Riga, 27 October 2020 Regulations No 201

(Financial and Capital Market Commission Board Meeting Minutes No 44, paragraph 5)

Procedure for the Submission of Information and Documents for the Assessment of Suitability of Officials of Credit Institutions

Issued in accordance with

Article [57 (](https://m.likumi.lv/ta/id/37426-kreditiestazu-likums#p13)1.1) of the Credit Institution Law

**I. General Provisions**

1. ''Procedure for the Submission of Information and Documents for the Assessment of Suitability of Officials of Credit Institutions'' (hereinafter – the Regulations) shall be binding on credit institutions and branches of foreign credit institutions established in the Republic of Latvia (hereinafter – a credit institution).

2. The Regulations prescribe the procedures by which a credit institution shall submit to the Financial and Capital Market Commission (hereinafter – the Commission) documents for the assessment of suitability of the applicants for the post of chairman or member of the management board, the post of chairman or member of the supervisory board, the chief risk officer, the chief compliance officer, the head of the internal audit service, the AML/CFTP chief compliance officer, the head of a branch of foreign credit institution or the head of a branch of credit institution in another Member State, the procurator and the controller of a credit institution (hereinafter – an official).

**II. Provision of Information on Officials**

3. To verify conformity of an official referred to in Paragraph 2 of the Regulations with the requirements of the Credit Institution Law, a credit institution, at least within a 30-working-day period before an applicant for the post takes up his duties or is re-elected to the same capacity, shall submit to the Commission the following documents:

3.1. a written application, listing all the documents accompanying the application;

3.2. a copy of the minutes or draft of the minutes of the meeting of the competent administrative body of credit institution, which contains a decision or certifies the intention of nominating an official to the relevant position;

3.3. documents characterising the applicants for the position: Fit and Proper Questionnaire (Annex 1), an expanded professional biography (CV – at least for the last 10 years, indicating the posts held) and copies of education certificates and honorary awards (awards, including in the capacity of executive). Where available, references from employers for the last three years added;

3.4. the assessment of the suitability of an applicant performed by a credit institution;

3.5. document issued by a national competent authority certifying that an applicant (only for non-residents) is not a person referred to in Section 24 (1) of the Credit Institution Law;

3.6. information on allocation of functions among the members of supervisory board or management board after their election or re-election to the post, including the organisational structure of a credit institution where structures under the authority are clearly indicated;

3.7. confirmation by an applicant for the official to the processing of personal data:

3.7.1. applicants for the official of less significant supervised credit institution, Annex 2 of the Regulations;

3.7.2. applicants for the official of significant supervised credit institution, Annex 3 of the Regulations.

4. Less significant supervised credit institutions shall submit the documents specified in Paragraph 3 of the Regulations to the Commission. Significant supervised credit institutions shall submit the documents specified in Paragraph 3 of the Regulations electronically, using the European Central Bank portal, the link of which is available on the Commission's website.

5. Where there are changes in the composition of the supervisory board taken place after one or more of the supervisory board members have left their posts, except the cases where the number of supervisory board members laid down in the articles of association of a credit institution also is simultaneously reduced, a credit institution shall submit to the Commission information referred to in Paragraph 3 of the Regulations regarding the supervisory board members that are re-elected. If no re-assessment is performed for the supervisory board members that are re-elected to the posts, a credit institution shall justify it in an application.

6. A credit institution shall within 10 business days after the registration of the relevant decision in the Enterprise Register notify the Commission of the changes in the composition of the supervisory board or management board members or a change of a head of a branch of foreign credit institution.

7. A credit institution shall notify the Commission in writing, explaining the reasons, if the official is not elected (appointed) to the post or ceases to hold office.

8. Where the assessment of the suitability of an official has changed for a significant event or circumstances a credit institution shall notify the Commission to that effect.

**III. Procedures for Processing of Applications and Notifications**

9. The Commission shall examine all required applications or other documents prepared in compliance with the requirements of regulatory enactments submitted for the assessment of the suitability of officials within a 30-day period on their receipt.

10. Documents formulated and approved in the Republic of Latvia and copies thereof shall be completed in accordance with the requirements of the regulations approved by the Cabinet of Ministers of Republic of Latvia regarding formulation and completion of documents.

11. Documents of foreign natural and legal persons shall be legalized unless laws of the Republic of Latvia or international agreements approved by the *Saeima* of the Republic of Latvia provide for another procedure. Documents in foreign languages shall have a notarised translation in Latvian or international languageof finance.

12. In case amendments are made to applications or other documents referred to in the Regulations during examination of the documents, a credit institution shall immediately submit the relevant specified documents to the Commission.

13. A credit institution may not submit to the Commission the documents which are available at the public registers of the Republic of Latvia.

14. If documents referred to in the Regulations that shall be submitted to the Commission are already available to the Commission and information contained is not changed, the relevant documents shall not be submitted to the Commission repeatedly specifying in the application that the relevant documents have been submitted to the Commission and information is not changed since the submission to the Commission.

**IV. Closing Provision**

15. The requirement specified in Paragraph 4 of the Regulations for significant credit institutions to submit the documents specified in Paragraph 3 of the Regulations through the European Central Bank portal shall take effect after the launch of the European Central Bank portal. Until the launch of this portal, significant supervised credit institutions shall submit the indicated documents to the Commission.

**Informative Reference to European Union Directive**

Legal norms resulting from 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 have been incorporated into the Regulations.

Chairwoman

Financial and Capital Market Commission S. Purgaile

**THIS DOCUMENT IS SIGNED ELECTRONICALLY WITH**

**A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIME STAMP**