that it has ceased to provide banking services and that the existing operations in this regard have either been concluded or have been transferred to another legal person with an authorisation to provide banking services;
 - (b) when the acquiring entity is simultaneously lodging a request for the granting of an authorisation to provide banking services, the documentation referred to in Section 2 of this regulation to the appropriate extent.
- (3) A bank that is involved in a merger by formation of a new entity shall enclose the following in the request for the granting of an authorisation for a merger:
- (a) when the acquiring entity will not be a bank, documentation from which it is evident that it has ceased to provide banking services and that the existing operations in this regard have either been concluded or have been transferred to another legal person with an authorisation to provide banking services;
 - (b) when the acquiring entity intends to provide banking services, the documentation referred to in Section 2 of this regulation to the appropriate extent.
- (4) In the case referred to in point (b) of the third paragraph of this article, the banks involved in the merger shall, on behalf of and for the account of the new entity, enclose the documentation referred to in Section 2 of this regulation in the acquiring entity's request for the granting of an authorisation to provide banking services.
- (5) In the case referred to in the fourth paragraph of this article, the required documentation referred to in point (b) of the third paragraph and in the fourth paragraph of this article shall be combined, except in the parts where this is unreasonable.

Article 14

(documentation for granting of authorisation for demerger)

- (1) A bank that is involved in a demerger shall enclose the documentation referred to in Section 2 of this regulation to the appropriate extent in the request for the granting of an authorisation for a demerger.
- (2) When a new entity that will provide banking services is formed as a result of a demerger referred to in the first paragraph of this article, the bank involved in the demerger shall, on behalf of and for the account of the new entity, enclose the documentation referred to in Section 2 of this

regulation in the request for the granting of an authorisation to provide banking services.

Article 15
(documentation for granting of authorisation for other status changes)

The provisions of this section shall apply *mutatis mutandis* to the granting of an authorisation for other status changes in which a bank is involved.

Article 16
(documentation with regard to guaranteed deposits)

- (1) In addition to the documentation referred to in Article 13 of this regulation, documentation from which it is evident that investors will be appropriately informed of their rights in the event of the deposit guarantee limit being surpassed as a result of the acquisition shall also be enclosed in the request for the granting of an authorisation for a merger by a bank that is involved in a merger by acquisition as the acquiring entity.
- (2) In addition to the documentation referred to in Article 13 of this regulation, documentation from which it is evident that investors will be appropriately informed of their rights in the event of the deposit guarantee limit being surpassed as a result of the merger shall also be enclosed in the request for the granting of an authorisation for a merger by banks that are involved in a merger by formation of a new entity.

6. IDENTIFICATION OF BANK BY SIGN AND LABEL

Article 18
(sign and LABEL)

- (1) (1) Together with the decision on the granting of an authorisation to provide banking services, the Bank of Slovenia shall deliver to the bank a sign with the inscription “Banka Slovenije, Dovoljenje za opravljanje bančnih storitev” (Bank of Slovenia, authorisation to provide banking services) for the bank’s registered office, and one label with the inscription “Banka Slovenije, Dovoljenje za opravljanje bančnih storitev” for each of its retail units on the basis of a submitted list. The bank shall request that the Bank of Slovenia issue a new label whenever a new retail unit is opened. When the bank’s operations have been wound up, it shall return the sign and the labels.
- (2) Should a label be destroyed during replacement, the bank shall appoint a commission to compile an official record thereof. The bank shall send the official record to the Bank of Slovenia, or shall return the destroyed label.
- (3) The Bank of Slovenia shall deliver signs and labels with bilingual inscriptions (in Slovene and Italian or Slovene and Hungarian) to a bank that makes an explicit request for such.
- (4) (3) The content and form of the sign and the label referred to the first paragraph of this article shall be set out by the Bank of Slovenia via a regulation.

7. FINAL PROVISIONS

Article 19
(cessation of application of regulation)

On the day that this regulation enters into force, the Regulation on the documentation for the granting of authorisations to provide banking and financial services and for status changes (Official Gazette of the Republic of Slovenia Nos. 28/07, 89/11 and 74/13) shall cease to be applied.

Article 20
(entry into force)

This regulation shall enter into force on the day after its publication in the Official Gazette of the Republic of Slovenia.

Ljubljana, 24 September 2015

Boštjan Jazbec
President,
Governing Board of the Bank of Slovenia