

Pursuant to Article 73a, paragraph (21) of the Credit Institutions Act (Official Gazette 159/2013, 19/2015, 102/2015, 15/2018, 70/2019, 47/2020, 146/2020 and 151/2022) and Article 43, paragraph (2), item (10) of the Act on the Croatian National Bank (Official Gazette 75/2008, 54/2013 and 47/2020), the Governor of the Croatian National Bank hereby issues the

Decision
on the documentation to be enclosed with the application for authorisation
and on the content and method of monitoring compliance of parent financial holding companies
and parent mixed financial holding companies

Subject matter
Article 1

(1) This Decision regulates:

- 1) the documentation to be enclosed with the application for authorisation of a holding company and the application for exemption referred to in Article 73a of the Credit Institutions Act (Official Gazette 159/2013, 19/2015, 102/2015, 15/2018, 70/2019, 47/2020, 146/2020 and 151/2022; hereinafter referred to as 'Act'); and
- 2) the content of the reports and notifications, the time limits and the method of reporting information required to monitor on an ongoing basis the compliance with the conditions referred to in Article 73a of the Act.

(2) This Decision shall apply to:

- 1) a parent financial holding company and a parent mixed financial holding company referred to in Article 73a, paragraph (1) of the Act for which the Croatian National Bank is the consolidating supervisor pursuant to the provisions of the Act; and
- 2) a parent financial holding company and a parent mixed financial holding company (hereinafter referred to as 'applicant') referred to in Article 73a, paragraph (2) of the Act for which the Croatian National Bank is the consolidating supervisor pursuant to the provisions of the Act on a sub-consolidated basis.

Definitions
Article 2

(1) The terms used in this Decision shall have the same meaning as in the Act.

(2) ' *Holding company* ' means a financial holding company or a mixed financial holding company.

(3) ' *Application for authorisation of a holding company* ' means the application referred to in Article 73a, paragraphs (1) and (2) of the Act.

(4) '*Application for exemption*' means the application referred to in Article 73a, paragraph (7) of the Act.

Application for authorisation of a holding company

Article 3

The following documentation shall be enclosed with the application for authorisation of a holding company:

1. an overview of the organisational structure of the group of which the holding company is part, with an indication of the relationships between all undertakings in the group and, in particular, an overview of the relations with subsidiary undertakings and, where relevant, parent holding companies;
2. with respect to each undertaking referred to in the preceding item of this Article, the following data shall be provided:
 - a) name;
 - b) head office, business address, website address;
 - c) personal identification number (OIB) / registration number / LEI;
 - d) legal form under the law governing the operation of companies;
 - e) the holding company's share in the capital or the voting rights of all undertakings in the group;
 - f) the parent holding company's share in the capital or the voting rights of the holding company;
 - g) the undertaking's principal activity;
 - h) authorisation issued by the undertaking's competent authority, where applicable;
 - i) annual financial statements, where applicable, including information on the amount of initial capital, amount of assets and the number of employees;
 - j) list of legal/natural persons who are holders of qualifying holdings; and
 - k) list of members of the management and supervisory boards or of the board of directors and their functions;
3. information on the appointment of at least two persons responsible for the management of the holding company and supervisory board members with evidence demonstrating that the criteria for membership in the management and supervisory boards referred to in Article 55 of the Act have been met;
4. on the appropriateness and the financial position of the holding company as the acquirer of qualifying holdings in subsidiary credit institutions, where applicable;
5. where there are no qualifying holders of a credit institution subsidiary, a list of 20 shareholders listed in the order starting from the holder with the largest holding in the credit institution and evidence demonstrating that the shareholders meet the criteria of appropriateness and the financial position, where applicable;
6. an internal bylaw on the internal organisation and distribution of tasks within the group, including the position of the holding company within the group, and internal bylaws on the prevention and management of intra-group conflicts of interest and on the effective management of all risks to which the group is or might be exposed in its operation and adequate internal control systems; and

7. Articles of Association or another appropriate legal act of the holding company.

Application for exemption

Article 4

In addition to the documentation referred to in Article 3 of this Decision, the following documentation shall be enclosed with an application for exemption:

1. evidencing that the financial holding company's principal activity is to acquire holdings in subsidiaries or, in the case of a mixed financial holding company, its principal activity with respect to institutions or financial institutions is to acquire holdings in subsidiaries, including the legal opinion evidencing that this condition is met based on the legal framework applicable for companies;

2. a statement that the applicant has not been designated as a resolution entity in any of the group's resolution groups in accordance with the resolution plan determined by the competent resolution authority pursuant to the regulations governing the resolution of credit institutions and investment firms and a copy of the group resolution plan or its summary, where applicable;

3. evidencing that a subsidiary credit institution is designated as responsible to ensure the group's compliance with prudential requirements on a consolidated basis and is given all the necessary means and legal authority to discharge those obligations in an effective manner;

4. a statement that the applicant does not engage in taking management, operational or financial decisions affecting the group or its subsidiaries that are institutions or financial institutions or the credit institution; and

5. a statement that there is no impediment to the effective supervision of the group of credit institutions in the Republic of Croatia by the Croatian National Bank on a consolidated basis or of the credit institution on an individual basis.

