

**Methodological Instruction No 1/2011
of the Financial Market Supervision Unit of Národná banka Slovenska
of 16 May 2011**

on the pursuit of the business of credit institutions, financial institutions, foreign credit institutions and foreign financial institutions under the single European passport

In accordance with the provisions of Article 1(3)(a) point 3 of Act No 747/2004 Coll. on Supervision of the Financial Market and on amendments to certain laws (hereinafter “the Supervision Act”), the Financial Market Supervision Unit of Národná banka Slovenska, Financial Market Supervision Unit issues the methodological instruction as follows:

PART I

Article 1

Purpose and scope

(1) The aim of this Methodological Instruction is to provide:

- (a) credit institutions and financial institutions that have a registered office in the Slovak Republic with detailed information on the procedures to be followed when taking up business in another Member State on the basis of the single European passport (hereinafter “the SEP”), and
- (b) foreign credit institutions and foreign financial institutions that have a registered office in another Member State with detailed information on the procedures to be followed when commencing business in the Slovak Republic on the basis of the SEP.

(2) This methodological instruction regulates the procedures to be followed when establishing branches and taking up business in a host Member State under the freedom to provide services on the basis of the SEP for credit institutions, financial institutions, foreign credit institutions and foreign financial institutions, in order to ensure the consistent application of certain provisions of Act No 483/2001 Coll. on Banks and on amendments to certain laws, as amended (hereinafter “the Banking Act”). It is divided into the following points:

- A. A notification that a credit institution with its registered office in the Slovak Republic intends to establish a branch in another Member State, in accordance with Article 13(1) to (4) of the Banking Act;
- B. A notification that a credit institution with its registered office in the Slovak Republic intends to provide banking services in another Member State on a cross-border basis (without establishing a branch), in accordance with Article 13(5) of the Banking Act;
- C. A notification that a foreign credit institution with its registered office in a Member State intends to establish a branch in the Slovak Republic, in accordance with Article 11(1) of the Banking Act;
- D. A notification that a foreign credit institution with its registered office in a Member State intends to provide banking services in the Slovak Republic on a cross-border basis (without establishing a branch), in accordance with Article 11(2) of the Banking Act;
- E. The establishment in the Slovak Republic of a representative office of foreign bank that has its registered office in another Member State;
- F. The establishment in another Member State of a representative office of a bank that has its registered office in the Slovak Republic;
- G. Deposit protection.

Article 2

General Provisions

(1) In the case of credit institutions, the SEP only applies to activities explicitly stated in Article 2(1) and (2) of the Banking Act with the exception of activities stated in Article 2(2)(m) and (n) of the Banking Act which require an authorisation.

Activities stated in Article 2(1)(b) and (2) of the Banking Act may, in accordance with Article 11(1) and (2) of the Banking Act, be provided in the Slovak Republic by a foreign financial institution that has its registered office in another Member State and is the subsidiary of a bank or foreign bank pursuant to Article 11(1) of the Banking Act; such a foreign financial institution may perform these activities only if so permitted by its Articles of Association or Memorandum of Association and under the conditions laid down in Article 11(3)(a) to (e) of the Banking Act.

(2) A credit institution with its registered office in the Slovak Republic may provide in another Member State only those services that are specified in its authorisation issued by Národná banka Slovenska.

(3) This methodological instruction is included in the category "**Authorisation Process**".

Article 3

Definitions

For the purposes of this methodological instruction the following definitions shall be used:

- (a) 'credit institution' means a bank that has its registered office in the Slovak Republic;
- (b) 'foreign credit institution' means a foreign bank that has its registered office in a Member State other than the Slovak Republic;
- (c) 'financial institution' means a legal person other than a bank as defined in the Banking Act which as its principal or major business activity performs one of the activities specified in Article 2(1)(b) or (2) of the Banking Act, or whose principal line of business is the acquisition of equity holdings as stipulated by a separate regulation, or any other entity with a registered office abroad and with a similar line of business;
- (d) 'Member State' means a Member State of the European Union or a country that is a part of the European Economic Area;
- (e) 'host Member State of a credit institution' means a country in which a credit institution has established a branch or provides cross-border banking services; the Slovak Republic is the host Member State of foreign credit institutions that have a registered office in another Member State and a branch established in Slovakia;
- (f) 'host Member State of a financial institution' means the country in which a financial institution has established a branch or provides cross-border banking services.

