

Provisions of the CNB Organisational Statute fulfilling statutory requirements laid down in Articles 5 and 6 of the Recovery and Resolution Act and Article 44aa of the Act on the CNB

The Bank Board

- shall decide upon fundamental measures in the area of monetary and macroprudential policy, financial market supervision and resolution.
- shall issue first-instance decisions and, where relevant, approve provisions of a general nature on the application of resolution measures or the write-down and conversion of capital instruments where such procedure requires the approval of the Ministry of Finance, and also in cases of a significant systemic impact,
- the Bank Board shall decide in administrative proceedings on appeals and other legal remedies in respect of which it is a competent superior administrative authority pursuant to the Administrative Procedure Code,
- shall propose to the Minister of Finance CNB employees to be appointed members of the administrative board of the Financial Market Guarantee System.

Regulations for cooperation between the CNB's organisational units when carrying out resolution-related activities

- resolution-related activities under the Recovery and Resolution Act shall be performed within the areas of competence of the Resolution Department and carried out separately from other CNB activities, especially from financial market supervision; this shall be without prejudice to the areas of competence of the Bank Board,
- in discharging its responsibilities, the Resolution Department shall work in cooperation with the Financial Market Supervision Department, the Licensing and Enforcement Department, the Financial Stability Department and, where relevant, other CNB organisational units; this cooperation shall be performed so as to ensure separate execution of the powers of the Resolution Department, including compliance with the confidentiality duty pursuant to special legal rules,
- where the seriousness of the situation so requires, especially with respect to a possible systemic impact of a failure of an obliged entity under the Recovery and Resolution Act, the Bank Board shall establish, at the proposal of the Resolution Department, a project team comprising representatives of relevant CNB organisational units,
- at the joint decision of the Executive Director of the Resolution Department and the Executive Director of the Financial market Supervision Department, and, where relevant, directors of other organisational units of the CNB, issues relating to the execution of powers of relevant CNB organisational units in the area of resolution may be regulated in more detail,
- the Statistics and Data Support Department shall provide CNB organisational units with relevant data and information from statistical information systems and databases in the areas of competence of the Department; the Resolution Department shall be provided with limited-access data relating exclusively to the areas of competence of this CNB organisational unit at its request,
- depending on the extent and seriousness of the finding, especially where a Bank Board decision is necessary, the Bank Board shall be informed in a document produced by the CNB organisational unit which identified the finding.

Activities under the Recovery and Resolution Act carried out within the areas of competence of specific CNB organisational units

Financial Market Regulation and International Cooperation Department

The Executive Director of the Financial Market Regulation and International Cooperation Department shall be responsible for

- proposing the strategy and principles for regulation, supervision and resolution
- working in active cooperation with the European Supervisory Authorities and coordinating international cooperation in the area of financial market supervision and resolution,
- deciding, together with the Executive Director of the Financial Market Supervision Department in the area of supervision or with the Executive Director of the Resolution Department in the area of resolution, on whether the CNB will comply with the guidelines and recommendations of the European Supervisory Authorities.

The Financial Market Regulation and International Cooperation Department shall be responsible for

in the legislative and legal area

- working in cooperation with the Ministry of Finance and, where relevant, other central authorities and entities on preparing legislation in the area of supervision of financial market entities and resolution, including anti-money-laundering measures, and on preparing related legal rules, including cooperation on implementing recommendations or decisions of the European Supervisory Authorities,
- preparing draft provisions of a general nature in financial market regulation and supervision approved by the Bank Board using reference documents and analyses conducted in cooperation with the Financial Market Supervision Department and the Financial Stability Department and, where relevant, other CNB organisational units, with the exception of those delegated to another CNB organisational unit (e.g. the preparation of a draft provision of a general nature in respect of the countercyclical capital buffer or the systemic risk buffer or a draft provision of a general nature in respect of resolution),

in the area of cooperation and exchange of information with foreign institutions

- preparing reference documents for opinions and positions on materials produced by selected institutions and bodies of the EU, the ESCB, the ECB, the European Supervisory Authorities and other international organisations and institutions in the areas of regulation, supervision and resolution,
- preparing memoranda of understanding on cooperation with foreign supervisory authorities and on resolution, and methodological coordination of relations between the CNB and foreign supervisory and resolution authorities and regulators,
- working in cooperation and exchanging information with foreign institutions engaged in regulation and supervision and resolution and in the area of financial market analyses,
- coordinating and implementing financial market regulation measures taken by the European Supervisory Authorities in cases of emergency ,
- coordinating tasks arising from the CNB's peer review process conducted by the European Supervisory Authorities in the areas of financial market regulation and supervision and resolution.

