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- Official Gazette of the Republic of Slovenia, No. 33/18 of 18 May 2018 (in force as of 30 June 2018)

Pursuant to the third paragraph of Article 13 of the Banking Act (Official Gazette of the Republic of Slovenia, Nos. 25/15, 44/16 [ZRPPB], 77/16 [ZCKR] and 41/17; hereinafter: the ZBan-2), and the first paragraph of Article 31 of the Bank of Slovenia Act (Official Gazette of the Republic of Slovenia, Nos. 72/06 [official consolidated version], 59/11 and 55/17), the Governing Board of the Bank of Slovenia hereby issues the following

REGULATION

on the application of the Guidelines on the assessment of the suitability of members of the management body and key function holders

**Article 1
(purpose and field of application)**

(1) Pursuant to Article 16(1) of Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331 of 15 December 2010, p 12), on 21 March 2018 the European Banking Authority published the Guidelines on the assessment of the suitability of members of the management body and key function holders (hereinafter: the guidelines) on its website.

(2) The guidelines referred to in the first paragraph of this article specify the requirements regarding the suitability of members of the management body of credit institutions, investment firms, financial holding companies and mixed financial holding companies and, in particular, in accordance with Article 91(12) of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176 of 27 June 2013, p 338; hereinafter: Directive 2013/36/EU) and the second subparagraph of Article 9(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (OJ L 173 of 12 June 2014, p 349; hereinafter: Directive 2014/65/EU), the notions of sufficient time commitment, the honesty, integrity and independence of mind of a member of the management body, adequate collective knowledge, skills and experience of the management body, the diversity to be taken into account in the selection of members of the management body, and adequate human and financial resources devoted to the induction and training of members of the management body.

(3) The guidelines referred to in the first paragraph of this article also specify requirements regarding the suitability of the heads of internal control functions and the chief financial officer of credit institutions and certain investment firms, where they are not part of the management body, and, where identified on a risk-based approach by those institutions, of other key function holders, as part of the governance arrangements referred to in Articles 74 and 88 of Directive 2013/36/EU and Articles 9(3), 9(6) and 16(2) of Directive 2014/65/EU, and requirements regarding the related assessment processes, and governance policies and practices, including the principle of independence applicable to certain members of the management body in its supervisory function.

(4) The guidelines are addressed to:

1. credit institutions as defined in point 1 of the Article 4(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for

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credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176 of 27 June 2013, p 1; hereinafter: Regulation (EU) No 575/2013);

2. financial holding companies as defined in point 20 of Article 4(1) of Regulation (EU) No 575/2013;
3. mixed financial holding companies as defined in point 21 of Article 4(1) of Regulation (EU) No 575/2013;
4. investment firms as defined in point 1 of Article 4(1) of Directive 2014/65/EU; and
5. competent authorities as defined in point 26 of Article 4(1) of Directive 2014/65/EU and point 40 of Article 4(1) of Regulation (EU) No 575/2013, including the European Central Bank in connection with matters relating to the tasks transferred to it in accordance with Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287 of 29 October 2016, p 63).

Article 2

(content of regulation and scope of application of guidelines)

- (1) By virtue of this regulation the Bank of Slovenia sets out the application of the guidelines to:
 1. banks and savings banks that in accordance with the ZBan-2 have obtained an authorisation to provide banking services in the Republic of Slovenia (hereinafter: banks); and
 2. the Bank of Slovenia, when in accordance with the ZBan-2 in its role as the competent authority it is exercising supervisory powers and tasks over banks referred to in point 1 of this paragraph.
- (2) Banks referred to in point 1 of the first paragraph of this article shall take full account of the provisions of the guidelines in the parts addressed to banks.
- (3) In exercising its supervisory powers and tasks in accordance with the ZBan-2 and Regulation (EU) No 575/2013, the Bank of Slovenia shall take account of the provisions of the guidelines in the parts relating to the exercise of the powers and tasks of the competent authority, with the exception of the provisions of Title VIII of the guidelines that require the specification and application of supervisory procedures applicable in the suitability assessment of heads of internal control functions and the chief financial officer when these persons are not members of the management body.

Article 3

(entry into force)

This regulation shall enter into force on the day after its publication in the Official Gazette of the Republic of Slovenia, and shall begin to be applied on 30 June 2018.

Ljubljana, 8 May 2018

Primož Dolenc
Deputy-President,
Governing Board of the Bank
of Slovenia