

DECREE
of Národná banka Slovenska
of 6 February 2018
amending Decree No 6/2010 of Národná banka Slovenska laying down the elements of an
application for the prior approval of Národná banka Slovenska
under Article 28(1) of the Banking Act

Národná banka Slovenska, in accordance with Article 28(7) of Act No 483/2001 Coll. on banks (and on amendments to certain laws) has adopted this Decree:

Article I

Decree No 6/2010 of Národná banka Slovenska of 11 May 2010 laying down the elements of an application for the prior approval of Národná banka Slovenska under Article 28(1) of the Banking Act (Notification No 219/2010 Coll.) is amended as follows:

1. Footnote 1 reads as follows:

“¹) Article 2(2) of Act No 404/2011 Coll. on the stay of foreigners and on amendments to certain laws.”.

2. In Article 2(2)(h) the words “and a covered bonds administrator or their representative” are added after the words “a mortgage administrator or their representative”.

3. In Article 3(2), the following point (e) is added:

“(e) a written declaration from the bank stating that on the day of the bank license return they will discontinue their operations related to the covered bond programme based on transfer of the covered bond programme, or other means, if the applicant is a bank which is a covered bonds issuer.”.

4. In Article 5(2), the following point (d) is added:

“(d) a written declaration from the bank stating that on the day when the bank is dissolved for reasons other than those specified under Article 28(1)(b) of the Act, they will discontinue their operations related to a covered bond programme based on transfer of the covered bond programme, or other means, if the applicant is a bank which is a covered bonds issuer.”.

5. After Article 7, the following Articles 7a and 7b are added:

“Article 7a

(1) The application for prior approval to perform activities related to a covered bond programme under Article 28(1)(f) of the Act shall include the following:

- (a) the business name, registered office and identification number of the bank which intends to perform the activities related to a covered bond programme;
- (b) the reasons for performing activities related to a covered bond programme;
- (c) the date on which the performance of activities related to a covered bond programme is expected to begin and the expected date of the first issue of covered bonds.

(2) The application, as outlined in Paragraph 1, shall include the following documents:

- (a) the draft strategy for performing activities related to a covered bond programme;
- (b) the draft medium-term business plan for at least the first three accounting periods following the decision under Article 28(1)(f) of the Act becomes effective based on the draft strategy for

- performing activities related to a covered bond programme including the expected amount and maturity of covered bond issues;
- (c) the decision of the bank's authorised body on the plan to perform activities related to a covered bond programme;
 - (d) the schedule of the necessary organisational, legal, technical and financial procedures to be performed within the process of activities related to a covered bond programme;
 - (e) the bank's draft internal regulations governing the procedure for performing activities related to a covered bond programme;
 - (f) information on the provision and arrangements for separate analytical record-keeping in the accounting system under Article 75(5) of the Act;
 - (g) information on the bank's methodology and processes providing the arrangements and monitoring of the cover pool composition under Article 68(1) of the Act and the use of the cover pools under Article 68(3) of the Act;
 - (h) information on the bank's methodology and processes providing the arrangements and monitoring of the calculation method for the liquidity coverage ratio under Article 69 of the Act;
 - (i) information on the bank's methodology and processes providing the evaluation and reappraisal of real estate collateral to secure mortgage loans under Article 71(3) and (4) of the Act;
 - (j) information on the maintenance of the Register of covered bonds under Article 75(1) to (4) of the Act;
 - (k) information on the method of providing the separate upkeep and storage of information and documents under Article 75(4) of the Act;
 - (l) information on the bank's methodology and processes providing stress testing under Article 76 of the Act;
 - (m) information on the method of establishment and functioning of the bank's management and control system and risk management system in relation to the activities of the covered bond programme;
 - (n) documents confirming compliance with the conditions under Article 77(3) and Article 80(4) of the Act, where a proposal to appoint persons nominated for the position of the covered bond programme administrator and his deputy under Article 77(1) of the Act or a draft Agreement on the performance of activities of the covered bond programme administrator or his deputy are submitted at the same time as the application, the relevant documents being:
 1. a professional CV, documentation of completed education and professional experience;
 2. proof not older than three months of the person's clean criminal record,⁵⁾ or, if the person is a foreigner, an equivalent document issued by a competent authority in the country of the person's habitual residence;
 3. a draft Agreement on the performance of activities of the covered bond programme administrator between the bank issuing the covered bonds and the covered bond programme administrator;
 4. a draft Agreement on the performance of activities of the covered bond programme administrator's deputy between the bank issuing covered bonds and the covered bond programme administrator's deputy;
 - (o) the proposed amount of remuneration due to the covered bond programme administrator and the deputy, where a proposal for remuneration due to the administrator under Article 80(3) of the Act is submitted at the same time as the application;
 - (p) other documents confirming compliance with the conditions for issuance of covered bonds under Articles 67 to 80 of the Act.

