

	Q&A
<p><b>Personal licences at institutions for occupational retirement provision – Licensing of senior executives</b></p>	<ul style="list-style-type: none"> <li data-bbox="858 228 1420 331"> <p>• <b>Which officers qualify as senior executives at the institutions for occupational retirement provision?</b></p> <p><i>At the institutions for occupational retirement provision (IORP) the senior executives include the members of the Board of Directors and of the Supervisory Board, the managing director exercising the rights of the Board of Directors, and the company manager. (Section 2 (52) of Act CXVII of 2007 on Occupational Retirement Pension and Institutions for Occupational Retirement Provision (Occupational Pension Act))</i></p> </li> <li data-bbox="858 788 1420 891"> <p>• <b>Is the election and appointment of the senior executives of the IORP subject to a preliminary licensing procedure?</b></p> <p><i>The election and appointment of the IORP's senior executives is subject to the prior authorisation of the Magyar Nemzeti Bank (MNB).</i></p> <p><i>30 days before the anticipated date of electing and appointing its senior executives, the IORP must submit an application to the MNB for the authorisation of the election and appointment of the respective senior executive. (Section 10 (1) of the Occupational Pension Act)</i></p> </li> <li data-bbox="858 1393 1420 1496"> <p>• <b>In what legal relationship may the managing director exercising the rights of the Board of Directors may be employed?</b></p> <p><i>The managing director exercising the rights of the Board of Directors may be employed under an agency contract or in an employment relationship. (Section 3.112 (1) of Act V of 2013 on the Civil Code (Civil Code))</i></p> </li> <li data-bbox="858 1765 1420 1868"> <p>• <b>In what legal relationship may the company manager be employed?</b></p> <p><i>According to the provisions of Section 3:113 of the Civil Code, the company manager is the chief executive officer appointed to manage the</i></p> </li> </ul>

	<p><i>IORP, employed by the IORP. (Section 2 (7) of the Occupational Pension Act)</i></p> <ul style="list-style-type: none"> <li>• <b>What qualifications should the senior executives of the IORP have?</b></li> </ul> <p><i>The senior executives of the IORP should hold higher education degree. (Section 10 (4)e) of the Occupational Pension Act)</i></p> <ul style="list-style-type: none"> <li>• <b>Does a person who has acquired a university leaving certificate qualify as a holder of higher education degree?</b></li> </ul> <p><i>For the confirmation of the higher education, the MNB prescribes the presentation of the university or college diploma.</i></p> <p><i>If a person, due to the absence of the language examination certificate, failed to obtain his or her university or college diploma, the MNB does not accept the university leaving certificate as higher education degree. (Section 10 (4)e) of the Occupational Pension Act)</i></p> <ul style="list-style-type: none"> <li>• <b>Should the senior executive of the IORP satisfy the professional suitability and business reliability (fit and proper) requirements?</b></li> </ul> <p><i>Yes, the person proposed as a senior executive of the IORP should satisfy the fit and proper requirements specified in Sections 69, 253 and 254 of Act LXXXVIII Of 2014 on the Insurance Activity (Insurance Act). (Section 10 (4) c) of the Occupational Pension Act)</i></p> <p><i>In order to confirm his or her professional fitness and business reliability the candidate must fill in the “Good business reputation” questionnaire published on the MNB’s website.<sup>1</sup></i></p> <ul style="list-style-type: none"> <li>• <b>How long management experience is to be confirmed in the licensing procedure aimed at the authorisation of the IORP’s senior executive?</b></li> </ul>
--	---

---

<sup>1</sup> [https://alk.mnb.hu/bal\\_menu/formanyomtatvanyok/urlapok\\_kivalasztasa/szerkeszto?id=504&version=0&chid=15](https://alk.mnb.hu/bal_menu/formanyomtatvanyok/urlapok_kivalasztasa/szerkeszto?id=504&version=0&chid=15)

*In the licensing procedure aimed at the authorisation of the senior executive, it is necessary to confirm at least five years of management experience gained in the area of insurance, fund or corporate management, or in the financial and economic area of public administration, with the proviso that the end of the prescribed management experience should not be earlier than 10 years before the date of submitting the licence application. (Section 10 (4) d) of the Occupational Pension Act)*

*Of the members of the Supervisory Board, only the chairman of the Supervisory Board should have the management experience specified in Section 10(4)d) of the Occupational Pension Act. (Section 10 (5) of the Occupational Pension Act)*

- **What kind of experience does the MNB accept to confirm management experience?**

*At the supervised institutions, the MNB accepts*

- a) *positions filled as senior executive (e.g. membership in the Board of Directors, Supervisory Board, managing director, chief executive officer, deputy chief executive office, branch manager or deputy branch manager, etc.),*
- b) *other management position (e.g. functional manager, business line manager, back office manager, etc.),*
- c) *department head and higher positions in work and office organisations (e.g. division head, director, director general), as management experience.*

*In addition to the foregoing, the MNB also accepts the experience gained as senior executive of the institution specified in Section 10(4)d) of the Occupational Pension Act as management experience, if it is presented that the person to be authorised has effectively supervised several persons and fulfilled management duties in respect of them, and the headcount, organisation and management structure of the company also justified the management function; otherwise the MNB does not accept such practice as management experience.*

**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.

For further information on the documents to be submitted together with the licence application see the licensing guide.