

	Q&A
<p>Prior to submission:</p>	<ul style="list-style-type: none"> • The appointment/election of which persons is subject to the MNB’s authorisation? <p><i>In the case of financial enterprises, senior executives include the chairman of the Board of Directors, the chairman of the Supervisory Board and the managing director. Accordingly, the appointment/election of these persons is subject to the MNB’s prior authorisation.</i></p> • Is it necessary to pay any administrative service fee for the procedure? <p><i>No administrative service fee is payable for the procedure.</i></p> • What form should be used for the submission of the application? <p><i>The application for the authorisation of the appointment / election / re-election / reappointment of the senior executives of financial enterprises must be submitted on electronic form entitled “Application for the election, appointment, re-election and reappointment of senior executives of financial enterprises” available within the E-administration / Licensing service.</i></p>
<p>Application and annexes</p>	<p>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!</p>
<p>Chairman of the Board of Directors and managing director</p>	<ul style="list-style-type: none"> • May the financial enterprise’s managing director and chairman of the Board of Directors be one and the same person? <p><i>Yes, the two positions may be filled simultaneously by the same person. In this case, the person to be elected/appointed must satisfy the rules applicable both to the chairman of the Board of Directors and to the managing director.</i></p> • Is it necessary to submit the application on separate forms if the financial enterprise’s managing director and chairman of the Board of Directors is one and the same person? <p><i>No. In this case it is sufficient to submit one form, clearly indicating in it that the candidate wishes to hold both offices.</i></p> • May the managing director position be filled through an agency contract? <p><i>No. The financial enterprise may not engage the managing director through an agency contract. If the financial enterprise has several managing directors, all of them must be engaged</i></p>

	<p><i>under in employment relationship.</i></p> <ul style="list-style-type: none"> • Is it necessary to confirm in the application procedure that the engagement takes place in an employment relationship? <p><i>By default, it is not necessary. However, a declaration to this effect should be made in the Application form. However, in the case of financial enterprises with balance sheet total over HUF 5 billion, the documents necessary upon applying for the first-time authorisation of the appointment/election of the managing director (e.g. draft employment contract, letter of appointment, proposal for employment) must be attached to the application.</i></p> <ul style="list-style-type: none"> • May the general manger perform the duties of the Board of Directors? <p><i>No. The Board of Directors of financial enterprises must operate in corporative form. Any exemption from this may only be provided by the law.</i></p> <ul style="list-style-type: none"> • What kind of qualifications the candidate for managing director needs to have? <p><i>The managing director must hold a higher education degree.</i></p> <ul style="list-style-type: none"> • Apart from the higher education degree, what other criteria the managing director needs to satisfy? <p><i>Professional practice of at least three years obtained at a financial institution, the MNB, the Hungarian Financial Supervisory Authority, at its legal predecessor, or in public administration</i> or <u>management</u> practice of at least three years in other economic fields. For useful information related to the assessment of the management practice see the guidelines published on the MNB's website.</p> <ul style="list-style-type: none"> • How can we prove the professional practice prescribed by the law? <p><i>The professional practice may be proved, e.g.: by a curriculum vitae, employer's certificate, or any other document suitable for proving the start and end date of the professional practice as well as the activity underlying the practice, the nature of the legal relationship and the scope of duties performed by the candidate in such legal relationship. It is also advisable to describe in the curriculum vitae the specific management rights exercised by the candidate, i.e. number of subordinates/employees he or she supervised, etc.</i></p>
<p>Supervisory Board and its chairman</p>	<ul style="list-style-type: none"> • Is it necessary to set up a Supervisory Board? <p><i>Yes, financial enterprises are obliged to set up a Supervisory Board with not less than 3 and not more than 9 members, the chairman of which may be elected/appointed subject to the</i></p>

<p>Certificate of clean record, proof of good business reputation</p>	<p><i>MNB's preliminary authorisation.</i></p> <ul style="list-style-type: none"> • What should the certificate of clean record contain for the authorisation of senior executives of financial enterprises? <p><i>A certificate of clean record with enhanced content, not older than ninety days, should be submitted, which confirms that the candidate has a clean record, is not under the effect of being banned from exercising civil rights, or not disqualified from occupation or activity.</i></p> <p><i>In view of the fact that the extract from the judicial record is an official document, only an authentic electronic copy prepared by a notary public may be accepted in electronic form.</i></p> • Is it necessary to submit a certificate of clean record, if the senior executive is a foreign citizen? <p><i>Yes, it is necessary, together with the authentic Hungarian translation of the certificate of clean record.</i></p> • Where do I find the questionnaire to prove the candidate's good business reputation, to be submitted as an annex to the application on a mandatory basis? <p><i>The questionnaire form is available on the MNB's website at: Supervision / Licensing and institution oversight / Licensing / Standard forms / Good business reputation questionnaires / Personal licences</i></p> <p><i>Title of the form to be used: "Questionnaire for natural persons put up as candidate for senior executive position of financial institutions to establish the good business reputation specified in Article 139 of Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises".</i></p> • Is it necessary to complete all points of the good business reputation questionnaire? <p><i>In the case of financial enterprises with a balance sheet total over HUF 5 billion, the senior executives must complete the questionnaire in full; in the case of financial enterprises with a balance sheet total below HUF 5 billion, only specific points of the questionnaire, indicated at the beginning of the questionnaire, must be completed.</i></p> • In point 5 of the good business reputation questionnaire is it necessary to indicate only the offices held by the candidate in the area of financial markets? <p><i>No. The positions filled by the candidate at any company and organisation, not only at those operating in the field of financial markets, must be included.</i></p> • Is it necessary to submit the documents proving the candidate's qualification repeatedly as an annex to all applications for authorisation (e.g. re-election)?
--	---

No. If those have already been submitted to the MNB during a previous authorisation procedure, reference should be made to this fact – preferably indicating the file number – in the comments field of the application form.

- **Is it necessary to submit, as an annex to all applications for authorisation, the candidate's certificate of clean record, the questionnaire to prove good business reputation and the declarations under Section 137 (4), (6) and (9) of the Credit Institutions Act?**

No. If those have been already submitted to the MNB during a previous authorisation procedure, the applicant makes reference to this fact and the documents have been issued not earlier than 90 days ago. If the documents have been issued more than 90 days ago, all respective documents must be submitted repeatedly.