Finantsinspektsioon

Form for notifying about a person to be elected to a regulated position in a credit institution

1. Introduction

This form is submitted to Finantsinspektsioon, consequently to the European Central Bank (hereinafter the *ECB*) for notifying about person working or to be elected to a regulated position (hereinafter the *appointee*) pursuant to the Credit Institutions Act (hereinafter *CIA*) or in accordance with the European Union law.

Finantsinspektsioon and the ECB use this form for assessing the fitness and propriety (hereinafter *suitability*) of an appointee of a credit institution. In this form the term credit institution stands for all entities who are obligated to notify Finantsinspektsioon about an appointee, including persons who are applying for a authorisation as a credit institution, foreign credit institutions that are looking to establish a branch in Estonia, etc.

Instructions for filling in the form:

- The form is available on the homepage of Finantsinspektsioon. Before filling in the form make sure that you have downloaded the latest form.
- The form can be filled in only digitally as the form fields are dynamic.
- The form must be filled in by the appointee and a representative of the credit institution. The appointee fills in parts 3, 8-10 (excluding point f of part 9 and point k of part 10) and points d-h of part 11 (if the referred points have to be filled in). The representative of the credit institution fills in the rest of the parts of this form. Point a of part 13 may be filled in by the appointee as well as the representative of the credit institution. The signatures of the appointee and the representative of the credit institution are deemed to be given according to the previous distribution.
- The form should be signed digitally and sent to the e-mail address of Finantsinspektsioon info@fi.ee or to the contacts of the respective legal department employee conducting the proceedings. If the digital submission of the form is not possible (e.g. digital signatures cannot be given), the form must be signed by hand after it has been filled in digitally and sent to the mailing address of Finantsinspektsioon Sakala 4, 15030 Tallinn, Estonia.
- An extract of the criminal records of the appointee must be annexed to the form. The extract must contain archived information if possible. If the appointee resides or is in another way substantially associated with foreign countries, an extract of his/her criminal records or an equivalent must be submitted for all such countries. If archived information cannot be submitted, a pertinent explanation must be provided under point a of part 13 of this form.
- It is recommended that annexes to the form include copies of documents that confirm the education and qualification of the appointee, an assessment conducted by the credit institution about the suitability of the appointee and other documents that confirm the information provided in this form.
- If the credit institution has submitted documents to Finantsinspektsioon for the respective appointee in the past, less than six months ago, and the information contained therein has not changed, the repeated submission of such documents is not necessary. In such cases the respective documents must be listed under point a of part 13 and assured that the information provided earlier has not changed.
- Please send all questions regarding this form to the legal department of Finantsinspektsioon.

2. Glossary

[1] A change is material if it can affect the suitability of the appointee.

[2] Regulation (EU) No 468/2014 of The European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (SSM Framework Regulation).

[3] "You" throughout part 8 should be understood as you personally, but the term also includes any legal person or any body with legal capacity with which you are or have been associated as a member of its managing body, another key position (including, but not limited to all positions listed under part 6 of this form, internal auditor, CFO, accountant), qualifying shareholder or a person with significant influence (e.g. if you are or have been entitled to stop or demand a decision to be adopted by a managing body). Information about a legal person or a body with legal capacity must be submitted for the period during which you were associated with the respective entity or for circumstances that may have been influenced by your actions (e.g. the insolvency of a legal person if its cause could have been related to you or if it began shortly after you left its management body or disposed of your ownership).

[4] All entities that are or were at the time when the appointee was in office subject to financial supervision in the respective country.

[5] The management board or a maximum of two levels below it.

[6] "You" throughout part 10 should be understood as you personally, but the term also includes your close relatives (spouse, cohabitee, child, parent or any other close person) and any legal person of which you are or were a member of a managing body.

[7] Among others a relationship arising from an employment, authorisation or service agreement.

[8] In principle, performing loans negotiated at arm's length under EUR 100,000 and performing private mortgages negotiated at arm's length would generally not be considered as substantial.

[9] Total assets year-end data for financial establishments, total turnover and international presence for other companies.

[10] Positions provided under section 49 subsection 1^2 of CIA.

