

Pursuant to Article 44 paragraph (2) item 3) of the Central Bank of Montenegro Law (OGM 40/10, 6/13, 70/17, 125/23), and Article 29 paragraph (9) and Article 33a paragraph (2) of the Law on Resolution of Credit Institutions (OGM 72/19, 8/21, 113/24, 14/26), the Council of the Central Bank of Montenegro, at its meeting held on 27 February 2026, passed the following

DECISION

AMENDING THE DECISION ON MORE DETAILED METHOD FOR DETERMINING MINIMUM REQUIREMENTS FOR OWN FUNDS AND ELIGIBLE LIABILITIES OF CREDIT INSTITUTIONS AND THE REPORTING METHOD

Article 1

In the Decision on More Detailed Method for Determining Minimum Requirements for Own Funds and Eligible Liabilities of Credit Institutions and the Reporting Method (OGM 29/25, 10/26), in Article 3 paragraphs (1), (3), (10) and (11), the words: "Article 29 paragraph (4)" shall be replaced by the following: "Article 29 paragraph (6)".

Article 2

After Article 3, a new Article shall be added worded as follows:

"Determining MREL for a credit institution in respect of which a resolution plan provides carrying out of bankruptcy proceedings

Article 3a

(1) Where the Central Bank determines the requirement referred to in Article 29 paragraph (1) of the Law, a credit institution or an entity planned for bankruptcy shall meet that requirement by using one or more of the following:

- 1) own funds;
- 2) liabilities that fulfil the eligibility criteria, or eligible liabilities items referred to in Article 71 of the Decision on Capital Adequacy, with the exception that the conditions laid down in Article 72 paragraph (2) items 2) and 4), of that Decision shall not apply to the fulfilment of those items;
- 3) the liabilities referred to in Article 6 paragraph (3) of this Decision.

(2) Provisions of Article 87 paragraph (2) and Article 95 of the Decision on Capital Adequacy shall not apply to credit institutions or entities planned for bankruptcy for which

the Central Bank has not determined the MREL referred to in Article 29 paragraph (1) of the Law.

(3) Holdings of own funds instruments and eligible liabilities instruments issued by credit institutions that are subsidiary undertakings, which are entities planned for bankruptcy for which the Central Bank has not determined the MREL in accordance with Article 29 paragraph (1) of the Law, shall not be deducted in accordance with Article 75 paragraphs (7) to (10) of the Decision on Capital Adequacy.

(4) By way of exception from paragraph (3) of this Article, a credit institution or a legal person referred to in Article 3 items 2), 3) and 4) of the Law that is not itself a resolution entity, but is a subsidiary undertaking of a resolution entity or of a third-country entity that would be a resolution entity if it had a head office in Montenegro, shall deduct its holdings of own funds instruments in credit institutions that are subsidiary undertakings that belong to the same resolution group and that are entities planned for bankruptcy for which the Central Bank has not determined the MREL in accordance with Article 29 paragraph (1) of the Law, where the aggregate amount of those holdings is equal to or exceeds 7% of the total amount of its own funds and liabilities that comply with the eligibility criteria specified in Article 7 paragraphs (2) and (3) of this Decision, calculated annually as of 31 December as an average over the previous 12 months.”.

Article 3

In Article 4 paragraphs (1) and (3), the words: “Article 29 paragraph (4)” shall be replaced by the following: “Article 29 paragraph (6)”.

Article 4

In Article 7, after paragraph (3) two new paragraphs shall be added worded as follows:

“(4) Where an entity as referred to in paragraph (1) of this Article complies with the requirement referred to in Article 29 of the Law on a consolidated basis, the amount of own funds and eligible liabilities of that entity shall include the following liabilities issued in accordance with paragraph (2) of this Article by a subsidiary undertaking with a head office in Montenegro included in the consolidation of that entity:

- 1) liabilities issued to and bought by the resolution entity, either directly, or indirectly through other entities in the same resolution group that are not included in the consolidation of the entity complying with the MREL on a consolidated basis;
- 2) liabilities issued to an existing shareholder that is not part of the same resolution group.

(5) The liabilities referred to in paragraph (4) of this Article may not exceed the amount determined by subtracting from the amount of the MREL referred to in Article 29 of the Law applicable to the subsidiary undertaking included in the consolidation the sum of all of the following:

- 1) the liabilities issued to and bought by the entity complying with the MREL on a consolidated basis either directly, or indirectly through other entities in the same resolution group that are included in the consolidation of that entity;
- 2) the amount of own funds that are issued in accordance with paragraph (3) of this Article.”.

Article 5

In Article 8 paragraph (1) item 1) and paragraph (7) item 3), the words: “Article 29 paragraph (4)” shall be replaced by the following: “Article 29 paragraph (6)”.

In paragraph (9) a full stop at the end of the sentence shall be replaced by a comma, and the following shall be added: “except in the case referred to in Article 3a paragraph (1) of this Decision.”.

Article 6

In Article 9 the words: “Article 66” shall be replaced by the following: “Article 72”.

Article 7

This Decision shall enter into force on the eighth day following that of its publication in the “Official Gazette of Montenegro”.

COUNCIL OF THE CENTRAL BANK OF MONTENEGRO

Decision number: 0101-1771-7/2026

Podgorica, 27 February 2026

CHAIRPERSON

GOVERNOR

Irena Radović, m.p.