PART II

CREDIT INSTITUTIONS

Article 4

Procedures to be followed when establishing a branch and taking up the business of a credit institution, financial institution, foreign credit institution or foreign financial institutions in another Member State under the freedom to provide services

A. A notification that a credit institution with its registered office in the Slovak Republic intends to establish a branch in another Member State, in accordance with Article 13(1) to (4) of the Banking Act

(1) In accordance with Article 13(1) of the Banking Act, a credit institution seeking to set up a branch in a Member State shall apply in writing to Národná banka Slovenska for an authorisation to do so. For each Member State for which such authorisation is sought, a separate application is to be submitted to Národná banka Slovenska, in two copies (one in the Slovak language and the other either in the official language of the host Member State, or in a language commonly used in the area of international finance). The approval procedure for establishing a branch in a Member State shall commence as of the date on which the application is received by Národná banka Slovenska, subject to the payment of the fee of €3,400 stipulated by Decree No 19/2010 of Národná banka Slovenska on fees for acts performed by Národná banka Slovenska (hereinafter “the Decree”). If the application is incomplete, Národná banka Slovenska shall call upon the applicant to complete it and may interrupt the procedure.

(2) The credit institution shall state in its application:

(a) the Member State in which it intends to establish a branch;

(b) the address in the Member State at which this branch will have its registered office (the address at which the branch in the host Member State may request documents and to which documents may be delivered);

(c) the first and last names of the persons responsible for managing the branch; the application must be accompanied by the curriculum vitae of the branch's managers, with reference in particular to their professional competence and credibility – there shall also be enclosed a copy of the Criminal Register entry of each manager or, in the case of a manager who is a foreigner, similar proof of good character issued by a competent authority of the country in which he usually resides;

(d) a business plan comprising in particular a list of expected activities and a proposed business strategy for the branch based on realistic economic calculations, which should include the following:

1. data on the volume of planned transactions – there must be stated a three-year estimate of the volume of planned transactions and the number of employees;

2. information on the branch's integration into the bank's internal control system – there must be stated the person and division responsible for the branch's internal control system and its anti-money laundering and terrorist financing (“AML”) activities, a detailed description of the organisation of the internal control and AML regime, and confirmation that the integration of the branch in the internal control system and AML regime is in accordance with the Banking Act and the recommendations of Národná banka Slovenska,

3. supplementary data where more than one operation is to be established. If the bank intends to establish in the host Member State more than one operation that is deemed to be branch, there must be stated further details about this intention, in particular details about the main branch whose manager is responsible for the relationship with the host country's supervisory authority, and the addresses of the operations/branches;

4. information about the branch's deposit protection system for customers;

5. information about the branch's integration into the credit institution's risk management system;

(e) a scheme of the branch's organisational structure, the competences assigned to the branch's managers, the general arrangement of decision-making powers, and the staff members who will cover for any absence of branch managers (one or more staff members together),

(f) a certified translation of the text of the credit institution's application into either the official language of the host Member State or a language commonly used in the area of international finance (except where the host Member State is the Czech Republic).

(3) Within three months after receiving the complete application, Národná banka Slovenska shall announce its decision on the approval of the application to the supervisory authority of the respective Member State and to the credit institution, provided that the application complies with the above requirements and that Národná banka Slovenska is satisfied with credit institution's organisational structure and financial conditions in relation to the authorised activities; at the same time, Národná banka Slovenska shall inform the respective Member State's supervisory authority about the amount and composition of own funds of the credit institution, the amount and method of calculating the own funds requirement of the credit institution, and details of the deposit protection system in the Slovak Republic.

(4) If Národná banka Slovenska is not satisfied with the facts stated in the previous paragraph, it shall, within three months after receiving the application, announce its decision not to approve the application to the host Member State and to the credit institution. The credit institution may lodge an appeal against this decision within the period laid down by law.

Notification of a change

(5) At least 30 days before making any change to the application's details referred to in Article 13(1) and (2) of the Banking Act or to the details referred to in Point A(2) of this Article, the credit institution shall give Národná banka Slovenska and the supervisory authority of the host Member State written notification of such change. If the notification to the supervisory authority is not given in the official language of the host Member State or a language commonly used in the area of international finance, it must be accompanied with a certified translation into this country's official language or into a language commonly used in the area of international finance (except where the host Member State is the Czech Republic). In case of a change in the branch management, there shall be enclosed with the notification the curriculum vitae of the future branch manager and a copy of his entry in the Criminal Register, or, if the future branch manager is a foreigner, similar proof of good character issued by a competent authority of the country in which he usually resides. This notification obligation must also be met before a planned closure of the branch.