Completeness of applications

Article 5

(1) An application for authorisation for a holding company and an application for exemption need not be accompanied by the information and documentation prescribed in this Decision that are already available to the Croatian National Bank, which shall be confirmed by a written statement of the applicant.

(2) The Croatian National Bank may request other documentation and information in addition to that prescribed herein as well as additional explanations, if this is necessary to verify whether all requirements

for authorisation of a holding company or for exemption and for the purpose of monitoring compliance have been met.

(3) The applicant shall ensure that all information and documents enclosed with the application for authorisation of a holding company or the application for exemption are accurate, true and complete up to the date of issuing the authorisation or granting the exemption. Should any event occur after the application is submitted which may affect the accuracy, truth and completeness of the information and documentation provided, the applicant shall deliver updated information and documentation to the Croatian National Bank.

Reporting for the purposes of compliance monitoring

Article 6

(1) For the purposes of monitoring on an ongoing basis the compliance with the conditions referred to in Article 73a, paragraph (5) of the Act, a holding company authorised by the Croatian National Bank shall deliver to the Croatian National Bank the following information:

- 1) any change in the organisational structure of the group of which the holding company is part with the relationships between all undertakings in which the holding company has a holding as well as undertakings which have a holding in the holding company;
- 2) any change in the internal bylaws on the internal organisation and distribution of tasks within the group of credit institutions regarding compliance with the requirements laid down in the Act and Regulation (EU) No 575/2013 on a consolidated or sub-consolidated basis, which are effective to:
 - a) coordinate all the subsidiaries of the holding company including, where necessary, through an adequate distribution of tasks among subsidiary institutions;
 - b) prevent or manage intra-group conflicts of interest; and
 - c) enforce the group-wide policies set by the holding company throughout the group;
- 3) changes in the position and ownership structure of the holding company within the group and the role of the holding company within the group;
- 4) approved acquisitions of qualifying holdings in subsidiary credit institutions and evidence of appointed members of the management and supervisory boards.

(2) For the purposes of monitoring on an ongoing basis the compliance with the conditions referred to in Article 73a, paragraph (6) of the Act, a holding company to which the Croatian National Bank has granted an exemption in accordance with Article 73a, paragraph (7) of the Act shall deliver to the Croatian National Bank the following information:

- 1) any change in the organisational structure of the group of which the holding company is part with the relationships between all undertakings in which the holding company has a holding as well as undertakings which have a holding in the holding company;
- 2) the data referred to in Article 3, item (2) of this Decision shall be provided with respect to each undertaking referred to in the preceding item;
- 3) any change in the Articles of Association or another appropriate legal act of the holding company;

- 4) for financial holding companies, any change in the acquisition of holdings in subsidiaries as the holding company's principal activity or, in the case of mixed financial holding companies, any change in the acquisition of holdings in subsidiaries with respect to institutions or financial institutions;
- 5) evidence demonstrating that the resolution authority pursuant to the regulations governing the resolution of credit institutions and investment firms has not designated the holding company as a resolution entity in any of the group's resolution groups in accordance with the resolution plan determined by the competent resolution authority;
- 6) the internal bylaw of a subsidiary credit institution ensuring the group's compliance with prudential requirements on a consolidated basis in accordance with the requirements referred to in the Act, Directive 2013/36 and Regulation (EU) No 575/2013 and the legal authority to discharge those obligations in an effective manner;
- 7) evidence demonstrating that the holding company does not engage in taking management, operational or financial decisions affecting the group or its subsidiaries that are institutions or financial institutions; and
- 8) evidence demonstrating that there is no impediment to the effective supervision of the group of credit institutions in the Republic of Croatia by the Croatian National Bank on a consolidated basis or of the credit institution on an individual basis.

Time limits and method of reporting information

Article 7

(1) A holding company authorised by the Croatian National Bank shall deliver the information referred to in Article 6, paragraph (1) of this Decision when any change occurs as well as information on any other changes that may affect the current status of the holding company within 15 days of the date of the change.

(2) The holding company referred to in paragraph (1) of this Article shall deliver to the Croatian National Bank consolidated financial statements for the previous calendar year and, if there were no changes in the information referred to in Article 6, paragraph (1) of this Decision, a statement to that effect, by 31 March of the current year at the latest.

(3) A holding company to which the Croatian National Bank has granted an exemption shall deliver the information referred to in Article 6, paragraph (2) of this Decision when any change occurs as well as information on any other changes that may affect the current status of the holding company within 15 days of the date of the change.

(4) The holding company referred to in paragraph (3) of this Article shall deliver to the Croatian National Bank consolidated financial statements for the previous calendar year and, if there were no changes in the information referred to in Article 6, paragraph (2) of this Decision, a statement to that effect, by 31 March of the current year at the latest.

Entry into force

Article 8

This Decision shall enter into force on the eighth day after the day of its publication in the Official Gazette.

No.: 452-091/12-22/BV

Zagreb, 22 December 2022

Boris Vujčić

Governor