

National specificities supplementing the template used when applying for authorisation or for authorisation to provide financial services (LIC template)

*These National specificities constitute an inseparable whole with the **template used when applying for authorisation or for authorisation to provide financial services (LIC template)** and the template used to submit the application for authorisation or the application for authorisation to provide financial services.*

1) The application for authorisation or the authorisation to provide financial services shall be submitted on a special template intended for this purpose (LIC template) via the dedicated information management system of the European Central Bank (IMAS Portal), electronically or in writing. The application submitted via the IMAS Portal or electronically shall be signed with a qualified electronic signature. All information and documents submitted with the LIC template and referred to in this document as national specificities constitute its integral part.

2) Where an application for authorisation is submitted, in addition to documents referred to in the LIC template, it is necessary to enclose the following:

– a work programme listing banking and financial services that the credit institution intends to provide, and indicating the organisational structure of the credit institution, parent companies, financial holding companies and mixed financial holding companies within the group and governance arrangements referred to in Article 101 of the Credit Institutions Act (Article 5, paragraph (1) of the Decision on the documentation to be enclosed with the application for the authorisation of a credit institution and the application for the authorisation to provide financial services, Official Gazette 135/2023 and 107/2024)

– information on the identity of all natural and legal persons who will hold, in case of obtaining authorisation, directly or indirectly, a qualifying holding in the credit institution, indicating the amount of these holdings in the capital of the credit institution. Where no legal or natural person acquires, directly or indirectly, a qualifying holding in the credit institution, the application shall include a list of twenty largest shareholders of the credit institution, indicating the amount of their holdings in the capital of the credit institution (Article 5, paragraph (2) of the Decision).

3) Where an application for authorisation to provide financial services is submitted, in addition to documents referred to in the LIC template, it is necessary to:

3.1) specify relevant provisions of the Credit Institutions Act (Official Gazette 159/2013, 19/2015, 102/2015, 15/2018, 70/2019, 47/2020, 146/2020 and 151/2022) prescribing financial services for which authorisation is sought (Article 6, paragraph (1), item (2) of the Decision);

3.2) where authorisation to provide financial services governed by special regulation is sought, it is necessary to specify the name of the regulation and the financial service governed by that regulation, indicating the relevant provisions of that regulation (Article 6, paragraph (1), item (3) of the Decision);

3.3) enclose the approval, opinion or other relevant document by the Croatian Financial Services Supervisory Agency or other authority competent for supervising the provision of individual

financial services where so required by the regulations governing the provision of individual financial services (Article 6, paragraph (1), item (4) of the Decision);

3.4) describe actions taken by the credit institution in connection with the introduction of financial services for which authorisation is sought (Article 6, paragraph (1), item (6) of the Decision);

3.5) provide the rationale for the introduction of financial services for which authorisation is sought, including information on whether the financial service for which authorisation is sought is part of the business model of the group within which the credit institution operates, where applicable, as well as the description of risks identified by the credit institution as risks to which the credit institution will and/or might be exposed to due to and in the course of the provision of financial services for which authorisation is sought, including risk grading (high, medium, low) and mitigating factors planned to be introduced by the bank to limit or control identified risks (Article 6, paragraph (1), item (7) of the Decision);

3.6) where changes to the credit institution's business model are planned by introducing the financial service for which authorisation is sought, it is necessary to provide details and relevant documentation, if any (Article 6, paragraph (1), item (8) of the Decision);

3.7) in a plan which includes at least three business years on an individual basis and, where applicable, on a consolidate and sub-consolidated basis, in the profit and loss account projections, it is necessary to specify details on fixed and variable expenses and provide an indication of operating sensitivity to main indicators, including the volume, price, geographic distribution and exposure and an explanation of measures taken to reduce exposure to said risks (Article 6, paragraph (1), item (9c) of the Decision);

3.8) where, in relation to the provision of the financial service for which authorisation is sought, the credit institution intends to engage in outsourcing, it must comply with subordinate legislation governing outsourcing in more detail, particularly with regard to assessing the fulfilment of supervisory requirements for outsourcing and undertaking due diligence on the prospective service provider, provide evidence thereof and submit the outsourcing agreement or draft agreement (Article 6, paragraph (1), item (12) of the Decision);

3.9) submit evidence that the financial service for which authorisation is sought is included in the operational continuity plan and the impact of the provision of the aforementioned service on the recovery plan, resolution strategy and minimum requirements for own funds and eligible liabilities (MREL) (Article 6, paragraph (1), item (13) of the Decision);

3.10) submit the cost benefit analysis for the introduction of financial services for which authorisation is sought (Article 6, paragraph (1), item (14) of the Decision);

3.11) describe changes to organisation and job classification, including any changes of members of the management board or the supervisory board and key function holders or their responsibilities, where changes are necessary for the introduction of financial services for which authorisation is sought, including the information on the manner in which the provision of the aforementioned service will be included in the allocation of variable remuneration, where applicable (Article 6, paragraph (1), item (15) of the Decision);

3.12) submit information on any changes to tangible/intangible assets of the credit institution linked to the introduction of financial services for which authorisation is sought (Article 6, paragraph (1), item (16) of the Decision);

3.13) submit information on any changes in the information technology of the credit institution, particularly in terms of new investments in IT (e.g., hardware and software) necessary for the introduction of financial services for which authorisation is sought (Article 6, paragraph (1), item (17) of the Decision);

3.14) enclose a statement that the information and documentation referred to in this paragraph are true, accurate, up-to-date and complete, and that in the event of changes to the information and documentation provided in the application, the Croatian National Bank shall be notified immediately of such changes in writing, signed by the person authorised to represent the credit institution (Article 6, paragraph (1), item (18) of the Decision).