B. A notification that a credit institution with its registered office in the Slovak Republic intends to provide banking services in another Member State on a cross-border basis (without establishing a branch), in accordance with Article 13(5) of the Banking Act

(1) In accordance with Article 13(5) of the Banking Act, a credit institution intending to provide services in another Member State under the freedom to provide banking services on a cross-border basis (without establishing a branch) must first notify Národná banka Slovenska of this intention and pay the fee of €400 stipulated by the Decree. For each Member State in which such services are to be provided, a separate notification, in two copies, is to be submitted to Národná banka Slovenska. Provided that these notifications comply with the requirements laid down below, Národná banka Slovenska will have one month in which to send them to the supervisory authority of the respective Member State.

(2) A complete notification pursuant to Article 13(5) of the Banking Act of a credit institution's intention to provide banking services in a particular Member State on a cross-border basis (without establishing a branch) shall include the following:

(a) a programme of operations detailing plans for the performance of banking activities mentioned in Article 2(1) and (2) of the Banking Act (except for the activities mentioned in Article 2(2)(m) and (n)),

(b) a certified translation of the text into either the official language of the host Member State or a language commonly used in the area of international finance (except where the host Member State is the Czech Republic).

(3) Within one month after receiving a notification that meets the above requirements, Národná banka Slovenska shall send it to the respective Member State's supervisory authority and shall inform the credit institution that it has done so.

Notification of a change

(4) At least 30 days before making any change to the details notified in accordance with Article 13(5) of the Banking Act, the credit institution shall give Národná banka Slovenska and the supervisory authority of the host Member State written notification of such change. If the notification to the supervisory authority is not given in the official language of the host Member State or a language commonly used in the area of international finance, it must be accompanied by a certified translation into this country's official language or into a language commonly used in the area of international finance (except where the host Member State is the Czech Republic). This notification obligation must also be met before a planned termination of the banking services provided in the Member State on a cross-border basis.

C. A notification that a foreign credit institution with its registered office in a Member State intends to establish a branch in the Slovak Republic, in accordance with Article 11(1) of the Banking Act

(1) A foreign credit institution shall proceed analogously to the credit institution under Point A, providing that there is compliance with any specific directives issued by the respective Member State's supervisory authority on the basis of local legal regulations. The notification must also include information about how the established branch will ensure deposit protection for its customers. It is not required to submit a copy of the Criminal Register entry of the person nominated to be the manager of the branch, or, if such person is a foreigner, similar proof of good character issued by a competent authority of the country in which he usually resides.

(2) In accordance with Article 12(1) and (2) of the Banking Act, and within two months of receiving a statement from the supervisory authority of the Member State concerned that it has no reason to question the organisational structure and financial conditions of the foreign bank, Národná banka Slovenska shall prepare to exercise supervision over the branch of a foreign bank and, if necessary, notify the branch within this time limit of the conditions under which the branch's planned activities may or must be performed in the public interest in the Slovak Republic; Národná banka Slovenska shall also notify the branch of the provisions of the generally binding regulations of the Slovak Republic that will apply to its operation.

The activities stated in the notification of the respective supervisory authority which the branch of a credit institution intends to perform in the Slovak Republic shall be entered in the Commercial Register of the Slovak Republic in the form stipulated in Annex I to Directive 2006/48/EC relating to the taking up and pursuit of the business of credit institutions or in the form stipulated in Article 2(1) and (2) of the Banking Act.

(3) This notification shall also be delivered to the respective Member State's supervisory authority. Once the above statement has been delivered or two months have elapsed without it being

delivered, the branch of a foreign bank (pursuant to Article 11(1) of the Banking Act) may perform banking activities in the Slovak Republic.

(4) Where a foreign credit institution intends to establish a branch in the Slovak Republic and the supervisory authority of its home Member State must notify Národná banka Slovenska of its intention to do so, this notification shall be given either in the Slovak language, as a certified translation, or in a language commonly used in the area of international finance (except where the host Member State is the Czech Republic).