[11] Positions provided in the last sentence of section 49 subsection 3 of CIA and other non-commercial activities (e.g. positions in non-profit associations, foundations).

3. Declaration of the appointee

The appointee confirms that:

☐ the information provided in this questionnaire is accurate and complete to the best of his/her knowledge;

☐ he/she will promptly notify the credit institution of a material change[1] in the information provided;

☐ he/she accepts his/her appointment to the position provided in this form;

☐ there are no circumstances provided for in CIA in relation to him/her that would preclude his/her right to take up the position indicated in this form;

☐ he/she is aware of the responsibilities arising from applicable law (including Finantsinspektsioon's right to process personal data), regulations, codes of practice, guidance notes, guidelines and any other regulations or documents issued by the ECB, Finantsinspektsioon or the European Banking Authority, which are of relevance to the position of the appointee indicated in this form.

Name:

Date:

Signature:

4. Declaration of the credit institution

The representative of the credit institution confirms that:

☐ the information provided in this questionnaire is accurate and complete to the best of his/her knowledge;

☐ the credit institution will notify Finantsinspektsioon immediately if there is a material change in the information provided;

☐ the credit institution has assessed the suitability of the appointee pursuant to statutory requirements and found the appointee to be suitable for the indicated position;

☐ the description of the position where the appointee is sought to be elected accurately reflects the aspects of the activities of the credit institution which it is intended that the appointee will be responsible for;

☐ the credit institution has made the appointee aware of the regulatory responsibilities associated with the position indicated in this form;

☐ he/she is entitled to represent the credit institution in filling in and submitting this form.

Name:

Position:

Date:

Signature:

5. General information on the credit institution and the appointee

a) General information on the credit institution		
Name and registration number of the credit institution	Name	Registration number
Contact person of the credit institution	Name	Email address
Is the credit institution significant according to article 2 point 16 of the SSM Framework Regulation[2]?	◯ Yes ◯ No	
b) General information on the appointee		
Full name		
Previous name		
Date and reason for change		
Citizenship (list all if there are multiple)		
Personal identification code and date of birth	Personal identification code	
Phone and email address	Phone number	Email address
Current residence		
Permanent residence (if different from the current residence)		

6. Intended position for the appointee

Please state below all positions which the appointee wishes to hold in the credit institution. The official names of the positions in Estonian are provided in brackets.

- ☐ Chairperson of the management board (*Juhatuse esimees*)
- ☐ Member of the management board (*Juhatuse liige*)
- ☐ CEO (*Tegevjuht*)
- ☐ Chairperson of the supervisory board (*Nõukogu esimees*)
- ☐ Member of the supervisory board (*Nõukogu liige*)
- ☐ Other regulated position with higher standards (please elaborate)

7. Description of the position and information on term of office

a) Description of the position		
Please provide below as detailed a description as possible of the main duties, responsibilities and number of subordinates relating to the position in question.		
b) Information on the term of office		
Planned start date		
Planned end date		
Is the appointee replacing somebody else? If yes, please also fill in the rightmost box.	◯ Yes ◯ No	Name and position of the person being replaced, reason for the replacement and the duration of the replacement if its nature is temporary.
Has Finantsinspektsioon been duly notified and have all required documents been submitted? If no, please provide an explanation.	◯ Yes ◯ No	Reason for late/incomplete submission.
c) The legal relationship between the appointee and the credit institution		
What is the planned legal basis for the appointee to take the position in the credit institution?		
☐ Employment agreement ☐ Authorisation agreement ☐ Contract for services ☐ Other (please elaborate)		

