|  |
| --- |
| *The MNB has set up a preliminary consultation procedure as a preceding step to applying to the Regulatory Sandbox (Financial Innovation Testing Environment - FITE). Under the consultation procedure, the MNB is prepared to consult with the applicant on the specific content of the documents necessary to verify the content and the documents’ eligibility of the request for the FITE licencing procedure.**During the consultation, the financial institution concerned outlines the elements of the application for the FITE licencing procedure according to the form below. The MNB will contact the financial organization filling out the form based on the form received.**We act in accordance with the Innovation Hub* [*data protection guide*](https://www.mnb.hu/letoltes/innovation-hub-data-protection-guide.pdf) *when processing the filled in questionnaire.**For more information on the related licencing procedure for FITE participation, see the relevant* [*licencing guide*](https://www.mnb.hu/letoltes/fite-licencing-guide.pdf)*.* |
| **Company / questioner** |
| Company name |  |
| Registration number |  |
| Contact person name |  |
| Contact e-mail address |  |
| Contact phone number |  |
| **Product / service** |
| **Target audience:**  *Please specify your target audience for your product / service. (e.g. population or company, demographic characteristics).* |
|  |
| **Description of product / service:** *Please describe the nature of the product / service, the technology applied or planned, the business processes and the emerging relationships related to the product / service, including the detailed description of the development phase and any remaining phases necessary to start testing!*  |
|  |
| **Material conditions of launching the product / service:** *Please describe the existence of material conditions enabling the launch and continuous operation of the product / service, and the fulfillment of the data supply, and the structure of the supporting IT systems, including their functional and technical specifications and the subsystems used, and their components.* |
|  |
| **Partners:** *Please describe the companies cooperating with the product/service on a contractual basis and their detailed role in the cooperation. (e.g. customer, subcontractor, sponsor, outsourcing service provider, intermediary, etc.)* |
|  |
| **Innovativeness of product / service, benefit for clients:** *Describe the novelty of the product / service (what kind of innovation does it mean in the concerned sector of the financial intermediary system), and what kind of added value and benefit your product / service represents for consumers or other clients (institutional clients). (e.g. in what way it can provide customers with a faster, easier-to-access, cheaper service)* |
|  |
| **Risks and risk management mechanisms** |
| **Financial and operational risks:** *Describe the risks of the products / services, the way of tackling them and the planned method to do so, including financial risks (e.g. liquidity management), risks related to IT systems, physical tools, process control and other specific risks associated with the product / service.* |
|  |
| **Risks of parties concerned:** *Please describe here the potential risks of the parties concerned (consumers, investors, institutional users) in connection with the products / services.* |
|  |
| **Risks of misconduct:** *Describe the potential external and internal risks of product / service misconduct and the intended way of handling them, including the risk of cybercrime, money laundering, fraud and inappropriate data management (e.g. theft of data).* |
|  |
| **The way of managing risks:** *Please describe the specific steps planned to prevent the risks listed above, e.g.*  *provision of information to clients, procedures for the materialization of customer risks, customer compensation (e.g. loss provision, liability insurance, guarantee).* |
|  |
| **Circumstances for granting the exemption** |
| **Request for exemption:**  *Please specify the regulation for which the deviation is requested, including the reasons for deviating from the provisions of the regulation. Please indicate a specific reference to the legal provision!* |
|  |
| **Need for testing:**  *Please explain here the reasons for granting a FITE licence. Please also explain how the solution you designed serves the purpose of FITE, and why you are unable to implement the innovation without participating in FITE!* |
|  |
| **Measuring test performance:** *Please describe the results, targets, and benchmarks you feel necessary to monitor and continuously backtest during the testing period, including the way you conduct the backtesting. In measuring effectiveness, also cover the topic of customer and partner satisfaction and the materialization of the benefits of the innovative solution.* |
|  |
| **Purpose of the testing:**  *Please explain the specific purpose of the testing and the planned steps following the completion of the testing. In your opinion, what kind of benefits the successful testing will have on the innovation and the actual market introduction and how do you plan to make your product / service available to domestic customers after testing?* |
|  |
| **Customers concerned by the innovative solution:** *Please describe and provide reasons for the maximum number of customers and transactions involved with the innovative solution in the test environment, as well as the set of clients and transactions for which you want to apply the innovative solution.* |
|  |
| **Exit strategy:**  *Please explain how you would terminate the service and manage the legal fate of the existing client and partner contracts according to the relevant laws in the event of a withdrawal of the testing licence before the deadline. Please explain the full details of these processes and also the way of the implementation and the deadlines of the process.* |
|  |