(5) Activities stated in Article 2(1)(b) and (2) of the Banking Act may also be performed by a foreign financial institution that is not a credit institution, providing that the conditions laid down in Article 11(3) of the Banking Act are met. The foreign financial institution shall demonstrate to Národná banka Slovenska the facts stated in Article 11(3) of the Banking Act by submitting a confirmation, in either written or electronic form, from the supervisory authority of the respective Member State.

Notification of a change

(6) At least 30 days before making any change to the details notified analogously to those referred to in Point A, the foreign credit institution shall give the competent authorities of the home and host Member States written notification of such change. The notification of the change shall be accompanied by a certified translation into either the Slovak language or a language commonly used in the area of international finance (except where the host Member State is the Czech Republic). This notification obligation must also be met before a planned closure of the branch.

D. A notification that a foreign credit institution with its registered office in a Member State intends to provide banking services in the Slovak Republic on a cross-border basis (without establishing a branch), in accordance with Article 11(2) of the Banking Act

(1) A foreign credit institution shall proceed analogously to the credit institution under Point B and comply with any and all specific directives issued by the respective Member State's supervisory authority. Národná banka Slovenska shall receive the respective supervisory authority's notification pursuant to Article 11(2) of the Banking Act .

(2) On the basis of submitted information, Národná banka Slovenska will usually issue a confirmation of the acceptance of the notification, in which it will advise the foreign credit institution and the respective Member State's supervisory authority of the duty to comply with the laws and generally binding legal regulations that apply to the planned activities of the foreign credit institution.

(3) The notification from a foreign supervisory authority shall be delivered to Národná banka Slovenska either in a language commonly used in the area of international finance or as a certified translation in the Slovak language (except where the host Member State is the Czech Republic).

(4) Activities stated in Article 2(1)(b) and (2) of the Banking Act may also be performed by a foreign financial institution, providing that the conditions laid down in Article 11(3) of the Banking Act are met. The foreign financial institution shall demonstrate to Národná banka Slovenska the facts stated in Article 11(3) of the Banking Act by submitting a confirmation, in either written or electronic form, from the supervisory authority of the respective Member State.

(5) If the host Member State has a reason to believe that the foreign credit institution will provide services through a branch operation (for example, where the institution also has a representative office) instead of under the freedom to provide banking services on a cross-border basis (without establishing a branch), the institution shall submit supplementary information to prove that its services will be provided solely under the freedom to provide cross-border banking services (such proof may include, for example, a statement by the institution that it will not use its representative office to perform banking activities related to the freedom to banking services on a cross-border basis (without establishing a branch)).

Notification of a change

(6) If the foreign credit institution changes any of the notified details, it shall without delay notify Národná banka Slovenska of such change either in writing or electronically. The notification of the change shall be given in a language commonly used in the area of international finance or in the form of a certified translation into the Slovak language (except where the host Member State is the Czech Republic). This notification obligation must also be met before a planned termination of the banking services provided in the Slovak Republic on a cross-border basis.

E. The establishment in the Slovak Republic of a representative office of foreign bank that has its registered office in another Member State

(1) Since, in accordance with Article 11(7) of the Banking Act, the provisions of Article 22 of the Banking Act do not apply to foreign banks that have their registered office in a Member State, a foreign bank intending to establish a representative office in the Slovak Republic shall send a notification of this intention to Národná banka Slovenska.

(2) The notification under paragraph (1) shall state:

- (a) the business name and registered office of the foreign bank;
- (b) the registered office (address) of the foreign bank's representative office in the Slovak Republic;
- (c) the telephone number and fax number of the representative office, if known;
- (d) the first and last names of the head of the representative office and his permanent address;
- (e) the date on which the representative office is due to commence its activities;
- (f) an assessment of the foreign bank carried out by the supervisory authority in the home Member State;
- (g) a statement by the foreign bank that it will not use its representative office to conduct business under the freedom to provide banking services on a cross-border basis (without establishing a branch).

(3) If the any of the facts concerning the foreign representative office are changed, the foreign representative office shall within 30 days notify Národná banka Slovenska of such change either in writing or electronically. On the basis of this information, Národná banka Slovenska shall issue a confirmation of the notification, which will state that the foreign representative office may not perform banking activities or carry on any other business.

F. The establishment in another Member State of a representative office of a bank that has its registered office in the Slovak Republic

(1) A bank that has its registered office in the Slovak Republic and intends to establish a representative office in another Member State shall send a notification of this intention to the supervisory authority in the respective Member State.