8. Reputation

a) Have you[3] ever been criminally punished or have you been punished for a misdemeanour in the last three years or has a judgement of conviction concerning you been made in the last three years?	◯ Yes ◯ No
If yes, please elaborate, in particular: nature of charge; case No and date of initiation; date of imposition of the penalty; appointee's conduct since the offence; any professional insight shown by appointee; stage of proceedings; any other mitigating or aggravating factors.	
b) Have you been associated with a criminal procedure in other ways (e.g. have you been a suspect, interrogated, arrested or held in custody) or have any criminal procedures related with you been terminated pursuant to sections 202-205[2] of the Code of Criminal Procedure or on other similar basis?	◯ Yes ◯ No
If yes, please elaborate.	
c) Do have any ongoing criminal, misdemeanour, civil or administrative procedures?	◯ Yes ◯ No
If yes, please elaborate, in particular: subject matter of the charge or claim; case No and date of initiation; stage of proceedings; time of the events that set off the proceedings; likely result of the procedure if a decision would be taken against you.	
d) Do you have any previous disciplinary penalties or pending disciplinary proceedings?	◯ Yes ◯ No
If yes, please elaborate.	
e) Do you have any previous or pending bankruptcy, insolvency, compulsory liquidation or other similar procedures?	◯ Yes ◯ No
If yes, please elaborate, in particular: a detailed description of the causes of such procedures.	
f) Have international sanctions, prohibitions on business, occupational bans, prohibitions to engage in enterprise been imposed on you?	◯ Yes ◯ No
If yes, please elaborate.	
g) Have you been included in a list of unreliable debtors in the last five years or do you have a negative record on a list established by a recognised credit bureau or have you received an enforcement measure for any such debt?	◯ Yes ◯ No
If yes, please elaborate.	

h) Have you been subject of a refusal of registration, authorisation, membership or licence to carry out any economic or professional activities or have you had such withdrawn, revoked or terminated? Please provide information related to the financial sector without any time limitations, for other sectors please provide information for the last five years.	◯ Yes ◯ No
If yes, please elaborate.	
i) Have you committed or been associated with acts that are unlawful, improper, unethical, fraudulent, dubious, have been carried out by abusing trust, related to money laundering or have been associated with such investigations or supervisory proceedings?	◯ Yes ◯ No
If yes, please elaborate.	
j) Have you submitted incorrect information to a financial supervisor or any other administrative authority or have you failed to submit important information to such authorities?	◯ Yes ◯ No
If yes, please elaborate.	
k) Have you prioritised your personal interests over the interests of clients or financial institutions in you previous management positions?	◯ Yes ◯ No
If yes, please elaborate.	
l) Have any of the proceedings referred to in part 8 been settled out of court or within the framework of alternative dispute resolution (e.g. mediation)?	◯ Yes ◯ No
If yes, please elaborate.	
m) Has a management body of the credit institution engaged in deliberations regarding any aspects of your reputation outside of the scope of a regular suitability assessment?	◯ Yes ◯ No
If yes, please elaborate.	

9. Knowledge and experience

a) Education				
Add(+)/ remove(-) row	Level of education and degree/ speciality	Field of study	Period	Educational institution
+ -				

b) Training				
Add(+)/ remove(-) row	Subject matter of training	Duration of training (academic hours)	Period	Provider of training
+ -				

c) Experience in the financial sector[4]						
Add(+)/ remove(-) row	Employer	Position	Main responsibilities	Start date	End date	Reason for termination
+ -						

d) Other relevant experience in senior management[5] positions outside the financial sector						
Add(+)/ remove(-) row	Employer	Position	Main responsibilities	Start date	End date	Reason for termination
+ -						

e) Other work experience

Add(+)/ remove(-) row	Employer	Position	Main responsibilities	Start date	End date	Reason for termination
+ -						

f) Other relevant information regarding the experience of the appointee

If the appointee does not have experience in the financial sector or it is very brief, we ask the credit institution to describe the compensating factors that deem the appointee in the opinion of the credit institution suitable for taking the indicated position.

g) The assessment of the credit institution on the knowledge and experience of the appointee

General banking experience as enumerated in EBA/GL/2017/12	Assessment
financial markets;	
regulatory framework and requirements;	
strategic planning, and understanding of a credit institution's business strategy or business plan and accomplishment thereof;	
risk management (identifying, assessing, monitoring, controlling and mitigating the main types of risk of a credit institution, including the responsibilities of the member);	
assessing the effectiveness of a credit institution's arrangements, creating effective governance, oversight and controls;	
interpreting a credit institution's financial information, identifying key issues based on this information and appropriate controls and measures.	

h) Prior to taking up the position or within the first year of taking it up, will the appointee go through professional training? ◯ Yes ◯ No

If yes, please elaborate.