(3) Where the applicant is a bank holding a valid authorisation to conduct mortgage business and intending to re-register mortgage bonds, mortgage loans, security interests and claims and other assets that serve as normal or substitute coverage to back mortgage bonds from its mortgage register to the cover bond register, the following additional documents must be submitted with the application under paragraph (1):

- (a) a draft plan to re-register mortgage bonds, mortgage loans, security interests and claims and other assets that serve as normal or substitute coverage to back mortgage bonds, including their amount and maturity;
- (b) information on the method ensuring compliance with the conditions for including the assets in the cover pool under Articles 68 and 69 of the Act;
- (c) the time schedule of the necessary organisational, legal, technical and financial procedures to be performed within the re-registration process.

Article 7b

(1) The application for prior approval to transfer a covered bond programme or a part thereof under Article 28(1)(g) shall include:

- (a) the business name, registered office and identification number of the bank which is to transfer a covered bond programme;
- (b) the grounds of the intention to transfer the covered bond programme in whole or in part resulting in the transfer of the whole covered bond programme;
- (c) the date on which the transfer of the whole covered bond programme is to be performed, or the dates of the covered bond programme's phased transfers resulting in the transfer of the whole covered bond programme;
- (d) the business name, registered office and identification number of the bank or several banks issuing covered bonds which intend to purchase the whole covered bond programme or a part thereof.

(2) The application, as outlined in Paragraph 1, shall include the following documents:

- (a) a draft agreement on the transfer of a covered bond programme, or several draft agreements on the transfer of parts thereof, or other draft agreements serving the purpose of transferring the whole covered bond programme;
- (b) the draft decision of the authorised body of the bank issuing covered bonds on the covered bond programme transfer;
- (c) the time schedule of the necessary organisational, legal, technical and financial procedures to be performed within the process of the whole covered bond programme transfer;
- (d) approval of the covered bond holders under a separate regulation,⁶⁾ where such approval is required under Article 67(9) of the Act;
- (e) a declaration from the bank issuing covered bonds which is to transfer the covered bond programme stating that the covered bonds issued have achieved the nominal value share requiring approval of the covered bond holders under a separate regulation,⁶⁾ where such approval is required under Article 67(9) of the Act;
- (f) a declaration from the receiver of the bank issuing covered bonds stating that the price of the transferred covered bond programme or a part thereof is adequate and that further administration of the covered bond programme by the receiver of the bank issuing covered bonds would have a negative effect on the settlement of the claims of the covered bond holders under Article 55(8) of the Act, in the case of a bank placed in receivership;
- (g) a declaration from the trustee in bankruptcy of the bank issuing covered bonds stating that the price of the transferred covered bond programme or a part thereof is adequate and that further administration of the covered bond programme by the receiver of the bank issuing covered bonds would have a negative effect on the settlement of the claims of the covered bond holders under Article 55(8) of the Act, in the case of a bank in relation to which a bankruptcy was adjudicated;
- (h) a declaration from the administrator⁷⁾ of the bank issuing covered bonds stating that the price of the transferred covered bond programme or a part thereof is adequate and that further administration of the covered bond programme by the receiver of the bank issuing covered bonds would have a negative effect on the settlement of the claims of the covered bond holders under Article 55(8) in the case of a bank in resolution;⁷⁾

(i) other documents confirming compliance with the conditions for the transfer of a covered bond programme under Article 55(8) and Articles 67 to 80 of the Act, or under separate regulations.⁸⁾”.

Footnotes 5 to 8 read as follows:

“5) Article 10(4) of Act No 330/2007 Coll. on the Criminal Register, as amended by Act No 91/2016 Coll.

6) Article 3(6) of Act No 530/1990 Coll. on bonds, as amended.

7) Act No 371/2017 Coll. on resolution in the financial market (and amending certain laws), as amended.

8) Article 195a(3) of Act No 7/2005 Coll. on bankruptcy and restructuring (and amending certain laws), as amended by Act No 279/2017 Coll.

Articles 34 and 48 of Act No 371/2014 Coll., as amended.”.

6. The words in Article 8 “Articles 1 to 7” are replaced by the following words “Articles 1 to 7b”.

7. The following paragraph 5 is added to Article 8:

“(5) The provisions of Article 7a and Article 7b do not apply to banks and branches of foreign banks holding as at 31 December 2017 a valid authorisation to conduct mortgage business which terminate this business after 31 December 2017 under Article 122ya(1) and (2) of the Act.”.

Article II

This Decree enters into force on 1 March 2018.

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Governor

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