(2) The notification under paragraph (1) shall state:

- (a) the business name and the registered office of the bank;
- (b) the registered office (address) of the bank's representative office in the host country;
- (c) the telephone and fax number of the representative office, if known;
- (d) the first and last names of the head of the representative office and his permanent address;
- (e) the date on which the representative office is due to commence its activities;
- (f) an assessment of the bank carried out by Národná banka Slovenska;
- (g) a statement by the bank that it will not use its representative office to conduct business under the freedom to provide banking services on a cross-border basis (without establishing a branch).

G. Deposit protection

(1) Customer deposits held in banks operating in the Slovak Republic are protected by the Slovak system of deposit protection as currently laid down in Act No 118/1996 Coll. on the Protection of Bank Deposits and on amendments to certain laws as amended (hereinafter “the Deposit Protection Act”). If a deposit subject to protection under the Deposit Protection Act becomes inaccessible, the Deposit Protection Fund (hereinafter “the Fund”) shall compensate the depositor, or another person authorised under the Deposit Protection Act, in a total amount not exceeding EUR 100,000.

In accordance with Slovak law, a branch of a foreign bank may decide on which system of deposit protection will be used to protect customer deposits held at the branch (either the home or host system of deposit protection).

In accordance with Article 22ba of the Deposit Protection Act, a branch of a foreign bank that accepts deposits in the Slovak Republic under the single banking passport pursuant to European Union law, under the conditions laid down by this Act, may participate voluntarily in the deposit protection system in the Slovak Republic so as to ensure increased protection of deposits; deposit protection may thus be increased to the extent that the amount of compensation payable for inaccessible protected deposits, or the scope of deposits protected, under the deposit protection system in the Slovak Republic exceeds the amount of compensation payable or scope of deposits protected under the deposit protection system in the foreign bank's home Member State.

One of the conditions of such participation shall be the conclusion of a written contract between the Fund, the respective foreign deposit protection fund and the foreign bank whose branch is joining the deposit protection system in the Slovak Republic.

If a branch of a foreign bank, which accepts deposits in the Slovak Republic under the single European passport as defined by European Union law, joins the deposit protection system in the Slovak Republic on a voluntary basis, then only the deposits which it accepts in the Slovak Republic and which are protected by the Act shall be taken into account when calculating the amount of its annual contributions and extraordinary contributions to the Fund and it is only in relation to these deposits that compensation payments may be made under the deposit protection system in the Slovak Republic; deposit protection may thus be increased to the extent that the amount of compensation payable for inaccessible protected deposits, or the scope of deposits protected, under the deposit protection system in the Slovak Republic exceeds the amount of compensation payable or scope of deposits protected under the deposit protection system in the home Member State.

(2) Národná banka Slovenska shall require that the notification given by branches of foreign banks entering the Slovak banking market under the SEP include information on the system under which customer deposits held with the branch will be protected. The branch shall display at its business premises information in the Slovak language on the protection of deposits under the deposit

protection system in its home Member State; if the branch is voluntarily participating in the Slovak deposit protection system, it shall also display information on protection of deposits under the Deposit Protection Act, including the general terms conditions for compensation payments.

PART III

Article 5 Common and final provisions

(1) Legal regulations concerning the subject of this methodological instruction are published on the NBS website at www.nbs.sk.

(2) This methodological instruction repeals Part I Article 1(1), Article 1(2) point 2, Article 2(2), Article 3(d) to (f), (h) to (k) and Part II of the Methodological Instruction No 1/2008 of the Financial Market Supervision Unit of the National Bank of Slovakia of 11 March 2008 on the operation of credit institutions, financial institutions and investment firms under the single European passport.

Article 6 Commencement

This methodological instruction shall enter into force on the day of its publication in the Journal of NBS.

Ing. Vladimír Dvořáček
Executive Director
Financial Market Supervision Unit

ANNEX 1 – STANDARD NOTIFICATION FORM FOR THE ESTABLISHMENT OF A BRANCH

Direct line:

Fax:

E-mail:

[Date]

Our Ref:

Notification in accordance with Article 25 [26.3] of the Banking Directive (No 2006/48/EC)

In accordance with Article 25.3 [or 26.3] of the Banking Directive (No 2006/48/EC), I hereby notify you that [name of institution], a credit institution authorised by [competent authority of the home Member State], intends to establish a branch [or modify the scope of the previously notified activities] and pursue the activities stated in the attached Schedule under the freedom of establishment.

