

	Q&A
<p>Prior to submission</p>	<ul style="list-style-type: none"> • When is it possible to submit the application for the activity (operating) licence to the MNB? <i>After obtaining the foundation licence.</i> • Following the receipt of the foundation licence, how much time does the institution have to submit the application for the activity (operating) licence? <i>The resolution licensing the foundation of a credit institution shall lapse if the credit institution fails to submit the application for activity licence to the MNB within six months from the receipt of the resolution. No justification may be submitted if the deadline is missed.</i> • Who can submit the application for the activity (operating) licence to the MNB? <i>The credit institution for which the MNB issued the foundation licence.</i> • If I have registered in the ERA system for the “Electronic administration” service; why do I not see the licensing forms? <i>The licensing and registration forms are displayed only after registering for the “E-administration /Licensing” service.</i> • Is it possible to submit the application form on behalf of companies through the company gate or the ÁNYK (General Form Filling Framework)? <i>No. The form may only be submitted through ERA.</i> • What is the amount of the administrative service fee to be paid? <i>The administrative service fee for the procedure aimed at obtaining the activity (operating) licence for banks, specialised credit institutions and third-country credit institution’s branch offices is HUF 1,300,000.</i> • How long is the administration deadline? <i>In the MNB’s procedures – unless the law regulates otherwise – the administration deadline is three months. If the MNB called upon the client to submit missing documents (within 45 days), the administration deadline shall be calculated from the submission of all documents in full. In the procedure aimed at obtaining the activity licence, the administration deadline may be prolonged in justified cases on one occasion by three months at the most.</i> • Is it possible to consult the MNB prior to submitting the application? <i>Yes, it is possible to conduct personal consultations prior to submitting the application. However, we also remind you that the statutory administration</i>

	<i>deadline for conducting the procedure must be observed in this case as well.</i>
Application and annexes	IMPORTANT NOTICE! Prior to submitting the application you are kindly advised to read the general Q&A on the MNB's website on the Licensing/General information tab!
Application	<ul style="list-style-type: none"> • How can I submit the application? <i>Credit institutions holding a foundation licence and their legal representatives may submit the application only electronically through the MNB's dedicated "ERA" service.</i> • On which form do I need to submit the application? <i>The application for the activity (operating) licence must be submitted on form no. HITT_1027_v2 entitled "Application for licensing the start of the credit institution's operation", included among the activity licences.</i> • What kind of annexes do I need to submit? <i>The list of annexes to be submitted is available in Section 20 of the Credit Institution Act and in the licensing guide on the MNB's website.</i> • How can a private individual applicant submit the application? <i>Application for activity (operating) licence may only be submitted by credit institutions holding a foundation licence or their legal representative through the MNB's ERA service.</i> • Is it necessary for non-resident applicants to translate the documents into Hungarian? <i>Non-resident applicants must use an agent for service of process during the procedure, and attach the official Hungarian translation of the documents/instruments issued in a foreign language.</i> • May the credit institution commence operation following the receipt of its foundation licence? <i>NO, for that the activity licence must be also obtained. In possession of the foundation licence, the credit institution may only perform activity related to the establishment of the banking infrastructure.</i> • Following the receipt of the foundation licence, how much time does the institution have to submit the application for the activity (operating) licence? <i>The resolution licensing the foundation of a credit institution shall lapse if the credit institution fails to submit the application for activity licence to the MNB within six months from the receipt of the resolution. No justification may be submitted if the deadline is missed.</i>
Start-up capital	<ul style="list-style-type: none"> • How much is start-up capital for the foundation of banks? <i>Banks may be founded with a minimum start-up capital of</i>

	<p>HUF 2 billion (Section 12 (1) of the Credit Institutions Act)</p> <ul style="list-style-type: none"> • How much is start-up capital for the foundation of cooperative society credit institutions? <i>Cooperative society credit institutions may be founded with a minimum start-up capital of HUF 300 million (Section 12 (1) of the Credit Institutions Act).</i> • How much is start-up capital for the foundation of building societies? <i>Building societies may be founded with a minimum start-up capital of HUF 2 billion. (Section 3 (5) of Act CXIII of 1996)</i> • How much is start-up capital for the foundation of mortgage credit institutions? <i>Mortgage credit institutions may be founded with a minimum start-up capital of HUF 3 billion (Section 2(3) of Act XXX of 1997).</i> • What is the composition of the start-up capital? <i>Pursuant to Section 6 (1)44 of the Credit Institutions Act, the start-up capital comprises the subscribed capital, the capital reserve and the retained earnings.</i> • Is it possible to fulfil the start-up capital requirement with contribution in kind? <i>No, the start-up capital requirement may only be fulfilled by cash contribution (Section 13 (1) of the Credit Institutions Act)</i> • Where do I need to pay the start-up capital? <i>The start-up capital shall be paid and held until the start of the operation on a payment account kept with a credit institution that does not participate in the foundation, in which the founder has no ownership share and which has no ownership share in the founder (Section 13 (1) of the Credit Institutions Act).</i> • Is it necessary to confirm the payment of the total start-up capital upon submitting the application for the foundation licence? <i>No, during the foundation licensing process the actual payment and availability of fifty percent of the start-up capital must be confirmed.</i> Is it sufficient to pay only half of the start-up capital also upon submitting the application for the activity (operating) licence? <i>No. According to Section 20(2)a) and b) of the Credit Institutions Act, the credit institution shall attach to the application for the activity licence the confirmation related to the payment of the total start-up capital. When the start-up capital is used in full or in part, a detailed confirmation or declaration should be submitted, proving that the start-up capital was used for the purpose of the foundation or for the commencement of the activity.</i>
Organisational and Operational Regulation (OOR)	<ul style="list-style-type: none"> • What should the OOR contain?