Licensing and Enforcement Department

When the CNB is in the position of a first-instance administrative authority, the Executive Director of the Licensing and Enforcement Department shall

- appoint and dismiss the liquidator, temporary administrator or conservator of a financial market entity and set his remuneration,
- issue decisions in administrative proceedings conducted against financial market entities under special legislative acts in the area of licensing, approval and authorisation activities and in proceedings to refuse (partly) applications for the provision of information pursuant to

Act on Freedom of Information, where decision-making power does not lie with another CNB organisational unit, the Resolution Department in particular,

- decide on penalties against financial market entities and other entities, where decision-making power does not lie with another CNB organisational unit,
- submit to the General Secretariat a proposal for the nomination and dismissal of the liquidator of the financial market entity and a proposal for the winding up of the company where the financial market entity's licence was revoked, if the law stipulates that the CNB should submit such proposals.

The Licensing and Enforcement Department shall be responsible for in the area of licensing, approval and authorisation activities

- conducting proceedings to grant licences, authorisation and consent or on the registration and keeping of records in the financial market area and in other areas specified by legal regulations, with the exception of those delegated to another CNB organisational unit, and issuing decisions in such proceedings,
- conducting and issuing decisions in administrative proceedings other than penalty proceedings in the financial market area, with the exception of those delegated to another CNB organisational unit,

in the enforcement area

- conducting administrative proceedings in matters regarding shortcomings or administrative offences identified in the financial market, including proceedings on the imposition of temporary administration or conservatorship and on the appointment, dismissal or remuneration of temporary administrators or conservators, or on the imposition of early intervention measures under the Recovery and Resolution Act, with the exception of those delegated to another CNB organisational unit, and issuing decisions in such proceedings.

Financial Market Supervision Department

The Financial Market Supervision Department shall be responsible for executing powers of a competent supervisory authority under the Recovery and Resolution Act specifically in the area of recovery and resolution

- in cooperation with the Resolution Department, assessing the scope of limitation of requirements for recovery and resolution plans; it shall submit the resulting proposal to the Licensing and Enforcement Department for the issuance of a decision,
- checking the preparation and subsequent regular updating of the recovery plans of obliged entities under the Recovery and Resolution Act,
- assessing part of a recovery plan in cooperation with a competent supervisory authority of a Member State in which an institution carries on activities through a significant branch,
- providing the Resolution Department with consultations and information connected with the preparation of resolution plans, assessing the resolvability of obliged entities, removing impediments to their resolvability and setting the minimum requirement for own funds and eligible liabilities (MREL),
- assessing group financial support contracts and compliance with the conditions for providing group financial support and submitting a motion to the Licensing and Enforcement Department to issue a decision regarding consent to group financial support,
- calling upon an obliged entity under the Recovery and Resolution Act to activate a recovery plan should the obliged entity under the Recovery and Resolution Act fail to activate the recovery plan itself if it exceeds the set thresholds,
- monitoring and assessing individual recovery steps and their effectiveness,
- submitting motions to the Licensing and Enforcement Department to impose early intervention measures under the Recovery and Resolution Act,
- assessing whether an obliged entity under the Recovery and Resolution Act is failing or is likely to fail, notifying the Resolution Department of the failure or likely failure of that entity

and providing an opinion regarding the existence or non-existence of measures other than resolution measures which might avert the failure of that entity,

- forwarding obtained or assessed information that has a material impact on activities carried on by the Resolution Department to the said unit,
- providing the Resolution Department, and, where relevant, the Ministry of Finance, with resolution-related information, opinions and consultations,

in international cooperation

- cooperating with relevant supervisory colleges as part of a joint decision on capital and liquidity and in the assessment of group recovery plans, including group support and coordination of early intervention measures,
- participating in resolution colleges.

Resolution Department

The Resolution Department shall exercise powers of a resolution authority under the Recovery and Resolution Act, except in cases where the Bank Board makes decisions.