10. Conflicts of interest

a) Do you[6] have any personal relationship with: - other members of the management body and/or key function holders of the credit institution or entities belonging to the same group? - a person that has a qualifying holding in the credit institution or in entities belonging to the same group?	◯ Yes ◯ No
If yes, please elaborate.	
b) Do you conduct business (in private or through a company) with the credit institution or entities belonging to the same group?	◯ Yes ◯ No
If yes, please describe the type and content of the business and the obligations of both parties; if relevant provide the name of the company and the relevant period for this relationship.	
c) Are you currently involved in any legal proceedings against the credit institution or entities belonging to the same group?	◯ Yes ◯ No
If yes, please provide information on the content and status of the legal proceedings and the entity involved.	
d) Do you have any professional[7] or commercial relationship or have you had such relationship over the last two years with: - the credit institution or entities belonging to the same group? - the competitors of the credit institution or of the entities belonging to the same group?	◯ Yes ◯ No
If yes, please elaborate, in particular: describe the nature of the relationship and its financial value.	
e) Do you have any substantial financial interest (such as ownership or investments) in the credit institution, entities belonging to the same group, the competitors or clients of the credit institution or entities belonging to the same group. If yes, please provide the information requested below.	◯ Yes ◯ No

Add(+)/ remove(-) row	Name of the entity	Main activities of the entity	Relationship between the entity and the credit institution	Relevant period	Size of the financial interest (% of the capital or voting rights, or value of investment
+ -					

f) Are there any companies that you have control over or hold more than 20 per cent of the shares? If yes, please provide the information requested below.					◯ Yes ◯ No
Add(+)/ remove(-) row	Name of the company	Registration code of the company	Areas of activities of the company	Share capital of the company	Size of the financial interest (% of the capital and/or the voting rights
+ -					
g) Do you, in any way, represent a shareholder of the credit institution or a shareholder of any entity belonging to the same group?					◯ Yes ◯ No
If yes, please provide the name of the shareholder; % of the capital and voting rights; and the nature of the representation.					
h) Do you have any substantial[8] financial obligations to the credit institution or entities belonging to the same group?					◯ Yes ◯ No
If yes, please provide the type, value and the relevant period for the obligation.					
i) Are you or have you been over the last two years in a position with high political influence (either nationally or locally)?					◯ Yes ◯ No
If yes, please provide the nature of the position; the specific powers related to or the obligations of this position; the relationship between this position (or the entity where this position is held) and the credit institution or the entities belonging to the same group.					
j) Do you have any other relationships, positions or involvement that are not addressed above, but could adversely affect the interest of the credit institution?					◯ Yes ◯ No
If yes, please elaborate.					
To be completed by the credit institution k) If any of the points above apply/ is relevant, please indicate how a potential conflict of interest resulting from the appointee's statements above is proposed to be mitigated? Please include relevant documentation if needed.					

11. Time commitment

a) Are the professional activities of the appointee limited to the position(s) indicated in this form? If no, please fill in point b-h, which will appear if "No" is selected.	◯ Yes ◯ No

12. Collective suitability

a) Please explain how the appointee complements the collective suitability of the management body. If possible, please provide the results of the most recent self-assessment of the collective suitability of the management body.
b) If weaknesses have been identified in the overall composition of the management body where the appointee is planned to be elected, please describe such weaknesses.
c) How will the appointee help to solve some or all of the weaknesses referred to in your answer to the previous question?

13. Additional information and Annexes

a) Other information that the appointee or the credit institution considers relevant to the assessment and wishes to provide.
b) Please mark the documents annexed to this form.
☐ CV ☐ Extract of criminal records ☐ Extract from the commercial register ☐ Resolution of the relevant management body regarding the appointment ☐ Suitability report for the appointee ☐ Organisational chart of the credit institution ☐ Overview of the composition of the relevant management body ☐ Documents confirming the education and qualification of the appointee ☐ Other