[In the case of a notification pursuant to Article 25]: The branch's managerial staff members, whose curriculum vitae are enclosed, will be [the first and last names of each], and its non-managerial staff will number [xxx] in total. The branch's organisational structure and programme of operations are also enclosed.

The branch address is:

XXXXX

XXXXX

XXXXX

Tel.:

Fax:

E-mail:

[Name of institution] is a participant in the [name of the deposit protection system in the home Member State], which guarantees the deposits of eligible depositors and/or investors as required by [the respective legal regulation of home Member State] in respect of banking and/or financial operations performed by the credit institution in [the home Member State] and through its branches in the European Economic Area. The own funds of [name of the credit institution] amounted to €[amount] as at [date]. The financial solvency ratio of the credit institution stands at [XXX].

If you have any queries, please do not hesitate to contact me.

Yours sincerely

[Signatory details]

SCHEDULE TO THE NOTIFICATION DATED [date of letter] PURSUANT TO ARTICLE 25 [or 26(3)] OF THE BANKING DIRECTIVE (No 2006/48/ES) – ESTABLISHMENT OF A BRANCH

Type of notification: [e.g. initial notification / notification of a change]

Notification reference: [home Member State]

Member State in which the branch is to be established: [host Member State]

Credit institution: [name]

Address: [address of headquarters]

Telephone number: [tel. no]

Fax number: [fax no]

E-mail: [e-mail address]

Contact: [first and last names]

Home Member State: [home Member State]

Authorisation status: Authorised by [competent authority in the home Member State]

Financial Status: [amount of own funds; capital adequacy requirement]

Date from which the branch plans to start activities: [date]

Activities performed in accordance with Annex I to Directive No 2006/48/EC

1.	Acceptance of deposits and other repayable funds	
2.	Lending including inter alia: consumer credit, mortgage credit, factoring with or without recourse, financing of commercial transactions (including forfeiting)	
3.	Financial leasing	
4.	Money transmission services as defined in Article 4(3) of Directive No 2007/64/EC on payment services in the internal market	
5.	Issuing and administering other means of payment (e.g. travellers' cheques and bankers' drafts), unless such activities are subject to point 4.	
6.	Guarantees and commitments	
7.	Trading for own account or for account of customers in:	

	a. money market instruments (cheques, bills, certificates of deposit, etc.), b. foreign exchange; c. financial futures and options; d. exchange and interest rate instruments; or e. transferable securities	
8.	Participation in securities issues the provision services related to such issues	
9.	Advice to undertakings on capital structure, industrial strategy and related questions and advice as well as services relating to mergers and the purchase of undertakings	
10.	Money broking	
11.	Portfolio management and advice	
12.	Safekeeping and administration of securities	
13.	Credit reference services	
14.	Safe custody services	
15.	Issuance of electronic money	

Investment services to be provided by the credit institution through the branch

		Investment services and instruments (A)								Ancillary services (B)							
		1	2	3	4	5	6	7	8	1	2	3	4	5	6	7	
Financial instruments (C)	1																
	2																
	3																
	4																
	5																
	6																
	7																
	8																
	9																
	10																

ANNEX 2 - PROGRAMME OF OPERATIONS

(This summary shall be completed in the official languages of the home Member State and the host Member State or in another language accepted by competent authorities of the home and host Member States)

Requirement	Response
<p><u>1. Business plan</u></p> <p><i>(a) How will the branch contribute to the overall strategy of the institution/group?</i></p> <p><i>(b) What will be the main objectives and functions of the branch?</i></p> <p><i>(c) Describe the types of customers/counterparties the branch will be dealing with.</i></p> <p><i>(d) Describe how the institution will acquire and deal with these customers.</i></p>	
<p><u>2. Organisational structure</u></p> <p><i>(a) Brief description of how the branch fits into the corporate structure of the group.</i></p> <p><i>(b) Details of the organisational structure of the branch (number of business units/premises; number of employees; organisational structure showing both functional and legal reporting lines).</i></p> <p><i>(c) Details of the branch's managerial staff members – CVs to be enclosed.</i></p> <p><i>(d) Details of any direct business relations (customers, partners, counterparties) and the conditions under which they operate.</i></p> <p><i>(e) Details of links with the administrative and IT systems of the head office;</i></p> <p><i>(f) Details of links with the internal control system of the head office.</i></p>	
<p><u>3. Systems and controls</u></p> <p><i>(a) Measures for supervising the risk management</i></p>	