The Executive Director of the Resolution Department shall

- be responsible, within the scope of the powers delegated to him, for performing resolution-related activities; “resolution-related activities” means resolving failures of obliged entities under the Recovery and Resolution Act, planning resolution, removing obstacles to resolution eligibility, writing down and converting capital instruments, applying resolution measures, performing group resolution, carrying on activities or participating in resolution colleges and planning and managing resolution financing,
- provide for cooperation by the CNB at resolution-related meetings with the Ministry of Finance and the government,
- appoint and dismiss special managers,
- appoint and dismiss valuers for resolution purposes,
- be responsible for provisional valuations,
- approve resolution-related provisions of a general nature under the Recovery and Resolution Act in respect of obliged entities under the Recovery and Resolution Act, except in cases where the Bank Board makes decisions,
- issue first-instance decisions in administrative proceedings conducted in respect of resolution-related activities, except in cases where the Bank Board makes decisions,
- decide together with the Executive Director of the Financial Market Regulation and International Cooperation Department whether the CNB will proceed in accordance with the resolution-related guidelines and recommendations of the European Supervisory Authorities,
- inform the Financial Market Supervision Department in cases where it identifies that resolution measures taken in respect of individual entities have a major impact on activities carried on by the Financial Market Supervision Department

The Resolution Department shall be responsible for

in the legislative, legal and administrative area

- working with the Financial Market Regulation and International Cooperation Department on the preparation of legislation relating to resolution-related activities,
- working with the Financial Market Regulation and International Cooperation Department on the preparation of opinions on the documents and proposals of international organisations and institutions relating to resolution-related activities,
- conducting resolution-related administrative proceedings and issuing decisions in such proceedings, except in cases where the Bank Board makes decisions,
- preparing draft provisions of a general nature relating to resolution-related activities,
- conducting resolution-related administrative proceedings, including providing necessary reference documents in cases where the Bank Board makes decisions,

- preparing opinions and reference documents for the Bank Board and the Appeals Committee when a remedial action is filed against a decision,
- after discussion with the Financial Market Guarantee System, setting the annual target level of contributions to the Resolution Fund and deciding on payment commitments to the Resolution Fund and publishing the amount of contributions in an Official Information document,
- preparing motions for the opening of proceedings which are to be conducted by another CNB organisational unit, especially the Licensing and Enforcement Department, within the scope of the department's defined areas of competence,

in the preparation of resolution

- methodology for ensuring the performance of resolution-related activities, including the principles of communication in this area,
- in cooperation with the Financial Market Supervision Department, assessing the scope of limitation of requirements for recovery and resolution plans,
- preparing and regularly updating resolution plans on a solo or group basis and contributing to the preparation of such plans on a group level,
- informing the Bank Board of the preparation of resolution plans, especially those for systemically important institutions,

in the resolution area

- deciding on the application of resolution measures,
- in the event of application of a bridge institution or asset management vehicle, working with the Ministry of Finance on establishing the bridge institution or asset management vehicle,
- assessing information obtained from a special manager in the execution of special management,

in specific areas

- communicating with relevant financial market entities and authorities, including requesting the necessary cooperation, information and reference documents in order to prepare resolution plans,
- ensuring methodological cooperation with the Statistics and Data Support Department when preparing reporting for resolution-related activities,
- working with the Financial Market Guarantee System in the preparation of resolution plans where its participation is necessary,
- participating in the preparation, implementation and assessment of exercises of dealing with adverse situations and resolution exercises and other simulation exercises,
- preparing reference documents for the General Secretariat for dealing with submissions, suggestions and enquiries from the public and concerned financial situations regarding practical aspects of resolution-related activities within the CNB,

in the area of cooperation with international institutions and EU institutions

- working in cooperation with competent European resolution authorities and other relevant entities within the EU in the performance of resolution-relevant activities,
- participating in resolution colleges,
- in cooperation with the Financial Market Regulation and International Cooperation Department and the General Secretariat, negotiating on behalf of the CNB in respect of both binding and non-binding mediation with European Supervisory Authorities regarding resolution-related issues,
- preparing reference documents for opinions and, where relevant, opinions on documents produced by EU bodies and institutions relating to resolution-related activities.