	<ul style="list-style-type: none"> - <i>The basic data of the company (name, registered office, legal status, activities, etc.).</i> - <i>The legal status of the Company's executive bodies and other corporate actors of governance (General Meeting, Board of Directors, Supervisory Board, Audit Committee, Remuneration Committee, standing committees, etc.), the main rules of their establishment, main duties, separation of powers, conflict of interest rules (Sections 135-153 and 155-158 of the Credit Institutions Act)</i> - <i>Organisation of the Company, cooperation between the organisational units, branch network</i> - <i>Forms of the Company's representation and signing authorities (Sections 140- 142 of the Credit Institutions Act)</i> - <i>Detailed rules of exercising employers' rights</i> - <i>Organisation and operation of the work organisation (Section 158 of the Credit Institutions Act)</i> - <i>Governance levels (in accordance with the hierarchy, project management)</i> - <i>General rules of decision making</i> - <i>Rules applicable to the employees of the work organisation</i> - <i>Reporting and notification obligations</i> - <i>Confidentiality and protection of information</i> - <i>Rules applicable to internal policies and regulations</i> - <i>Rules applicable to external communication</i> - <i>Internal audit scheme (Section 154 of the Credit Institutions Act), compliance function (Section 153/A of the Credit Institutions Act), risk management area</i> • Is it necessary to attach any annex to the OOR (organisation chart, etc.)? The organisation chart should be attached.
Personnel conditions	<ul style="list-style-type: none"> • The suitability of which persons, engaged or employed by the applicant credit institution should be confirmed to the MNB during the licensing procedure? Documents confirming the suitability of the credit institution's senior executives, internal auditor, compliance officer, data protection officer and auditor must be attached to the licence application. • Which conditions should be confirmed in respect of the credit institution's senior executives? <i>The requirements applicable to the senior executives are available under the personal licences menu item on the MNB's website, in the licensing guide entitled</i>

	<p><i>“Election/appointment of the senior executives of credit institutions” and in Sections 137 and 155 of the Credit Institutions Act.</i></p> <ul style="list-style-type: none"> • Is it necessary to submit a separate electronic application form to confirm the personnel conditions of the senior executives? <i>No. The data of the senior executives must be provided on the activity licence application form. However, to confirm the good business reputation of the senior executives, the good business reputation questionnaire, available on the MNB’s website, must be submitted.</i> • Is it possible to modify the composition of the Board of Directors and the Supervisory Board after receiving the foundation licence, but before submitting the application for the activity licence? <i>Yes, the assessment of the suitability of the members of the Board of Directors and Supervisory Board takes place during activity licensing.</i> • Is it possible to modify the statute of the credit institution after receiving the foundation licence, but before submitting the application for the activity licence? <i>Yes. In this case, pursuant to Section 20 of the Credit Institutions Act, an application for authorising the modification of the statute must be submitted to the MNB. The MNB will assess the application in a separate proceeding, but – subject to observing the statutory deadlines – it is also possible to assess the application for the modification of the statute and the activity licence application in a single proceeding.</i>
Material conditions	<ul style="list-style-type: none"> • Are the material conditions examined during the foundation licensing or the activity licensing? <i>The MNB examines the material conditions during the activity licensing procedure.</i>
Acquisition of qualifying holding	<ul style="list-style-type: none"> • Is it during the foundation licensing or the operating licensing procedure when the founders with qualifying holding are examined? <i>During the foundation licensing. The founder with qualifying holding should submit the documents stipulated in Section 18 (2) of the Credit Institutions Act.</i>
Rejection of the application	<ul style="list-style-type: none"> • In which cases is the application for the activity licence rejected? <i>Pursuant to Section 30 (3) of the Credit Institutions Act, the MNB will reject the application if</i> <ol style="list-style-type: none"> <i>a) any of the rejection causes mentioned in Section 30 (1) of the Credit Institutions Act applies to the applicant,</i> <i>b) the applicant fails to satisfy the necessary personnel and material conditions,</i>

	<p><i>c) based on applicant's business plan, other documents attached to the licence application or any other instrument, data or information available to the Supervisory Authority it can be established that the applicant is unable to comply with the statutory requirements applicable to the prudent operation.</i></p>