<p><i>procedures (including credit/market/operational/liquidity risks).</i></p> <p><i>(b) Powers of the branch in respect of granting credit facilities.</i></p> <p><i>(c) Details of the audit arrangements in the branch (including details of the external auditor, where applicable).</i></p> <p><i>(d) Anti-money laundering procedures (including the name of the AML Compliance Officer).</i></p> <p><i>(e) Monitoring and oversight of critical outsourcing arrangements (where applicable).</i></p>	
<p><u>4. Financial information</u></p> <p><i>Attach a financial plan or forecast (profit and loss statement and a balance sheet) for a period of at least 12 months.</i></p>	
<p><u>5. Investment activities (where applicable)</u></p> <p><i>Provide brief details of arrangements for:</i></p> <ul style="list-style-type: none"> <i>- safeguarding customers' money and assets;</i> <i>- compliance with the conduct of business and other obligations (measures) that fall under the responsibility of the competent authority of the host Member State pursuant to Article 32(7) of MiFID, and for keeping records of transactions performed under Article 13(9) of MiFID;</i> <i>- a harmonised Code of Conduct, including oversight of trading on personal accounts;</i> <i>- Provide details of the individual who will be responsible for compliance of the branch.</i> <i>- Provide details of the individual who will be responsible for dealing with complaints in relation to the investment activities of the branch.</i> 	

**ANNEX 3 – STANDARD NOTIFICATION FORM FOR THE CROSS-BORDER
PROVISION OF SERVICES**

Direct line:

Fax:

E-mail:

[Date]

Our ref:

Notification in accordance with Article 28 of the Banking Directive (No 2006/48/EC)

In accordance with Article 28 of the Banking Directive (No 2006/48/EC), I hereby notify you that [name of institution], a credit institution authorised by [competent authority of the home Member State], intends [to exercise the freedom to provide services by carrying out the activities listed in the attached schedule within the territory of (*name of host Member State*) for the first time] / [to modify the scope of the previously notified activities provided on a cross-border basis].

The respective activities performed by the credit institution are permitted, and the credit institution is authorised to perform all of these activities under the law of [Member State].

If you have any queries, please do not hesitate to contact me.

Yours sincerely

[Signatory details]

SCHEDULE TO THE NOTIFICATION DATED [date of letter] PURSUANT TO ARTICLE 28 of THE BANKING DIRECTIVE (No 2006/48/EC) – CROSS-BORDER PROVISION OF SERVICES

Type of notification: [e.g. initial notification / notification of a change]

Notification reference: [home Member State]

Member State in which the services are to be provided: [host Member State]

Credit institution: [name]

Address: [address of headquarters]

Telephone number: [tel. no]

Fax number: [fax no]

E-mail: [e-mail address]

Contact: [first and last names]

Home Member State: [home Member State]

Authorisation status: Authorised by [competent authority in the home Member State]

Date from which the services are to be provided:

Activities performed in accordance with Annex I to Directive No 2006/48/EC

1.	Acceptance of deposits and other repayable funds
2.	Lending including inter alia: consumer credit, mortgage credit, factoring with or without recourse, financing of commercial transactions (including forfeiting)
3.	Financial leasing
4.	Money transmission services as defined in Article 4(3) of Directive No 2007/64/EC on payment services in the internal market
5.	Issuing and administering other means of payment (e.g. travellers' cheques and bankers' drafts), unless such activities are subject to point 4.
6.	Guarantees and commitments
7.	Trading for own account or for account of customers in: a. money market instruments (cheques, bills, certificates of deposit, etc.),

	b. foreign exchange; c. financial futures and options; d. exchange and interest rate instruments; or e. transferable securities
8.	Participation in securities issues the provision services related to such issues
9.	Advice to undertakings on capital structure, industrial strategy and related questions and advice as well as services relating to mergers and the purchase of undertakings
10.	Money broking
11.	Portfolio management and advice
12.	Safekeeping and administration of securities
13.	Credit reference services
14.	Safe custody services
15.	Issuance of electronic money

Investment services to be provided by the credit institution on a cross-border basis

		Investment services and instruments (A)								Ancillary services (B)						
		1	2	3	4	5	6	7	8	1	2	3	4	5	6	7
Financial Instruments (C)	1															
	2															
	3															
	4															
	5															
	6															
	7															
	8															
	9															
	10															